



PROPERTY ENGINEERING

INSPECTION CONTRACT AND INSURANCE POLICY WORDING



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Thank you for choosing Allianz Engineering, Construction & Power.

Our technical expertise built over many years of providing engineering insurance and inspection products and services means you can trust us to be there when you need us.

If you need further details or have any questions, your broker or local Allianz Engineering, Construction & Power branch will be delighted to help. Alternatively help and guidance can be obtained from:

Allianz Engineering, Construction & Power
 Head Office
 Haslemere Road
 Liphook
 Hampshire
 GU30 7UN
 UK

IMPORTANT

The itemised insurance cover and Inspection Service provided by this Policy may be varied by clauses printed in the Schedule.

Please read both the Policy Contract and Schedule to make sure that you have the insurance cover and Inspection Service required.

PART 1 INSPECTION CONTRACT

Please read this section if you selected to purchase Inspection Services. If you did not purchase Inspection Services, Part 1 is not relevant – please refer to Part 2 which contains the Property Engineering Insurance policy.

Allianz Engineering Inspection Services Limited (referred to as ‘the Inspection Company’) will carry out Inspections for the Client named in the Schedule in accordance with and subject to the terms of this Contract.

Please read all the pages of this Contract and Schedule carefully to ensure that your Inspection requirements are met.

For Allianz Engineering Inspection Services Limited

A handwritten signature in black ink, appearing to read 'SMG', with a horizontal line extending to the right.

Simon McGinn
Director

INSPECTION SERVICE DEFINITIONS

The following words and expressions have been given the specific meaning set out below and shall have the same meaning wherever they appear in the Contract unless the context states otherwise:

Client

You, Your, The Customer, company, person(s) or other legal entity named in the Schedule.

Competent Person

The Inspection Company and/or any engineer surveyor, standards engineer, special service engineer, principal engineer or other such appropriately qualified person authorised and employed or contracted by the Inspection Company to perform the Inspection Service (as the context may require).

Contract

The Contract between the Client and the Inspection Company for the Inspection Service which includes these conditions together with the Schedule and (where agreed between the parties) any proposal made by the Client to the Inspection Company. In the event of any conflict between the Client's proposal and these conditions, these conditions shall prevail.

Contract Period

The period of the Contract shown in the Schedule.

Enforcing Authority

The regulatory body or organisation that is responsible for ensuring that the Health and Safety Law is enforced within the Territorial Limits

Fee

The amount shown in the Schedule.

Force Majeure Event

An event outside the reasonable control of a party including without limitation: riot; civil unrest; military action or terrorism; damage to or destruction of premises, equipment or data; earthquake, storm, flood, or other natural disaster; severe weather; industrial action, strikes or lock-outs by employees of third parties; inability to obtain supplies of power, fuel, or transport; and/or exercise of emergency powers by any governmental authority whether national, regional or local.

Group

In relation to the Inspection Company, the Inspection Company, any subsidiary or any holding company from time to time of the Inspection Company, and any subsidiary from time to time of a holding company of the Inspection Company (with "subsidiary" and "holding company" defined as per section 1159 of the Companies Act 2006).

Health & Safety Law

The Health & Safety Law that is applicable in the relevant area within the Territorial Limits including Health and Safety at Work etc Act 1974.

Inspection

An examination or inspection of Plant or equipment on behalf of the Client of a type required by legislation or regulation (or as otherwise agreed between the Inspection Company and the Client). Certain regulations require thorough examinations to be undertaken whilst others require inspections. For the purpose of this Contract, the two expressions are synonymous and the generic expression used throughout is "Inspection".

Inspection Company

Us, We, Allianz Engineering Inspection Services Limited trading as Allianz Engineering, Construction & Power and Allianz Engineering.

Inspection Service

An Inspection of Plant by a Competent Person and (where applicable) in accordance with the requirements of such statutory provisions as apply to the Plant and the provision of a report of the Inspection by electronic means.

Moved About Plant (MAP)

Any item of Plant that is not inspected at a permanent Site during an inspection cycle (the periodicity between inspections).

Normal Working Hours

8.00 am to 6.00 pm (including travel time) Monday to Friday excluding public bank and local holidays.

Plant

The machinery and equipment shown or summarised in the Schedule.

Schedule

The Schedule attached to these conditions and forming part of the Contract.

Sites

The locations shown in the Schedule.

Territorial Limits

Great Britain, Northern Ireland, The Isle of Man, the Channel Islands and Republic of Ireland (to the extent only where the Inspection Company provide the Inspection Service to an office or branch of a UK domiciled Client).

THE CONTRACT

The Inspection Company shall during the Contract Period subject to earlier termination provide the Client with an Inspection Service for Plant within Normal Working Hours at the Sites within the Territorial Limits.

