

Property – contents

Policy wording

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

Special definitions for this section

Art and collections	Art, antiques and collectibles of particular value due to their age, style, artistic merit or collectability.
Contents	<p>The contents of the insured premises used in connection with your activities which belong to you or for which you are legally responsible, including:</p> <ol style="list-style-type: none">1. computers;2. stock;3. prototypes;4. art and collections;5. fixtures and fittings, tenant's improvements, decorations and general contents including, if attached to the building, external signs, aerials and satellite dishes; and6. pipes, ducting, cables, wires and associated control equipment within the insured premises and extending to the public mains. <p>The following are not included within this definition:</p> <ol style="list-style-type: none">a. any mechanically propelled vehicle or mobile plant or equipment for which insurance or security is required under the provisions of any road traffic legislation;b. any watercraft, marine rig or platform, hovercraft, aircraft, drone or other aerial device;c. buildings, land and water;d. fixed glass in windows, doors and fanlights, glass showcases, glass shelves, mirrors and sanitary fixtures and fittings;e. money; orf. any item attached to any of the above.
Crime	Dishonesty of any person under a contract of service with you where there was a clear intention to cause you financial loss or damage and to obtain personal financial gain over and above salary, bonus or commission.
Employees' cycles	Cycles and cycle accessories which belong to your partners, directors, trustees, committee members, employees or volunteers or for which such persons are legally responsible.
Personal effects	Articles worn, used or carried about the person which belong to your partners, directors, trustees, committee members, employees, volunteers or visitors to the insured premises or for which such persons are legally responsible.
Rent payable	Rent for the insured premises that you must legally pay while the insured premises or any part of it is unusable as a result of damage insured by this section.
What is covered	We will insure you against damage occurring during the period of insurance to contents contained in the insured premises and any other items specified in the schedule.
Additional cover	The following are also provided up to the amount stated in the schedule:
Glass	<ol style="list-style-type: none">1. damage occurring during the period of insurance to any fixed glass in windows, doors and fanlights, glass showcases, glass shelves, mirrors and sanitary fixtures and fittings contained in the insured premises, which belongs to you or for which you are legally responsible.



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| Costs following glass breakage | 2. the necessary and reasonable costs you incur following breakage or scratching during the period of insurance of glass, which belongs to you or for which you are legally responsible, for: <ol style="list-style-type: none">a. temporary boarding-up;b. repair of window frames or removal or replacement of fixtures and fittings in the course of replacing the glass;c. replacement lettering or other ornamental work and alarm foil on glass. |
| Additions to contents | 3. damage occurring during the period of insurance to any additional contents , provided you tell us the additional values as soon as possible and pay the appropriate premium. |
| Identity fraud | 4. the following reasonable and necessary expenses you have to pay solely as a direct result of an identity fraud occurring during the period of insurance : <ol style="list-style-type: none">a. solicitor's fees to defend a claim against you by financial institutions, to remove incorrect judgments, to challenge a credit rating or to witness your signature;b. the cost of sending letters by certified post and making telephone calls to the police, financial institutions and credit agencies;c. fees charged when you re-apply for a commercial loan that was originally rejected. |
| Personal effects | 5. damage occurring within a building at the insured premises during the period of insurance to personal effects provided they are not insured elsewhere. However we will not make any payment under this additional cover for money or jewellery. |
| Employees' cycles | 6. damage occurring within a building at the insured premises during the period of insurance to employees' cycles provided they are not insured elsewhere. |
| Reconstitution of electronic data | 7. the reasonable cost of reconstitution of data as a direct result of damage covered under this section. |
| Reconstitution of documents | 8. the reasonable costs of replacing or reconstituting your documents that are not held electronically and which you need to continue your activities , if such documents have been lost or destroyed as a direct result of damage covered under this section. |
| Lock replacement | 9. the costs you incur to replace locks and keys necessary to maintain the security of the insured premises or any safes or security control apparatus following theft or loss of keys during the period of insurance . |
| Building damage by theft | 10. the cost of repairing damage occurring during the period of insurance to the buildings at the insured premises caused by theft or attempted theft and for which you are legally liable. |
| Metered water and fuel | 11. the cost that you incur for any metered water and fuel used at the insured premises when such water or fuel has been accidentally released or rendered unusable for its intended purpose as a direct result of damage occurring during the period of insurance to any storage tank, equipment or piping resulting from a cause not otherwise excluded. |
| Unauthorised use of utilities | 12. the cost to you of any metered water, gas or electricity that you did not use, but you are legally responsible for due to a third party using your metered water, gas and electricity without your authorisation provided that you discover the unauthorised or unlawful use during the period of insurance . |
| Accidental discharge of gas system | 13. the necessary and reasonable costs that you incur to refill the cylinders of any gas flooding system installed at the insured premises , following accidental discharge of the system during the period of insurance . |
| Extinguisher and alarm re-setting expenses | 14. the necessary and reasonable costs and expenses you incur in order to refill fire extinguishing appliances, replace sprinkler heads and reset the fire or intruder alarm system following damage covered under this section. |
| Loss prevention costs | 15. the necessary and reasonable costs you incur to protect the contents from imminent damage that would be covered under this section. |
| Removal of debris | 16. the reasonable costs and expenses you incur for clearance of the debris of contents from the insured premises or the area immediately adjacent following damage covered |

under this section.

