

## Property – buildings

### Policy wording

The General terms and conditions, the Property definitions and the following terms and conditions all apply to this section.

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### Special definitions for this section

**Rent receivable**                      Rent that **you** cannot legally recover from **your** tenants while the **buildings** or any part are unusable as a result of insured **damage**.

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**What is covered**                      **We** will insure **you** against **damage** occurring during the **period of insurance** to insured **buildings** or any other items specified under this section in the schedule.

**Additional cover**                      The following are also provided up to the amount stated in the schedule:

- Trace and access                      1.    **we** will pay for the necessary and reasonable costs **you** incur with **our** consent to locate any **damage** to cables, underground pipes and drains or the source of a gas leak or of any escape of water from permanent internal plumbing, where the **damage**, leakage or escape first occurs during the **period of insurance**. **We** will also pay the cost to make good any **damage** caused as a consequence of locating the **damage** or source of leakage or escape.
- Emergency services                      2.    **we** will pay for the cost of any fire brigade charges and other extinguishing expenses and other charges made by any organisation responsible for preservation of public safety, including replacing sprinklers, for which **you** are liable following **damage** occurring during the **period of insurance** to insured **buildings** not otherwise excluded.
- Loss prevention costs                      3.    **we** will pay for necessary and reasonable costs that **you** incur to protect the **buildings** from imminent insured **damage** occurring during the **period of insurance**.
- Additions to buildings                      4.    **we** will pay for **damage** occurring during the **period of insurance** to any additions or improvements to the **buildings** once they are completed and become **your** legal responsibility, provided **you** tell **us** the additional values as soon as possible and pay the appropriate premium.
- Inadvertent omissions                      5.    having notified **us** of the intention to insure all **buildings** in which **you** have an interest and it being **your** understanding that all **property** is accounted for, if any such **property** is found to have been omitted, **we** will deem it to be insured within the terms of this **policy**. This is subject to payment of the appropriate premium either from **policy** inception or from the date which **you** became legally responsible for such **property**.
- Selling the buildings                      6.    if **you** are selling the **buildings**, this **policy** will cover the **buildings** for the buyer from the time **you** exchange contracts to the time of completion, unless the buyer is insured by, or has the benefit of, any other insurance. To obtain the benefit of this additional cover, the buyer must comply with the terms of this **policy**.
- Trees, shrubs and plants                      7.    **we** will pay for **damage** occurring during the **period of insurance** to trees, shrubs or plants at the **insured premises**, which are owned by **you** or for which **you** are legally responsible, as a result of fire or explosion.
- Discharge of oil                      8.    **we** will pay the necessary and reasonable additional costs and expenses **you** incur with **our** consent to clean and decontaminate the land at the **insured premises** following accidental discharge of oil from any oil fired heating appliance or storage tank, including connected pipework, occurring during the **period of insurance**.
- Solar panels                      9.    **we** will pay for:
- a.    the loss of the feed-in tariff and export tariff **you** would have received; and
  - b.    the increase in **your** electricity bill;

as a direct result of **damage** to any solar panels covered under this section. **We** will pay for the period beginning on the date of the **damage** until the solar panels are repaired or replaced but for no longer than six months.

Removal of debris

10. **we** will pay the necessary and reasonable costs and expenses **you** incur for clearance of the debris of **buildings** from the **insured premises** or the area immediately adjacent following **damage** covered under this section.

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## What is not covered

**We** will not make any payment for:

1. **damage** caused by:
  - a. wear and tear, inherent defect, rot, fungus, mould, vermin or infestation, or any gradually operating cause;
  - b. settlement or bedding down of new structures;
  - c. settlement or movement of made-up ground;
  - d. coastal or river erosion;
  - e. collapse or cracking, other than **damage** to the main building resulting from **subsidence**;
  - f. **subsidence**:
    - i. to walls, gates and fences, car parks, yards, private roads, pavements and paths unless the main building is physically damaged at the same time and by the same cause;
    - ii. to solid floors unless the walls are physically damaged at the same time and by the same cause;
  - g. demolition, building work or groundwork on the **insured premises**;
  - h. a rise in the water table;
  - i. pressure waves caused by aircraft or other aerial devices travelling at supersonic speeds;
  - j. **storm** or **flood** to gates or fences; or
  - k. any **virus**.
2. **damage** to any **computers, equipment**, oil and water storage tanks or electrical or mechanical plant or equipment directly resulting from its own **failure**.
3. misuse, faulty workmanship, defective design or the use of faulty materials.
4. the cost of maintenance or routine redecoration.
5. any indirect losses which result from the incident which caused **you** to claim.
6. a. **damage** caused solely by pollution or contamination; or
  - b. any costs or expenses relating to the clean up or decontamination of land caused by pollution or contamination. This does not apply to the cover under **What is covered**, Discharge of oil.
7. the amount of the **excess**.
8. any **damage**, loss, cost or expense directly or indirectly caused by, contributed to by, resulting from or in connection with any of the following:
  - a. **terrorism**;
  - b. civil commotion in Northern Ireland;
  - c. **war**;
  - d. **confiscation**;
  - e. **nuclear risks**;
  - f. **communicable disease** or the fear or threat of **communicable disease**; or
  - g. any action taken in controlling, preventing, suppressing or in any way responding to a. to f. above.

If there is any dispute between **you** and **us** over the application of 8a or 8b above, it will be for **you** to show that the clause does not apply.