For the avoidance of doubt the Client acknowledges that:

- i** Statutory regulations made under Health and Safety Law require the Client to have the Plant inspected. The provision of the Inspection Service does not relieve the Client of this responsibility. The Client acknowledges that it is their legal responsibility to have the Plant inspected in accordance with all applicable legislation including Health and Safety Law and the Inspection Company shall have no liability to the Client for any fines or other penalties incurred by the Client in this regard (including without limitation any fees for intervention levied against the Client by the Enforcing Authority);
- ii** the Inspection Company may, if requested by the Client and without prejudice to the exclusion in **Clause iii 1**, provide a “Combined Report and Written Scheme of Examination” but only for a single item pressure system included within the Inspection Service. The Client must advise the Inspection Company immediately in writing of any changes or modifications to its single pressure system, its use and operation which occur between the date of this Contract and the issuance of the Written Scheme of Examination by the Inspection Company to the Client;
- iii** the Inspection Service will not include any services not specifically detailed within the Contract including without limitation the following services (although such services may be available subject to additional charges and the conclusion of a separate agreement between the parties):
 - 1** preparation of a multi-item Written Scheme of Examination;
 - 2** tagging systems for Plant (Tagcheck);
 - 3** non destructive testing (NDT) of Plant;
 - 4** provision of a professional to give consultancy services to include but not be limited to advice, guidance and training;
 - 5** any inspections beyond the scope of the Client’s Schedule relating to this Contract;
 - 6** additional and/or one off Inspections of Plant; and
 - 7** revisiting and reinspecting an item of Plant where the Inspection Company has identified that the item of Plant is a danger to persons;
- iv** it is responsible (at its own cost) for the care, custody maintenance, repair and control of the Plant at all times;
- v** the purpose of the Inspection Service is only to identify and assess defects in the workings of the Plant and where required by regulation the deterioration that affects the safety of the Plant, but not defects in existing designs or in any proposed design changes;
- vi** it is solely the Client’s obligation to ensure that the design of its Plant and any part of it is fit for purpose and reasonably safe, both by:
 - 1** arranging such analysis of its design as may be found necessary; and
 - 2** promptly rectifying any design defects of which they are or ought to be aware, including:
 - a** any design defects to which any Competent Person may, without obligation, draw attention; and/or
 - b** by taking the Plant out of service until these matters have been attended to;
- vii** unless agreed in writing between the Inspection Company and the Client, the Inspection Company will not undertake the approval or the verification of the fitness for purpose of any design or design features of the Plant or any part of the Plant and observations and recommendations made by the Competent Person on aspects of a design that affects safety, shall not imply that the Inspection Company accepts any responsibility for the fitness for purpose of the design;
- viii** unless agreed in writing between the Inspection Company and the Client, the Inspection Company shall not:
 - 1** carry out any witnessing of ultrasonic, radiographic or other tests of a non-routine nature or any proof load, load, stability, anchorage or similar tests; and/or
 - 2** specify, re-inspect, verify or approve repairs unless agreed in writing between the Inspection Company and the Client or unless required to do so by a regulation;
- ix** the Inspection Company has and accepts no responsibility or liability for damage sustained to the Plant as a result of the failure of the Plant to withstand a test applied as part of the Inspection Service; and
- x** in providing the Inspection Service, the Inspection Company follows the SAFed Health and Safety Passport Scheme. Any requirement or request by the Client for the provision of the Inspection Service to meet the standards of any other passport or similar scheme shall be the subject of a separate, written agreement and may involve payment of an adjusted Fee including but not limited to Disclosure and Barring Service (DBS) checks; supply chain assessments; Safety Assessment Schemes.

INSPECTION SERVICE CONDITIONS

1 THE INSPECTION COMPANY SHALL:

- 1.1** carry out the Inspection Service with all due care in a safe manner;
- 1.2** comply with the Client's safe systems of work as agreed with the Competent Person;
- 1.3** provide the Inspection Service within Normal Working Hours;
- 1.4** give the Client reasonable prior notice of its intention to attend Sites and where applicable, advise the Client of the need to prepare the Plant for Inspection; and
- 1.5** produce a report, containing the particulars as required by the relevant Health and Safety Law and regulations, as soon as is reasonably practicable and in any event not later than fourteen (14) calendar days following completion of an Inspection.

2 THE INSPECTION COMPANY:

- 2.1** may appoint contractors to carry out the whole or any part of the Inspection Service, provided that it uses appropriately qualified and accredited contractors and remains responsible at all times for their acts and omissions;
- 2.2** may decline to carry out an Inspection if:
 - i** in its opinion, to do so would pose a risk to the health, safety or welfare of the Competent Person or to the Client or to any other person who may be affected; including but not limited to where there is no responsible person on site who can advise of any event (planned or unplanned) or in the event of an emergency, can initiate emergency procedures; or
 - ii** the Client or any employee, agent, contractor or other such person associated with the Client behaves in a threatening or abusive manner towards the Competent Person or any other employee, agent or contractor of the Inspection Company (and any such threatening or abusive behaviour shall constitute a material breach of the Contract on the part of the Client for the purpose of **Clause 5.3 i**);

2.3 will make a charge in addition to the Fee shown in the Schedule if:

- i** the Client requests and the Inspection Company agrees to carry out an Inspection outside Normal Working Hours;
- ii** for safety reasons more than one Competent Person is necessary to carry out the Inspection;
- iii** the Client requires Inspection reports in paper form or requires a special reporting regime;
- iv** the Client requires the Inspection Company to use and/or interface with the Client's electronic systems (including without limitation any asset management system) in connection with provision of the Inspection Service;
- v** the Client requires the Competent Person to undertake induction sessions, training or to comply with permit to work or other risk assessment regimes or procedures specific to the Client's own health, safety and welfare procedures of which the Inspection Company was not made aware when the Contract was established or renewed;
- vi** the Client fails to prepare or make the Plant available to the Competent Person in accordance with these conditions on an agreed pre-appointed date and time;
- vii** the Competent Person is delayed from commencing an Inspection by more than fifteen (15) minutes because the Client has failed to comply with their obligations under **Section 3** of this Contract; and/or
- viii** the Competent Person is delayed from leaving the Sites by more than fifteen (15) minutes because of the Client's requirements for services including but not limited to on-site meetings, verbal or written reports that are additional to the Contract.

