Property Damage All Risks Section

Definitions

Damage/Damaged
Accidental loss or destruction of or damage to Property Insured.

Specified Events
Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any tank apparatus or pipe or impact by any road vehicle or animal.

Premises
The Buildings at the address or addresses shown in the Schedule, including their grounds, all within the boundaries for which the Insured are responsible and being, unless more specifically described in the Schedule, occupied solely by the Insured for the purpose of the Business.

Property/Property Insured
Buildings, Contents, Stock and other items shown and/or described in the Schedule.
The Insurer agrees to accept the heading under which any Property or other item has been entered in the books of the Insured.

Buildings
The buildings shown in the Schedule being, unless more specifically described, built mainly of brick, stone, concrete or other non-combustible materials, including
- landlord's fixtures and fittings, walls, gates and fences and so far as they are not otherwise insured
- small outside buildings, annexes, gangways, conveniences and other structures
- extensions communicating with the Buildings
- roads, car parks, yards, paved areas, pavements and footpaths.

Contents
Machinery, plant and all other contents belonging to the Insured or held by the Insured in trust and for which the Insured are responsible (other than landlord's fixtures and fittings, stock and other property specifically described in the Schedule) whilst in or on the Buildings, including
- tenants' improvements, alterations and decorations
- contents in the open yards
- Money, for an amount not exceeding £1,000 in total
- deeds, documents, manuscripts and business books, but only for the cost of the materials and clerical labour expended in reproducing such records
- computer systems records, but only for the cost of the materials and of clerical labour and computer time expended in reproducing such records, for an amount not exceeding £25,000 in total
- patterns, models, moulds, plans or designs and so far as they are not otherwise insured
- employees', directors' and visitors' personal effects of every description (other than motor vehicles), for an amount not exceeding £500 for any one person.

Stock
Stock and materials in trade belonging to the Insured or held by the Insured in trust and for which the Insured are responsible, whilst in the Buildings or in the open yards.
Money
Cash, bank and currency notes, cheques, crossed bankers drafts, postal orders, luncheon vouchers, current postage stamps, trading stamps, National Insurance stamps, Holiday with Pay stamps, National Savings stamps, National savings certificates, Premium Bonds, credit sales vouchers or receipts, VAT purchase invoices, unexpired units in franking machines, gift tokens and consumer redemption vouchers belonging to the Insured or for which the Insured are responsible.

Unoccupied
Any building or part of any building which is empty or not in use by the Insured or any tenant of the Insured.
The Insurer will pay the Insured for Damage to Property Insured at the Premises shown in the Schedule, excluding

1. Damage caused by or consisting of
   a. inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials
   b. the bursting of any boiler (not being a boiler used for domestic purposes only), economiser or other vessel, machine or apparatus belonging to the Insured or under the control of the Insured in which internal pressure is due to steam only
   c. pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds
   but the Insurer will pay for subsequent Damage which itself results from a cause not otherwise excluded
   d. faulty or defective workmanship by the Insured or any employee of the Insured
   e. operational error or omission by the Insured or any employee of the Insured
   but the Insurer will pay for
      i. such Damage not otherwise excluded which itself results from a Specified Event
      ii. subsequent Damage which itself results from a cause not otherwise excluded
   f. acts of fraud or dishonesty by any partner, director or employee of the Insured
   but the Insurer will pay for such Damage not otherwise excluded which itself results from a Specified Event.

2. Damage caused by or consisting of
   a. corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
   b. change in temperature, colour, flavour, texture or finish
   c. theft or attempted theft
      i. which does not involve entry to or exit from a Building by forcible and violent means or hold-up by violence or threat of violence to the Insured or any partner, director or employee of the Insured or any other person who has a legal right to be on the Premises
      ii. to property in the open or in open fronted Buildings or in Buildings not on permanent foundations
      iii. expedited or in any way brought about by the Insured or any partner, director or employee of the Insured or Damage consisting of
   d. joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
   e. mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates
   but the Insurer will pay for
      i. such Damage not otherwise excluded which itself results from a Specified Event or from any other accidental loss, destruction or damage
      ii. subsequent Damage which itself results from a cause not otherwise excluded.