## How much we will pay

### Rebuilding and repair

**We** will pay up to the **amount insured** unless amended below or in the schedule, but **we** will not pay more than the **amount insured** in total for the cost of rebuilding or repair and other costs combined.

**We** will pay the cost of rebuilding or repairing the **buildings** to a condition equal to but not better or more extensive than their condition when new, provided **you** carry out the rebuilding or repair and do so without unreasonable delay.

### Other costs

**We** will pay the following necessary and reasonable costs and expenses **you** incur in rebuilding or repairing following **damage** insured by this section:

- a. the cost of dismantling, demolishing, shoring up or propping up any part of the **buildings**;
- b. the cost of complying with any statutory or local authority requirement regarding the damaged part of the **buildings**, unless notice of such requirement was served before the **damage** and provided the **buildings** were originally built according to any government and local authority regulations in force at that time;
- c. the fees of architects, surveyors or consulting engineers;
- d. clearing, cleaning and repairing drains, gutters, sewers and the like on the **insured premises** which are blocked or damaged.

**We** will not pay for the cost of preparing a claim.

### Special rebuilding conditions

**You** may rebuild or replace **buildings** which are totally destroyed in any manner suitable to **your** requirements and/or on another site provided this does not increase the cost.

### Inflationary provision cover

Provided that **you** advise **us** of the rebuilding value of the **buildings** at the beginning of each **period of insurance**, the **amount insured** will be automatically increased by an additional percentage to take account of any inflationary increases over both the **period of insurance** and the period needed to rebuild or repair the **buildings**.

**Your** schedule will show if inflationary provision cover applies and the additional percentage amount.

### Under insurance

If, at the time of **damage**, **we** establish that:

1. the **amount insured**; or
2. the **declared amount**, where **you** have selected a **first loss limit** which is stated on the schedule;

does not represent the amount it would cost to reinstate the buildings, including an allowance for other costs, **we** will reduce the amount **we** pay for any claim or loss in the proportion that the premium **you** have paid bears to the premium **we** would have charged **you** if **you** had declared the actual cost of reinstatement.

**We** will only apply this calculation if:

1. **we** establish that the values declared to **us** are less than 85% of the actual reinstatement cost; and
2. **we** establish that **your** failure to declare the actual reinstatement cost was not deliberate or reckless and was a breach of **your** obligation to:
  - a. make a fair presentation of the risk to **us** before the start of the **period of insurance**; or
  - b. notify **us** of a change of circumstances in relation to the reinstatement cost of the **buildings**, which may materially affect the **policy**; or
  - c. make a fair presentation of the risk to **us** when notifying **us** of a change of circumstances in relation to the reinstatement cost of the **buildings** which may materially affect the **policy**.

This remedy may apply in addition to General conditions 2. b.ii. and 4. b. ii. If **your** failure to declare the actual reinstatement cost was deliberate or reckless, the remedy under General conditions 2.a. or 4.a. will apply.

**Index linking**

If **you** decide to renew this policy with **us**, **we** will automatically adjust the **amount insured** or **declared amount**, as appropriate, for **buildings** for the subsequent **period of insurance** in line with any change in nationally publicised indices. **You** should advise **us** if **you** do not want **us** to increase the **amount insured** or **declared amount** in this manner. However, **we** will not reduce the **amount insured** or **declared amount** without **your** consent.

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**Your obligations****If any damage occurs**

**We** will not make any payment under this section unless **you**:

1. notify **us** promptly of any **damage** which might be covered;
2. report to the police, as soon as is reasonably possible, any **damage** arising from theft, arson, malicious damage, riot or civil commotion and obtain a crime reference from them;
3. arrange for urgent repairs to be done immediately. Before any other repair work begins **we** have the right to inspect the damaged **property**. **We** will tell **you** if **we** want to do this.

**Unoccupancy**

**You** must tell **us** immediately if the **buildings**, including any self-contained areas of the **buildings**, will be left unoccupied or will not be used for more than 30 consecutive days. **We** may change the terms and conditions of this **policy** or impose additional requirements that **you** must carry out. If **we** impose additional requirements **we** will tell **you** the timeframes within which **you** must carry them out.

If **you** do not tell **us**, **we** will not make any payment for **damage** occurring while the **buildings** are unoccupied.

**Building works**

If **you** intend to undertake any work to extend, renovate, build or demolish any part of the **buildings** and the estimated cost is more than £75,000, **you** must tell **us** about the work at least 30 days before the work starts and before **you** enter into any contract for the works. **We** may change the terms and conditions of this **policy** or impose additional requirements that **you** must carry out. If **we** impose additional requirements **we** will tell **you** the timeframes within which **you** must carry them out.

If **you** do not tell **us**, **we** will not make any payment for **damage** directly or indirectly caused by or resulting from the building works.

**You** do not have to tell **us** if the work is for redecoration only.

**Deep fat frying**

In respect of any deep fat frying apparatus at the **insured premises**, **you** must ensure that:

1. all extraction hoods, canopies, filters and grease traps are cleaned at least once every seven days; and
2. all extraction ducts are cleaned at least once every six months.

**We** will not make any payment under this section in respect of any incident occurring while **you** are not in compliance with these conditions unless **you** can demonstrate that such non-compliance could not have increased the risk of the **damage** occurring in the circumstances in which it occurred.

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**Special conditions****Workmen**

Workmen are permitted in or about any of the **buildings** for the purposes of carrying out minor alterations, repairs, decoration and maintenance without invalidating this insurance.