INSPECTION SERVICE CONDITIONS CONTINUED

3 THE CLIENT SHALL:

- 3.1** ensure that all documentation (including lists and/or details of Plant) provided to the Inspection Company is true, complete and accurate in all respects;
- 3.2** provide the Competent Person with:
- i** safe access to and egress from the Sites;
 - ii** a safe working environment on the Sites;
 - iii** a safe and suitable physical means by which to gain access to carry out the Inspection of the Plant e.g. ladders; scaffolding; mobile elevating working platform;
 - iv** suitable rescue arrangements (including but not limited to standby men) should the Competent Person be required to work at heights and/or in confined spaces; and
 - v** access to suitable welfare facilities and first aid arrangements;
- 3.3** properly prepare, clean, cool, decommission and dismantle the Plant as necessary to enable the Competent Person to carry out the Inspection;
- 3.4** reassemble the Plant following completion of the Inspection;
- 3.5** co-operate with and upon request provide the Competent Person with such information and data relating to the Plant as he requires to conduct the Inspection Service;
- 3.6** inform the Inspection Company if the Competent Person or other such person associated with the Inspection Company behaves in a threatening or abusive manner towards the Client or any other employee, agent or contractor of the Client;
- 3.7** provide the Inspection Company with a minimum of two (2) working days' notice in writing of the intention to cancel or postpone a planned Inspection. When such notice is not provided, the Inspection Company shall be entitled to charge for its wasted costs and the cost of resources it is unable to reallocate;
- 3.8** notify the Inspection Company either on or before the renewal date of the Contract of its intention to renew such Contract. In the event that the Client decides to allow the Contract to lapse but fails to notify the Inspection Company prior to any Inspection Service being undertaken, the Client shall be liable to pay for the Inspection Company's fee in respect of such Inspection Service.
- 3.9** notify the Inspection Company in writing of any change to their contact details;
- 3.10** provide the Inspection Company with the location details in writing of any Moved About Plant at least ten (10) working days, prior to the Inspection due date; and
- 3.11** notify the Inspection Company in writing at least twenty-one (21) days prior to an Inspection of any identification or security requirements necessary for a Competent Person to gain access to the Site. Any data of the Competent Person obtained from such request shall not be kept by the Client longer than is strictly necessary.

4 FEES

The Inspection Company and the Client agree that:

- 4.1** the Client, either itself or through their insurance broker, will pay the amount shown in the Schedule (the Fee) in cleared funds to a bank account nominated in writing by the Inspection Company within thirty (30) calendar days of the date of the Inspection Company's invoice or, if different, such period as is specified on the insurance broker's invoice;
- 4.2** the Fee is calculated on Plant as notified to the Inspection Company by the Client at the start of the Contract Period;
- 4.3** where the parties have agreed that an item of Plant will not have an Inspection at least annually, the Inspection Company may agree to apportion the Fee for the Inspection Services for that Plant over subsequent Contract Periods;
- 4.4** where the Plant is not made available by or on behalf of the Client in accordance with the terms of the Contract for an Inspection, the Inspection Company will issue a "Plant Not Available" notice and will seek to rearrange a time to carry out the Inspection. The Fees will remain payable in respect of the initial Inspection and additional Fees will be charged for any return visits required as a result of the Plant not being made available. The provisions of **Clause 9.4** will also apply;
- 4.5** the Fee may be adjusted after the Inspection is undertaken should:
- i** the details of the Plant notified to the Inspection Company for the purposes of calculating the Fee differ from the Plant on Site requiring an Inspection Service; or
 - ii** anything beyond the reasonable control of the Inspection Company (including without limitation a change in applicable legislation) increase the cost to the Inspection Company of provision of the Inspection Service;

INSPECTION SERVICE CONDITIONS CONTINUED

- 4.6** the Client may add or delete individual items of Plant from the categories of Plant shown in the Schedule during the Contract Period. The Client acknowledges that the Fee may be adjusted at any time to take account of such changes and the Client will pay or the Inspection Company will refund the difference between the Fee and the adjusted Fee as the case may be;
- 4.7** the Inspection Company will be entitled to charge reasonable expenses and disbursements incurred in performing the Inspections, including without limitation for work carried out outside of Normal Working Hours;
- 4.8** the Client must pay all undisputed invoices without any deduction, withholding, counterclaim or set-off;
- 4.9** the Inspection Company may set-off any amount owing to it by the Client against any amount it owes to the Client;
- 4.10** all Fees shall be subject to value added tax at the appropriate rate;
- 4.11** if the Client disputes any item of an invoice it must notify the Inspection Company in writing within twenty-one (21) calendar days of receipt of such invoice, after which time the invoice shall be deemed accepted; and
- 4.12** should any undisputed invoice remain unpaid for a further twenty-one (21) calendar days following receipt by the Client of a notice from the Inspection Company that payment has become overdue, the Inspection Company will be entitled to suspend all Inspections until such time as the invoice is settled in full, with the Inspection Company providing no guarantee that Plant will be able to be inspected following resumption of Inspections in time for it to not become overdue. It is the Client's responsibility to rearrange Inspection of such Plant or take it out of service and the Inspection Company will have no liability to the Client in such circumstances should the Plant become overdue for Inspection.