3. Loss, destruction or damage caused by pollution or contamination, but the Insurer will pay for destruction or damage to the Property Insured not otherwise excluded, caused by
   a. pollution or contamination which itself results from a Specified Event
   b. any Specified Event which itself results from pollution or contamination.
4. **Damage** caused by or consisting of
   a. subsidence, ground heave or landslip unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe
   b. normal settlement or bedding down of new structures
   c. disappearance, unexplained or inventory shortage or the misfilling or misplacing of information.

5. destruction of or damage to any **Building** or structure caused by its own collapse or cracking, but the **Insurer** will pay for such destruction or damage resulting from a **Specified Event** in so far as it is not otherwise excluded.

6. **Damage** in respect of any **Building** which is **Unoccupied** caused by
   a. freezing
   b. escape of water from any tank, apparatus or pipe
   c. malicious persons not acting on behalf of or in connection with any political organisation, but the **Insurer** will pay for such **Damage** caused by fire or explosion.

7. **Damage** in respect of fences, gates and moveable **Property** in the open caused by wind, rain, hail, sleet, snow, flood or dust.

8. **Damage** to any **Property**
   a. caused by fire, resulting from its undergoing any heating process or process involving the application of heat
   b. resulting from its undergoing any process of production, packing, treatment, testing, commissioning, service or repair, but the **Insurer** will pay for such **Damage** caused by fire or explosion.

9. **Damage** in respect of
   a. jewellery, precious stones or precious metals, bullion, furs, curiosities, works of art or rare books
   b. **Property** in transit
   c. glass (other than fixed glass), sanitaryware (other than fixed sanitaryware), china, earthenware, marble or other fragile or brittle objects
   d. **Money**, bonds or securities of any description but the **Insurer** will pay for such **Damage** caused by a **Specified Event** in so far as it is not otherwise excluded.

10. **Damage** to
    a. vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
    b. **Property** or structures in course of construction or erection and materials or supplies in connection with all such **Property** or structures
    c. land, roads, pavements, piers, jetties, bridges, culverts or excavations
    d. livestock, growing crops or trees
    but the **Insurer** will pay for such property specifically described in the **Schedule**.

11. **Property** which at the time of the happening of **Damage** is insured by or would but for the existence of this **Section** be insured by any marine policy or policies, but the **Insurer** will pay for any excess beyond the amount which would have been payable under such marine policy or policies had this **Section** not been effected.

12. any **Property** more specifically insured by or on behalf of the **Insured**.
13. **Damage** occasioned by nationalisation, confiscation, requisition, seizure or destruction by the Government or any public authority.

14. **Damage** in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion and (except in respect of **Damage** by fire or explosion) strikers, locked out workers, persons taking part in labour disturbances or malicious persons.

15. Consequential loss or damage of any kind or description, except loss of rent when such loss is insured by this Section.

16. **Damage** directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of the **Insured** or not, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure
   a. to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
   b. to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date
   
   but the **Insurer** will pay for subsequent **Damage** which is not otherwise excluded and which itself results from a Specified Event.

17. after the application of all other terms and conditions of this Section and the Policy including any Underinsurance (Average) Basis of Settlement Adjustment, and in respect of each separate Premises, the amount of the Excess specified in the Schedule
Basis of Settlement

The Insurer will pay the Insured the value of the Property Insured at the time of its loss or destruction, or at the Insurer’s option will reinstate or replace such Property or any part of such Property.

The most the Insurer will pay for any one claim is:
A. the Total Sum Insured, or for each item its individual Sum Insured, or any other limit of liability in this Section whichever is the less at the time of Damage
B. the amount of the Sum Insured or limit of liability remaining after deduction for any other Damage occurring during the same Period of Insurance, unless the Insurer agrees to reinstate any such Sum Insured or limit of liability.