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| Defective title – art and collections | 17. if, during the period of insurance , someone claims that an item of art and collections is not rightfully yours and you are legally obliged to return the item to its rightful owner because it is proved that you do not have good title to it, we will pay you the amount you paid for it, or the agreed value if the item is individually valued in the schedule or contained in any valuation lodged with us and this value is less. We will only do this if: <ol style="list-style-type: none"> a. you bought the item during the period that the fine art has been insured with us; and b. you made reasonable enquiries about the item’s provenance before you bought it. |
| Outdoor items | 18. damage occurring during the period of insurance to outdoor furniture, heaters, ornaments, statues and other similar items that are normally left outdoors within the confines of the insured premises . |
| Refrigerated stock | 19. the necessary and reasonable costs and expenses you incur to replace spoiled refrigerated stock stored in a refrigeration unit at the insured premises where such spoilage was caused by: <ol style="list-style-type: none"> a. a fault in the refrigeration unit; b. escape of refrigerant; or c. failure of the public supply of electricity or gas, unless the failure is as a result of a deliberate act of the supply authority to withhold or restrict supply, occurring during the period of insurance , provided that the refrigeration unit is: <ol style="list-style-type: none"> i. less than five years old at the date of loss; or ii. maintained under annual contract by a suitably qualified refrigeration engineer. |
| Continuing hire charges | 20. continuing hire charges for contents hired in by you while such contents are being repaired or until permanently replaced as a direct result of damage covered under this section, provided you are legally liable for such costs. |
| Crime | 21. your direct financial loss if, during the period of insurance and in the performance of your activities , you discover a loss from crime , provided: <ol style="list-style-type: none"> a. the crime was committed during the period that your contents have been continuously insured with us; and b. the crime was not committed after any director, partner, trustee, committee member, senior manager or officer of you first becomes aware of any crime committed by the person under a contract of service with you. |
| Undamaged fixtures and fittings | 22. tenant’s fixtures and fittings if your lease is cancelled by the lessor as a consequence of damage occurring during the period of insurance to the insured premises , provided the cancellation is a valid condition of your lease and that you are unable to save such fixtures and fittings. We will only cover undamaged fixtures and fittings where the schedule shows a limit for fixtures and fittings. |
| Contents temporarily elsewhere | 23. damage occurring during the period of insurance to contents , excluding handheld devices , temporarily elsewhere in the United Kingdom , including while: <ol style="list-style-type: none"> a. at the home of any director, partner, trustee, committee member, employee or volunteer of yours; b. at any location where you are attending a promotional event or exhibition in connection with your activities; c. at any location for the purpose of cleaning, maintenance, repair or restoration; and d. in transit. |

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. dryness or humidity, being exposed to light or extreme temperatures, unless this is a result of **storm** or fire. This clause does not apply to the cover under **What is covered**, Refrigerated stock;
 - c. coastal or river erosion;
 - d. a rise in the water table;
 - e. theft from an **unattended vehicle** unless the item is completely hidden within the storage compartment, locked boot or locked trailer of the vehicle and all security measures on the vehicle or trailer are fully operational; or
 - f. a **virus** or **hacker**.
2. **damage** to any item being cleaned, worked on or maintained.
 3. **damage** to any item directly resulting from its own **failure**.
 4. loss or distortion of information resulting from error or malfunction of **contents**.
 5. the value to **you** of any lost or distorted information.
 6. misuse, inadequate or inappropriate maintenance, faulty workmanship, defective design or the use of faulty materials.
 7. unexplained loss or disappearance or inventory shortage.
 8. loss due to clerical or accounting errors.
 9. loss by fraud or dishonesty, other than the direct physical theft of **property**. This does not apply to the cover under **What is covered**, **Additional cover**, Crime.
 10. consequential, indirect or financial losses of any kind, other than as provided under **What is covered**, **Additional cover**.
 11.
 - 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.
 12. the amount of the **excess**.
 13. 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 13a or 13b above, it will be for **you** to show that the exclusion does not apply.

Special condition

Change of insured premises

If:

1. **you** notify **us** that **you** are changing **insured premises**; and
2. **we** agree to cover **you** for **damage to contents** at **your new insured premises** after **you** move;

we will continue to insure **you** for **damage to contents** contained in **your former insured premises**. This cover will be provided:

- a. for a maximum of 30 days from the date cover starts at the new **insured premises**; or
- b. until the keys to the former **insured premises** are returned by **you**; or

c. until **we** cease to provide any cover for **damage to contents** at **your** new **insured premises**; whichever is the soonest. If the cover for **damage to contents** is provided on a different basis at the new **insured premises**, the cover provided under this Special condition for **damage to contents** at the former **insured premises** will continue on the same basis as that which previously applied.

The cover provided under this Special condition does not increase the **amount insured**.

How much we will pay

Repair and replacement

We will pay up to the **amount insured** stated in the schedule unless amended below or in the schedule.