5 TERMINATION OF CONTRACT

- 5.1** The Inspection Company may terminate the Contract on thirty (30) calendar days notice. If the Client has paid the Fee in full the Client shall be entitled to a refund of the Fees in respect of Inspections outstanding.
- 5.2** The Inspection Company may terminate the Contract with immediate effect should the Client breach (or the Inspection Company have reasonable grounds to suspect the Client is in breach of) any anti-bribery legislation including without limitation the Bribery Act 2010.
- 5.3** Either the Client or the Inspection Company may terminate the Contract by giving written notice to the other if the other:
- i** commits any material breach of the Contract and (where the breach is capable of remedy) fails to remedy the breach within thirty (30) calendar days after being required to do so;
 - ii** goes into liquidation, has a receiver, administrative receiver or similar office appointed over any of its assets, makes a voluntary arrangement with its creditors, becomes subject to an administration order, has an administrator appointed, or anything analogous to these events occurs in relation to the other party;
 - iii** in the case of an individual or partnership, the individual or individuals become(s) bankrupt; or
 - iv** has a change in control, which shall mean an event involving the transfer of more than fifty percent (50%) of voting common stock.
- 5.4** In the event that the Client has a Long Term Undertaking (LTU) with the Inspection Company, the terms relating to such LTU will be set out in the Schedule.
- 5.5** Any provision of the Contract that expressly or by implication is intended to come into or continue in force on or after termination or expiry of the Contract shall remain in full force and effect following termination or expiry.
- 5.6** Following termination or expiry of the Contract:
- i** any Fees for work carried out up to the date of such termination or expiry will remain payable by the Client (including without limitation any additional charges payable in accordance with the terms of the Contract); and
 - ii** the Inspection Company will consider in good faith any request to assist with transfer of the Inspections to a new provider, provided that the Inspection Company may make reasonable charges for the provision of such assistance.

INSPECTION SERVICE CONDITIONS CONTINUED

6 ANTI-BRIBERY AND MODERN SLAVERY

6.1 Both parties:

- i** shall comply with all applicable laws, regulations, codes and sanctions relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010 and shall not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 (regardless of where such activity, practice, or conduct is carried out);
- ii** shall not offer or give, or agree to give, to any employee, agent, servant or representative of the other party any gift or consideration of any kind as an inducement or reward for doing, refraining from doing, or for having done or refrained from doing, any act in relation to the obtaining or execution of this Contract or any other contract, or for showing or refraining from showing favour or disfavour to any person in relation to this Contract or any such contract;
- iii** shall have in place adequate procedures designed to prevent persons employed by or associated with them from bribing another person;
- iv** shall promptly report to the other party any request or demand for any undue financial or other advantage of any kind received in connection with the performance of this Contract;
- v** warrant that they have not paid commission or agreed to pay any commission to any employee or representative of the other party; and
- vi** where a party or a party's employees, servants, sub-suppliers, suppliers or agents or anyone acting on the party's behalf, engages in conduct prohibited by this clause in relation to this or any other contract between the parties, the other party shall have the right to terminate this Agreement immediately and recover from the first party the amount of any loss suffered by that party resulting from such termination; or to recover in full from the first party any other loss sustained by that party in consequence of any breach of this clause, whether or not this Contract has been terminated.

- 6.2** Both parties shall comply with all applicable laws; regulations; codes and sanctions relating to anti-slavery including but not limited to the Modern Slavery Act 2015 and shall not engage in any activity, practice or conduct which could constitute an offence under the Modern Slavery Act 2015 (regardless of where such activity; practice or conduct is carried out).

7 CONFIDENTIALITY

- 7.1** Unless otherwise agreed, each party shall keep confidential the terms of the Contract and all information of a confidential nature that it may acquire in relation to the business or affairs of the other party ("Confidential Information"). Neither party shall use the other party's Confidential Information for any purpose other than to perform its obligations under this Contract, unless otherwise required by law or the Confidential Information has entered the public domain other than through the fault of the party which received such Confidential Information. The obligations in this clause shall continue for a period of three (3) years from the date of expiry or termination of the Contract.

7.2 The Inspection Company shall in the case of:

- i** a merger between two (2) or more Clients or the purchase of one Client by another, make the Confidential Information available to all relevant parties subject to approval in writing from the principal Client or new owner or their appointed Agent;
- ii** a de-merger or sale where all parties remain Inspection Clients, make the Confidential Information available to all relevant parties subject to approval in writing from the organisation holding the original contractual rights.