In consideration of Sums Insured or limits of liability not being reduced by the amount of any claim, the Insured will pay the appropriate additional premium on the amount of the claim from the date of Damage to expiry of the Period of Insurance, but this shall not apply in respect of theft or attempted theft (as insured by this Section).

Basis of Settlement Adjustments

In calculating the most the Insurer will pay for any one claim, adjustments shall be made in accordance with the following clauses.

1. Index Linking
Sums Insured and/or Declared Values will be adjusted to take into account movements in the appropriate index and renewal premiums will be based on the adjusted Sums Insured and/or Declared Values.

For Buildings, the General Building Cost Index issued by the Building Cost Information Service of the Royal Institute of Chartered Surveyors (or some other suitable index the Insurer decides upon) will be used.

For Contents and other Property specifically described in the Schedule (other than Stock), the Retail Price Index (or some other suitable index the Insurer decides upon) will be used.

The above percentage changes will continue to be applied between the date of any damage and the date when replacement or repair has been completed.

2. Average (Underinsurance)
The Sums Insured by
A. any items for Buildings or Contents subject to the Reinstatement (Day One Basis) clause are declared to be separately subject to Average as described in Special Condition 2 of such clause
B. any other items of Property Insured (other than any Sum Insured applying solely to rent, fees, removal of debris or private dwellings) are declared to be separately subject to Average. This means if at the time of Damage the Sum Insured for any item is less than the value of the item covered by such Sum Insured, the amount payable by the Insurer will be proportionately reduced.
3. Contribution and Average
If at the time of Damage any other insurance has been effected by or on behalf of the Insured covering any of the Property Damaged, the Insurer’s liability under this Section shall be limited to the Insurer’s rateable proportion of such Damage.
If such other insurance is subject to Average (Underinsurance), this Section if not already subject to Average shall be subject to Average in like manner.
If such other insurance is subject to any provision which excludes it from ranking concurrently with this Section, either in whole or in part, or from contributing rateably, the liability of the Insurer under this Section shall be limited to that proportion of the Damage which the Sum Insured for this Section bears to the value of the Property.

4. Reinstatement (Day One Basis)
A. Subject to the Special Conditions set out below, the basis on which the amount payable for Buildings and Contents is to be calculated will be the reinstatement of the Property lost, destroyed or damaged.
For this purpose “reinstatement” means
i. the rebuilding or replacement of Property lost or destroyed which, provided the Insurer’s liability is not increased, may be carried out
   a. in any manner suitable to the requirements of the Insured
   b. on another site
ii. the repair or restoration of Property damaged in either case to a condition equivalent to, or substantially the same as, but no better or more extensive than its condition when new.

B. The Declared Value (shown in brackets below the Sum Insured), having been stated in writing by the Insured, has been used to calculate the premium.

"Declared Value" means the assessment by the Insured of the cost of reinstatement of Property Insured arrived at in accordance with paragraph A.i. at the level of costs applying at inception of the Period of Insurance (ignoring inflationary factors which may subsequently operate), together with, to the extent that cover provides, due allowance for
i. any additional cost of reinstatement to comply with Public Authorities regulations, bye-laws or stipulations
ii. professional fees
iii. removal of debris costs.

Special Conditions.

1. At inception of each Period of Insurance, the Insured shall notify the Insurer of theDeclared Value of Property Insured. In the absence of such declaration the last amount declared by the Insured will be taken as the Declared Value for the new Period of Insurance, appropriately adjusted if Index Linking applies.

2. If at the time of Damage the Declared Value of the Property is less than the cost of reinstatement (as defined in paragraph A. i.) at inception of the Period of Insurance, the amount payable by the Insurer will be proportionately reduced.

3. The Insurer’s liability for the repair or restoration of Property damaged in part only, shall not exceed the amount which would have been payable if such Property had been wholly destroyed.
4. No payment beyond the amount the Insurer would have paid in the absence of this clause will be made
   a. unless reinstatement commences and proceeds without unreasonable delay
   b. until the cost of reinstatement has actually been incurred
   c. where Property Insured at the time of Damage is covered by any other insurance effected by the Insured, or on behalf of the Insured, which is not on the same basis of reinstatement.