At our option **we** will repair, replace or pay for any lost or damaged items on the following basis:

1. for **contents**, other than **stock**, hired-in equipment, **prototypes**, **art and collections**, **personal effects** and **employees' cycles**, the cost of repair or replacement as new.
2. for **stock** other than second-hand merchandise goods, merchandise goods which have been sold but not delivered and goods held in trust, the cost of repair or replacement at the cost price to **you**.
3. for second-hand merchandise goods, the cost of repair or replacement at the trade market value.
4. for merchandise goods which have been sold but not delivered, the agreed contract price.
5. for hired-in equipment, the lesser of:
 - a. the extent of **your** legal liability in respect of repairing or replacing the hired-in equipment as specified in the hire contract;
 - b. the costs of repair of the hired-in equipment; and
 - c. the costs of replacement of the hired-in equipment with a model of equivalent specification, age and condition.
6. for goods held in trust, the lesser of:
 - a. **your** liability in respect of the goods held in trust; and
 - b. the cost of repair or replacement at the trade market value of such goods.
7. for **prototypes**, the cost to **you** of the materials necessary to reinstate the **prototype** to the same condition as it was in immediately prior to **damage** occurring.
8. for **art and collections**, the agreed value of any lost or damaged item which is individually valued in the schedule or contained in any valuation lodged with **us**. However, if the item is only partly damaged, **we** will decide whether **we** repair, restore, replace or pay the agreed value of the damaged item. If **we** repair or restore a damaged item, **we** will also pay for any loss in value.
 For any item of **art and collections** which has not been individually valued in the schedule or valuation, **we** will decide whether **we** repair, restore, replace or make a cash settlement for that item. If **we** choose to make a cash settlement, **we** will pay the market value of the item immediately prior to the **damage**, taking account of any increased value the item may have because it forms part of a pair or set. The most **we** will pay for any one item, pair or set is the amount stated in the schedule.
9. for **personal effects**, the cost of repair or replacement as new, but not more than the amount stated in the schedule for each incident of loss.
10. for **employees' cycles**, the cost of repair or replacement as new, but not more than the amount stated in the schedule for each incident of loss.

Pairs and sets

If any **contents** which have an increased value because they form part of a pair or set are **damaged** any payment **we** make will take account of the increased value.

Other interests

Any payment **we** make will take into account the interest of any party having an insurable interest in the **contents** insured, provided **you** have advised **us** of the nature and extent of the interest together with the name and address of that interested party.

Inflationary provision cover

Provided that **you** advise **us** of the replacement value of the **contents** at the beginning of each **period of insurance**, the **amount insured** will automatically be increased by an

additional percentage to take account of any inflationary increases over the **period of insurance**. **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 total value of the **contents**, **we** will reduce the amount **we** pay in the proportion that the premium **you** have paid bears to the premium **we** would have charged **you** if **you** had declared the total value of the **contents**.

We will only apply this calculation if:

1. **we** find that the **amount insured** is less than 85% of the **contents**; and
2. **we** establish that **your** failure to declare the total value of the **contents** 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 total value of the **contents**, 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 total value of the **contents** 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 total value of the contents was deliberate or reckless, the remedy under General conditions 2.a. or 4.a. will apply.

Index linking

If **you** decide to renew this section with **us**, **we** will automatically adjust the **amount insured** or **declared amount**, as appropriate, for **contents** 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.

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. notify **us** promptly of any claim that an item of **art and collections** is not rightfully **yours**;
3. notify **us** of any loss from **crime** within ten working days of its discovery by **you**;
4. report to the police or relevant local authority, as soon as reasonably possible, any **damage** arising from theft, arson, malicious damage, riot or civil commotion and obtain a crime reference from them; and
5. 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.

Backing-up electronic data

You must take all reasonable steps to make back-up copies of data at least once a week and keep the copies away from the **insured premises**. If **you** do not, **we** may reduce any payment **we** make by an amount equal to the detriment **we** have suffered as a result.

Hiring in equipment

When hiring in **property** **you** must complete and record an inventory check and inspect all **property** for **damage** prior to acceptance and agree a schedule of any **damage** with the hire company before taking charge of the **property**. Upon returning the **property** to the hire company **you** must only return the **property** to persons authorised within the hire company to accept the return of equipment.

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.

Protections

1. **You** must ensure that all fire alarms, security systems and physical protections notified to **us** are in full operation whenever the **insured premises** is left unattended, unless **you** have already advised **us** that a system is not working properly.
2. **You** must also advise **us** as soon as reasonably possible if for any reason a system is not working properly. **We** may then vary the terms and conditions of this **policy**. All systems must be regularly serviced under contract by a reputable company at least annually.

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.

Unoccupancy

You must tell **us** immediately if the **insured premises**, 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 **insured premises** is unoccupied.

Building works

If **you** intend to undertake any work to extend, renovate, build or demolish any part of the buildings at the **insured premises** 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.

Unauthorised use of utilities

If the **insured premises** is not occupied by **you**, **you** must inspect the **insured premises** at least weekly and take action to prevent further losses as any potential unauthorised use is discovered.

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.