7.3 The Inspection Company shall be entitled to:

- i** share Confidential Information with other members of its Group; and
- ii** retain a copy of any Confidential Information as required for regulatory purposes and/or to show evidence of compliance with this **Clause 7**.

8 INDEMNITY

The Client indemnifies and shall keep the Inspection Company indemnified in respect of any claims of any nature made against any and all damages, costs and expenses suffered or incurred by the Inspection Company as a result of any third party claim arising out of the Client's failure to comply with its obligations under the Contract.

INSPECTION SERVICE CONDITIONS CONTINUED

9 LIABILITY

- 9.1** Without prejudice to any other right or remedy the Client may have, the Inspection Company undertakes that if an Inspection is performed in a defective or erroneous manner then the Inspection Company will at its discretion either credit to the Client the Fee paid by the Client and attributable to the Inspection or re-perform the Inspection (save as to the time of performance).
- 9.2** The Inspection Company's liability under or in connection with this Contract, whether arising in contract, tort, negligence, breach of statutory duty or otherwise, shall not exceed the sum of ten million pounds (£10,000,000) in the aggregate.
- 9.3** Neither the Inspection Company nor the Client shall be liable to the other party in contract, tort, negligence, breach of statutory duty or otherwise for any:
- i** loss of profits;
 - ii** economic loss;
 - iii** loss of turnover;
 - iv** loss of business;
 - v** loss of data;
 - vi** loss of goodwill; and/or
 - vii** indirect, special or consequential losses.
- 9.4** The Inspection Company shall have no liability under the Contract for any failure or delay in the provision of an Inspection to the extent that the same is contributed to by the acts or omissions of the Client (including without limitation where Plant is not made available for Inspection), even if the same results in Plant becoming overdue for Inspection and in such circumstances it shall be the Client's responsibility to rearrange Inspection of such Plant or take it out of service.
- 9.5** Where any Plant is overdue for Inspection at the time it is added to the Contract (including at commencement of the Contract), or where Plant becomes overdue for Inspection as a result of the acts and omissions of the Client, the Inspection Company will seek to agree a timetable with the Client for the Inspection of such Plant. However, the Client acknowledges that the Inspection Company shall have no liability in respect of such overdue Plant and the Client indemnifies and shall keep the Inspection Company indemnified in respect of any claims of any nature made against any and all damages, costs and expenses suffered or incurred by the Inspection Company in connection with such Plant being overdue for Inspection.

- 9.6** Nothing in this Contract shall operate to limit or exclude the liability of either party for fraud, fraudulent misrepresentation, death or personal injury caused by its negligence, or any other liability which cannot be limited or excluded by law.

10 GENERAL

10.1 Transfer of Employees

- i** The parties do not consider or intend that the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") shall operate to transfer the employment (and/or any liability arising from or in connection with such employment) of:
 - 1** any employees of the Client (or its incumbent supplier) to the Inspection Company as a result of or connected to the Inspection Company's appointment under this Contract or as a result of the provision of the Inspection Services by the Inspection Company; or
 - 2** any employees of the Inspection Company (or any contractor of the Inspection Company) to the Client or any replacement service provider as a result of or connected to any takeover of the services (either in whole or in part), whether on termination or expiry of this Contract.
- ii** If, notwithstanding **sub-clause 10.1 i** above, any person transfers or claims to have transferred whether as a result of the application of TUPE or otherwise as a result of or connected to this Contract, the following process shall apply:
 - 1** the party to whom such person claims to have transferred ("Party 1") shall notify the other party ("Party 2") in writing within seven (7) days of becoming aware of that fact (a "Notification");
 - 2** Party 1 may at its discretion accept such person's claim;
 - 3** within fourteen (14) days of Notification, Party 2 may offer employment to such person or may take at its own cost such other steps as it feels necessary to effect a written withdrawal of the claim. If such offer of employment is accepted, Party 1 shall immediately release the person from its employment;

INSPECTION SERVICE CONDITIONS CONTINUED

- 4** if no such offer of employment has been made by Party 2 or such offer has been made but not accepted or if such person has failed to withdraw the claim then Party 1 may, following its notification to Party 2 in writing in advance, terminate the employment of such person within seven (7) days or as soon as it is reasonably practicable thereafter, but in any event within one (1) month of the expiry of the twenty-one (21) day period from Notification.

For the avoidance of doubt, if Party 1 accepts that a person's employment has transferred to that party and/or fails to take the action outlined above within the appropriate time period then such person shall be deemed to have transferred to Party 1 and Party 1 shall not be entitled to any indemnity pursuant to **Clause 10.1 iii** or otherwise.