5. All the terms and conditions of this Section and the Policy shall apply
   a. to any claim payable under the provisions of this clause, other than where they are expressly varied by the terms of this clause
   b. where claims are payable as if this clause had not been incorporated, except that sums insured will be limited to 115% of Declared Values.

5. Public Authorities
Subject to the Special Conditions set out below, cover for Buildings and Contents includes an amount in respect of any additional cost of reinstatement which is incurred solely by reason of the necessity to comply with building or other regulations under or framed in pursuance of any Act of Parliament, with bye-laws of any public authority or to comply with the stipulations of European Union legislation, in consequence of Damage, excluding

A. the cost incurred in complying with such regulations, bye-laws or stipulations
   i. in respect of damage occurring prior to the granting of this cover
   ii. in respect of damage not insured by this section
   iii. under which notice has been served upon the Insured before the date of the damage
   iv. in respect of undamaged property or undamaged portions of property, other than foundations (unless specifically excluded) of that portion of the property damaged

B. the additional cost that would have been required to make good the Property Damaged to a condition equal to its condition when new, had the necessity to comply with such regulations, bye-laws or stipulations not arisen

C. the amount of any charge or assessment arising out of capital appreciation, which may be payable in respect of the Property, by reason of compliance with any such regulations, bye-laws or stipulations.

Special Conditions

1. The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the Damage, or within such further time as the Insurer may allow, and may be carried out upon another site (if such regulations, bye-laws or stipulations so necessitate), subject to there being no resulting increase in the liability of the Insurer.

2. If the liability of the Insurer is reduced by the application of any of the terms and conditions of this Section or the Policy (other than as a result of this clause) the liability of the Insurer under this clause will be reduced in proportion.

3. All the terms and conditions of this Section and the Policy shall apply to any claim payable under the provisions of this clause, other than where they are expressly varied by the terms of this clause.

6. Services
Cover includes telephone, gas, water and electric instruments, meters, piping, cabling and the like and their accessories, including similar property in adjoining yards or roadways or underground, all pertaining to Buildings or Contents insured by this Section, being the property of the Insured or for which the Insured are responsible.
7. Alterations and Additions
To the extent that they are not otherwise insured, Buildings and Contents items include
a. alterations, additions and improvements (but not appreciation in value in excess of Sums
   Insured) to Buildings, machinery and plant
b. any newly acquired or newly erected Buildings, machinery or plant
within the United Kingdom, for no more than 10% of the Sum Insured for each item covered, or
£500,000 in total, whichever is the less, at any one Premises or at any one newly acquired address
elsewhere than at the Premises, provided that the Insured shall give details of such alterations and
additions to the Insurer within 90 days of the commencement date of the Insured's responsibility,
effect specific cover retrospective to such date and pay the appropriate additional premium.

8. Professional Fees
Sums Insured and/or Declared Values for Buildings and Contents include an amount in respect
of architects', surveyors', legal and consulting engineers' fees, other than where an item covering
such fees is specifically described in the Schedule.

Cover applies only to those fees necessity and reasonably incurred in consequence of Damage in
the reinstatement or repair of Property Insured.

9. Removal of Debris Costs
Sums Insured and/or Declared Values for Buildings, Contents and Stock include an amount in
respect of removal of debris costs, other than where an item covering such costs is specifically
described in the Schedule.

Cover applies only to those costs necessity and reasonably incurred in consequence of Damage,
in
a. removing debris
b. dismantling and demolishing
c. shoring up or propping
d. clearing, cleaning and/or repairing drains, gutters, sewers and the like for which the Insured are
   responsible

The Insurer will not pay for any costs or expenses
a. incurred in removing debris other than from the site of such Property Damage and the area
   immediately adjacent to such site
b. arising from pollution or contamination of Property not Insured by this Section.