- iii** Subject to the provisions of this **sub-clause 10.1** being followed (or the parties acting in any other way as may be agreed between them), Party 2 shall indemnify Party 1 against all "Employee Liabilities" suffered or incurred as a result of the transfer or alleged transfer. Employee Liabilities shall mean all claims (including without limitation any claim for notice, a payment in lieu of notice, breach of contract, redundancy payments (whether pursuant to statutory requirements or otherwise), wrongful dismissal, unfair dismissal (including constructive unfair dismissal), discrimination on the grounds of sex, race, disability, religion, belief, age, gender, reassignment, marital or civil partnership status, pregnancy, maternity, or sexual orientation, compensation for less favourable treatment of part-time workers or fixed-term employees, claims for failure to inform and consult pursuant to TUPE or the Trade Union (and Labour Relations Consolidation) Act 1992 and any claims whether in tort, contract, statute or otherwise), demands, actions, proceedings and any award, compensation, damages, fine, loss, order, penalty, disbursement, payment made by way of settlement and costs and expenses reasonably incurred in connection with a claim or investigation (including any investigation by the Equality & Human Rights Commission or other enforcement, regulatory or supervisory body and of implementing any requirements which may rise from such investigation) and any expenses and legal costs on an indemnity basis.
- iv** The Client shall be entitled to assign the benefit of the indemnity at **sub-clause 10.1 iii** to any replacement service provider to which any person who has been employed or engaged by the Inspection Company (or any contractor) transfers or claims to have transferred without the need for consent from the Inspection Company.

10.2 Force Majeure

Neither party shall be in breach of the Contract nor liable for delay in performing, or failure to perform, any of its obligations under the Contract if such delay or failure results from a Force Majeure Event. In such circumstances the affected party shall be entitled to a reasonable extension of the time for performing such obligations. If the period of delay or non-performance continues for three (3) months or more the party not affected may terminate the Contract by giving fourteen (14) calendar days written notice to the affected party.

10.3 Data Protection

- i** The Inspection Company shall process any personal data it receives from the Client (or obtained from third parties in the course of providing the Inspection) in accordance with applicable data protection laws and only where necessary for the performance of its obligations under the Contract.
- ii** The Inspection Company shall have in place appropriate technical and organisational measures to protect personal data against unauthorised or unlawful processing and against accidental loss, destruction, alteration or disclosure, including the measures prescribed by applicable data protection laws.
- iii** Personal data will not be retained for longer than is necessary.
- iv** Personal data may be transferred to countries outside the EEA but will at all times be held securely.

10.4 Allianz Name, Logo and Reputation

- i** Nothing in this Contract shall grant any right or licence to the Client to use the name, logo, or any intellectual property of the Inspection Company without the prior written consent of the Inspection Company.
- ii** Without prejudice to **Clause 10.4 i** the Client shall not make reference to the Inspection Company, or hold itself out as associated with the Inspection Company, in any promotional or marketing documentation without the prior written consent of the Inspection Company.
- iii** The Client shall not by its actions or omissions do anything which may harm the reputation, image or goodwill of the Inspection Company or its Group.

INSPECTION SERVICE CONDITIONS CONTINUED

10.5 Assignment and Subcontracting

The Contract is personal to the Client and the Client shall not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any of its rights and obligations under the Contract without the prior written consent of the Inspection Company (such consent not to be unreasonably withheld or delayed).

10.6 Relationship of the parties

Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute any party the agent of another party, or authorise any party to make or enter into any commitments for or on behalf of any other party.

10.7 Variations to the Contract

No variation of the Contract shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

10.8 Notices

Any notice given to a party under or in connection with this Contract shall be in writing and shall be delivered by hand or sent by recorded delivery or pre-paid first-class post or other next working day delivery service to the address set out in the Schedule or its principal place of business (in any other case) (and in the case of notices to the Company, a copy shall be required to be sent for the attention of the Company Secretary at the same address).

10.9 Entire Agreement

- i The Contract constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
- ii Each party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in the Contract. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in the Contract.

10.10 No Waiver

No failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

10.11 Rights of Third Parties

No one other than a party to the Contract shall have any right to enforce any of its terms.

10.12 Unenforceable Terms

If any provision in the Contract is held by any competent court to be unenforceable in whole or in part, the validity of the other provisions and the remainder of the provision in question shall not be affected.

10.13 Language, Governing Law and Jurisdiction

- i The language of the Contract and all communications relating to it will be in English.
- ii English law shall apply to the Contract and the parties agree to submit to the exclusive jurisdiction of the English Courts in respect of all disputes arising out of or in connection with the Contract (whether of a contractual or tortious nature or otherwise).

INSPECTION SERVICE COMPLAINTS PROCEDURE

The Inspection Company aim to get it right, first time, every time. If we (the Inspection Company) make a mistake, we will try to put it right promptly.

We will always confirm to you (the Client) the receipt of your complaint within five (5) working days and do our best to resolve the problem within four (4) weeks. If we cannot we will let you know when an answer may be expected.

Should you wish to make a complaint then it should be directed to your Engineer Surveyor or Customer Satisfaction Manager at the Allianz location shown below:

Allianz Engineering, Construction & Power
Head Office
Haslemere Road
Liphook
Hampshire
GU30 7UN
UK

Telephone: **01428 722407**

Fax: **01428 724824**

E-mail: **customer.satisfaction@allianz.co.uk**

Using our complaints procedure does not affect either party's legal rights.

PART 2

PROPERTY ENGINEERING INSURANCE POLICY

Please read this section if you selected to purchase Property Engineering Insurance. If you did not purchase Property Engineering Insurance, Part 2 is not relevant – please refer to Part 1 which contains the Inspection Contract.