10. Temporary Removal
Property Insured (other than Stock) is covered whilst temporarily removed for cleaning,
renovation, repair or similar purposes to any address elsewhere than at the Premises, including
whilst in transit, within the United Kingdom.

The Insurer will not pay for
a. such Property more specifically insured
b. Damage to vehicles licensed for road use, in so far as they are insured by this Section, occurring
   elsewhere than at the Premises from which such vehicles are removed
c. more than 10% of the Sum Insured for each item covered, for Damage occurring elsewhere
   than at the Premises.

11. Temporary Removal - Documents
If deeds and other documents (including stamps on them), manuscripts, plans and writings of every
description, books and other business records are included in the Property Insured, such items are
covered whilst temporarily removed to any address elsewhere than at the Premises, including
whilst in transit, within the United Kingdom.
12. Contract Price
In respect only of goods sold but not delivered, for which the Insured remain responsible under the terms of a contract of sale, where such contract of sale is cancelled following Damage by reason of its conditions, either wholly or to the extent of the Damage, cover will be based on the contract price.

For the purpose of this clause the value of all goods to which this basis of settlement could apply in the event of Damage will also be ascertained on this basis.

13. Electrical Apparatus
If any electrical apparatus or fittings are damaged by fire due to self-ignition, over-running, excessive pressure, short circuiting, self-heating or leakage of electricity, the Insurer shall not be liable for Damage to the particular piece of apparatus or fitting which has caused the fire, but the Insurer shall be liable for Damage to any other apparatus or fittings in consequence of such fire.

14. Customers' Goods
If the Insured have represented to customers that they will accept responsibility for Damage to the goods of customers or to goods for which such customers may be legally responsible, the Insurer agrees that all such goods in the Premises will be covered as Stock, except in so far as they are more specifically insured.

15. Data Processing and Ancillary Equipment
Cover includes Damage to data processing and ancillary equipment caused by dryness or dampness of atmosphere, extremes of temperature, corrosion or rust, if directly resulting from Damage to any air conditioning facilities.

16. Rent
Where an item covering rent is specifically described in the Schedule, cover applies only if a Building in respect of which rent is payable by or to the Insured, or any part of it, is unfit for occupation in consequence of Damage. The Insurer will not pay for more than the proportion of the Sum Insured on rent that the period necessary for reinstatement bears to the term of rent covered.

17. Dismantling and Re-erection Costs
Cover includes the cost of dismantling, re-erection, fitting and fixing of Contents following Damage.

18. Fixed Glass
Following Damage to glass the Insurer will pay the cost of:
   a. any necessary temporary boarding-up of broken glass pending full replacement
   b. replacing alarms, locks, lettering, painting, embossing, silhouetting or other ornamental work on glass
   c. Damage to Contents or Stock caused by broken glass
   d. Damage to framework caused by broken glass
   e. removing and re-fixing window fittings and other obstacles to replacing broken glass.

The Insurer will not pay for Damage existing prior to inception of this Section.

19. Locks and Keys
The Insurer will pay the cost of replacing locks and keys necessary to keep the Premises secure, if keys are stolen using force and violence, up to an amount of £1,000 any one claim.
20. **Fire Extinguishers and Sprinklers**
The *Insurer* will pay the reasonable costs incurred by the *Insured* in re-filling fire extinguishers and replacing sprinkler heads, solely in consequence of *Damage* by a **Specified Event**.

21. **Damage following Theft**
In the event that *Buildings* are not covered by this **Section**, the *Insurer* will pay costs for which the *Insured* are responsible, necessarily and reasonably incurred by the *Insured* to repair *Damage* to the *Premises* in consequence of theft or attempted theft (as insured by this **Section**).

The *Insurer* will also pay the cost of any temporary boarding-up and making good necessary to keep the *Premises* secure.

22. **Metered Water**
Cover includes additional metered water charges incurred by the *Insured* up to an amount of £25,000 any one claim, in consequence of *Damage*, but the *Insurer* will not pay for such charges incurred in respect of any *Building* which is **Unoccupied**.

The basis on which the amount payable is to be calculated will be the amount of the water suppliers' charges for the period during which *Damage* occurs, less the charge paid by the *Insured* for the corresponding period in the preceding year, adjusted for changes in the water suppliers' charges and for variations affecting the water consumption of the *Insured* during the intervening period.

23. **Exhibitions**
*Property Insured* is covered whilst at any exhibition anywhere in the United Kingdom, including whilst in transit to and from such exhibition.

The most the **Insurer** will pay in respect of any one exhibition is £25,000.

24. **Trace and Access**
In the event of *Damage* in consequence of escape of water or fuel oil from any tank, apparatus or pipe, the **Insurer** will pay costs necessarily and reasonably incurred by the **Insured** in locating the source of such *Damage*, and in the subsequent making good of *Damage* caused as a consequence of locating such source, up to an amount of £10,000 any one claim.

25. **Seventy Two Hours Clause**
*Damage* occurring within 72 consecutive hours of and arising from the **Specified Events** of storm or flood is deemed to be one claim.

The **Insured** have the right to select the moment from which the 72-hour period shall be deemed to have commenced within the terms of this **Section**, provided that such *Damage* occurred prior to expiry of the **Period of Insurance**.

26. **Interested Parties**
The **Insurer** agrees
a. that without prejudice to rights and liabilities of the *Insured* or the **Insurer**, if at the time of *Damage* the *Insured* have contracted to sell their interest in any *Building* covered, and the purchase has not been but shall afterwards be completed, the purchasers on completion of the purchase shall be entitled to benefit under this **Section** until completion, except in so far as such *Building* is more specifically insured by or on behalf of the purchaser.

b. to note the interest of any party notifying their interest in any of the *Property Insured* in writing, the nature and extent of such interest to be disclosed in the event of *Damage*.

27. **Landscaped Grounds**
Cover includes costs incurred by the *Insured* in consequence of *Damage* to *Property Insured* at the *Premises*, up to the amount of £25,000 any one claim, in restoring landscape grounds to their original appearance when first laid out and planted, but the **Insurer** will not pay for costs arising due to the failure of trees, shrubs, plants, turf and the like to germinate or become established.
Section Conditions

1. Precautions
The Insured must
a. keep the Premises secure and in a good state of repair
b. ensure that all trade and/or domestic refuse is removed from
   i. the Buildings at the end of each working day
   ii. the Premises at least once a week
c. install any additional protections asked for by the Insurer
d. remove all keys including duplicate keys relative to the security of the Premises and to any safe
   or strongroom on the Premises from such secured Premises, when they are closed for Business
   or are left unattended.

2. Alteration in Risk
The Insured must notify the Insurer as soon as possible if during the Period of Insurance there is
any alteration in the ownership of the Insured, or if in respect of any of the Property Insured there
is any alteration
a. due to its disposal or removal
b. in respect of which the interest of the Insured ceases except by will or operation of law
c. in respect of the risks of subsidence, ground heave or landslip where any demolition,
   construction, ground works or excavation work is being carried out on any adjoining site
d. to the facts or matters set out in the Schedule or otherwise comprising the risk presentation made
   by the Insured to the Insurer at inception, renewal or variation of the Policy
   which materially increases the risk of Damage as Insured by this Section.

Upon being notified of any such alteration, the Insurer may, at its absolute discretion
a. continue to provide cover under this Section on the same terms
b. restrict the cover provided by this Section
c. impose additional terms
d. alter the premium
e. cancel this Section and the Policy.