Please refer to your Policy Schedule to ensure you fully understand the basis of cover provided. Unless varied by clause insurance is on an itemised basis details of which are shown in your Plant Schedule.

Allianz Insurance plc (referred to as ‘the Insurers’ or ‘the Insurer’) will indemnify or otherwise compensate the Insured named in the Schedule (referred to as ‘the Insured’) in accordance with and subject to the terms and conditions of this insurance in return for the Insured having paid or agreed to pay the Insurance Premium for the Period of Insurance.

Your Insurance Policy is made up of this Policy including all Exclusions Extensions and Conditions the Schedule and the proposal which you made to the Insurers prior to taking out this cover. These documents shall be read together as one contract.

Please read all the pages of this Insurance Policy Wording and Schedule carefully to ensure that your requirements are met.

For Allianz Insurance plc



Jonathan Dye
Chief Executive

Allianz Engineering, Construction & Power and Allianz Engineering are trading names used by both Allianz Insurance plc and Allianz Engineering Inspection Services Ltd.

INSURANCE DEFINITIONS

The following words and expressions have been given the specific meaning set out below and shall have the same meaning wherever they appear in the Policy unless the context states otherwise:

Annual Rental Income

The Rental Income during the twelve months immediately before the date of the loss or damage.

Standard Rental Income

The Rental Income during the period in the twelve months immediately before the date of the loss or damage which corresponds with the Indemnity Period.

Notes applicable to Annual Rental Income and Standard Rental Income

Adjustments shall be made to figures representing the Annual Rental Income and the Standard Rental Income as may be necessary to provide for the trend in the Business and for variations in or other circumstances affecting the Business either before or after the loss or damage or which would have affected the Business had the loss or damage not occurred so that the adjusted figures shall represent as nearly as may be practicable the result which but for the loss or damage would have been obtained during the Indemnity Period stated in the Schedule.

Boiler

Any fired closed vessel or a combined container piping system in which steam or high temperature hot water is generated under pressure. Any plant described in the Plant Schedule as a boiler will include firing apparatus motors pumps fans and dedicated controls.

Boiler and Pressure Plant

Boiler and Pressure Plant itemised in the Plant Schedule unless otherwise excluded.

Breakdown

- a** the actual breaking distortion or burning out of any part of the Plant (other than Boiler and Pressure Plant) while in use arising from mechanical or electrical defects in the Plant (other than Boiler and Pressure Plant) causing sudden stoppage
- b** fracturing of any item of the Insured Property by frost

which necessitates repair or replacement before it can resume normal working.

Collapse

The sudden and dangerous distortion (whether or not attended by rupture) of any part of the Boiler and Pressure Plant caused by crushing stress by force of steam or other fluid pressure (other than pressure of chemical action or ignition of the contents or of ignited flue gases).

Electrical Plant (EL)

All integral parts of electrical plant itemised in the Plant Schedule commencing at the intake switch or plug or other connection on the plant and excluding except where specifically stated in the Schedule or insured under

Extension 11 Damage to Building Automation Systems

- a** office machinery
- b** computers or other electronic data processing equipment.

Estimate

The amount declared to the Insurers as representing not less than the Rental Income which the Insured anticipates will be earned by the Business during the financial year most nearly concurrent with the Period of Insurance (proportionately increased where the Indemnity Period exceeds twelve months).

Explosion

The sudden and violent rending of Boiler and Pressure Plant by force of internal steam or other fluid pressure (other than pressure of chemical action or ignition of the contents or of ignited flue gases) causing bodily displacement of any part of the Boiler and Pressure Plant together with forcible ejection of the contents.

Fuel Storage Tanks

Tanks (or similar containers) designed and used to store oil and other fossil fuels or liquid propane gas.

Hazardous Substances

Any substance other than ammonia that has been declared to be hazardous to health by a government agency.

Indemnity Period

The period beginning with the occurrence of the loss or damage and ending when the results of the Business cease to be affected in consequence of the loss or damage but not exceeding twelve (12) months in respect of Cover Three or the period stated in the Schedule as the Indemnity Period in respect Loss of Rent whichever is the lesser amount.

INSURANCE DEFINITIONS CONTINUED

Insured Property

All Plant machinery Boiler and Pressure Plant equipment used for the distribution of power heat cooling ventilation and building control services (or as more specifically described in the Schedule) owned by or leased to the Insured at the Location and ready for use.

Insured Property shall not include

- a** tanks or similar containers other than Fuel Storage Tanks
- b** anything sold supplied serviced manufactured or stored in the course of the trade or business of the Insured
- c** materials being processed by or contained in the Insured Property
- d** plant and machinery that is prototype experimental or untried
- e** Production or Process Equipment, its controls (including computerised controls) nor any items of power supply equipment dedicated thereto
- f** plant machinery pipes or cables situated underground.

unless specifically described in the Schedule.

The following items will always be excluded from this policy:

- i** Local Exhaust and Ventilation Plant (LV) and
- ii** Power Press Plant (PP)

Lift and Crane Plant (LC)

Lift and crane plant itemised in the Plant Schedule.