If the Insured fails to notify the Insurer of any such alteration, the Insurer may
a. treat this Section and the Policy as if it had come to an end as at the date of the alteration of the
   risk, returning a proportionate amount of the premium for the unexpired Period of Insurance, if
   the Insurer would have cancelled this Section and the Policy had it known of the increase in risk
b. treat this Section and the Policy as if it had contained such terms (other than relating to premium)
   or other restrictions (if any) from the date of the alteration in risk as the Insurer would have
   applied had it known of the increase in risk
c. reduce proportionately the amount paid or payable on any claim, the proportion for which the
   Insurer is liable being calculated by comparing the premium actually charged as a percentage of
   the premium which the Insurer would have charged had it known of the increase in risk.

3. Unoccupied Premises
Unless the Insurer agrees in writing, if any Premises or parts of Premises are described in the
Schedule as Unoccupied, or if any Premises or parts of Premises described in the Schedule
become Unoccupied after the commencement of this Section, until such Premises or parts of
Premises again become occupied the Insured must
a. turn off electricity, gas and water supplies at the mains and drain down the water system
b. organise an inspection of such Premises to be carried out by a responsible adult at least once in
   every 7 days
c. board-up all ground floor and any other easily accessible external doors and windows.

4. Non Invalidation
This Section shall not be invalidated by
a. any act or omission or by any alteration unknown to or beyond the control of the Insured by which
   the risk of damage is increased, provided that the Insured shall give notice to the Insurer (and
   pay an additional premium if required) immediately they become aware of such act, omission or
   alteration.
   b. workmen on the premises carrying out repairs, general maintenance work or minor structural or
      other alterations.
5. Inspection Requirement
The Insurer shall not be liable for Damage caused by explosion originating within any vessel, machine or apparatus or its contents, belonging to the Insured or under the control of the Insured, which requires to be examined to comply with any statutory regulations, unless there is in force a policy of insurance or other contract providing the required inspection service.

6. Additional Claims Conditions
In the event of Damage, the Insured shall at their own expense deliver to the Insurer
a. within 30 days after such Damage (7 days in the case of Damage by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons or theft) or such further time as the Insurer may allow in writing
i. full information in writing of the property insured damaged, and the amount of damage
ii. details of any other insurances on the property insured covered by this section
b. all such proof and information relating to the claim as may reasonably be required
c. if required, a statutory declaration of the truth of the claim and of any matters connected with it.

The Insurer will not pay for any claim unless the terms of this condition have been complied with.

7. Reinstatement
If any property is to be reinstated or replaced by the Insurer, the Insured shall at their own expense provide all plans, documents, books and information as may reasonably be required. The Insurer shall not be bound to reimburse exactly, but only as circumstances permit, and in a reasonably sufficient manner, and shall not in any case bound to expend for any one item of this Section more than its Sum Insured.

8. The Insurer's Rights Following a Claim
In respect of Damage for which a claim is made, the Insurer and any person authorised by the Insurer may without incurring any liability or diminishing any of the Insurer's rights in respect of the cover under this Section, enter take or keep possession of the Premises where such Damage has occurred, and take possession of or require to be delivered to the Insurer any Property Insured, and to deal with such Property for all reasonable purposes and in any reasonable manner.

No Property may be abandoned to the Insurer, whether taken possession of by the Insurer or not.

The Insurer will not pay for any claim unless the terms of this condition have been complied with.

9. Subrogation
Any claimant under this Section shall, at the Insurer's request and expense, take or permit to be taken all necessary steps for enforcing rights against any other party in the name of the Insured, before or after the Insurer makes any payment.

The Insurer agrees to waive any such rights to which the Insurer might become entitled by subrogation against any company standing in relation of parent to subsidiary (or subsidiary to parent) to the Insured or against any company which is a subsidiary of a parent company of which the Insured are themselves a subsidiary, in each case within the meaning of the Companies Act or Companies (Northern Ireland) Order current at the time of the Damage.

10. Arbitration
If any difference arises as to the amount to be paid under this Section (liability being otherwise admitted by the Insurer), such difference shall be referred to an arbitrator to be appointed by the Insured and the Insurer in accordance with statutory provisions.

Where any difference is referred to arbitration in accordance with this condition, the making of an award shall be a condition precedent to any right of action against the Insurer.
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