- a** In respect of plant comprising lifts platform hoists and lifting tables all integral parts up to and including main circuit breakers or control valves excluding any supporting structures foundations masonry or brickwork.
- b** In respect of cranes and other lifting plant
 - i** all parts commencing in the case of a fixed unit at the point or points of anchorage and in the case of a travelling unit at and including the track wheels and terminating in the case of any unit at the hook shackle or other connection to the burden rope or chain by which the load or appliance is attached and
 - ii** all electrical equipment by which such plant is driven commencing at the intake switch or plug or other connection on the plant.

Excluding except where specifically stated in the Schedule

- 1** fixing bolts or appliances that the track or the supporting structure sits upon and on which the plant works
- 2** tracks gantries grabs or magnets.

Location

The address shown in the Schedule where Insured Property is situated.

Local Exhaust and Ventilation Plant (LV)

All integral parts of plant that controls captures or contains airborne releases at or close to the point of emission by means of ventilation and conveys the pollutant to a point where it can be safely collected and released commencing at the intake switch or plug or other connection on the plant and including ducting and pipework between system components.

Period of Insurance

Period from the effective date to the renewal date as shown in the Schedule.

Plant (other than Boiler and Pressure Plant)

Electrical Mechanical and Lift and Crane Plant itemised in the Plant Schedule unless otherwise excluded.

Policy

The contract of insurance formed of the Policy wording Schedule and any proposal made by the Insured or on their behalf to the Insurers (whether or not such proposal is recorded in writing).

Power Press Plant (PP)

Press or press brake for the working of metal by means of tools or for die proving which is power driven and which embodies a flywheel and clutch.

Premises

The buildings at the Location and in which the Insured Property is situated.

Pressure Plant

Any unfired closed container under steam gas or fluid pressure or vacuum.

Pressure and Mechanical Plant (PM)

In respect of plant comprising Boiler Pressure and Mechanical Plant itemised in the Plant Schedule all integral parts including fittings and direct attachments and excluding except where specifically stated in the Schedule

- a** interconnecting piping or anything attached to such piping
- b** ancillary electrical and mechanical plant
- c** foundations masonry brickwork chimneys or refractory linings.

INSURANCE DEFINITIONS CONTINUED

Production or Process Equipment

Any machine or apparatus (other than kitchen and food preparation and laundry equipment) which processes forms cuts shapes grinds or conveys raw materials materials in process or finished product including any equipment forming part of the driving or controlling mechanism for such machine or apparatus.

Rental Income

The amount paid or payable to the Insured by tenants for accommodation provided and services rendered at the Location in course of the Business.

Schedule

The Policy Schedule Plant Schedule and Summary forming part of this Policy.

Sudden and Unforeseen Damage

Damage to Insured Property which necessitates immediate repair or replacement to enable normal working to continue including damage caused by Breakdown Accidental Damage Explosion and Collapse and which is not otherwise excluded.

Territorial Limits

Great Britain Northern Ireland the Isle of Man and the Channel Islands.

COVER OPTIONS

The insurance defined under each Cover applies during the Period of Insurance and at any Location specified in the Schedule within the Territorial Limits.

COVER ONE

Damage to Insured Property

Sudden and Unforeseen Damage to the Insured Property.

COVER TWO

Own Surrounding Property (Boiler and Pressure Plant)

Damage to property belonging to or held by the Insured in their care custody or control directly consequent on and solely due to damage to Boiler and Pressure Plant insured by Cover One.

COVER THREE

Increase In Cost Of Working

Additional expenditure necessarily and reasonably incurred by the Insured during the Indemnity Period to prevent or minimise interruption of or interference with the operations of the business carried out by the Insured Property in consequence of damage insured by this Policy.

COVER FOUR

Loss of Contents

- a** Loss of the contents of storage tanks belonging to the Insured or for which they are responsible due to
 - i** accidental leakage discharge or overflow from the tanks or
 - ii** contamination of the contents of the storage tanks.
- b** The cost incurred by the Insured in cleaning up the loss of contents of the storage tanks following **a** above.

LIMIT OF LIABILITY

The liability of the Insurers shall not exceed

a Cover One

£1,000,000 or any Limit of Liability shown in the Schedule in substitution for this amount

b Cover Two

£2,000,000 or any Limit of Liability shown in the Schedule in substitution for this amount

c Cover Three

£250,000 or any Limit of Liability shown in the Schedule in substitution for this amount

d Cover Four

£25,000 in respect of each individual storage tank or any Limit of Liability shown in the Schedule in substitution for this amount

and in addition

e any amount shown in the Extensions

in respect of any one accident or series of accidents arising from one occurrence of loss or damage.

INSURANCE COVER EXTENSIONS

This Policy is extended to cover

1 ADDITIONS TO SCHEDULE

any item of Plant of a similar class or type to the Insured Property

- a** owned by the Insured or for which they have responsibility at any Premises in the United Kingdom which the Insured had inadvertently failed to insure under this Policy or any other policy or
- b** purchased by or leased to the Insured during the Period of Insurance and located at Premises newly acquired by the Insured of a similar nature to the Location specified in the Schedule anywhere in the United Kingdom to the extent that the Insureds interest is not protected by any other more specific insurance

for a maximum period of twelve (12) months from the time installation is completed or the date the Insured acquired their interest in the Plant whichever is later.

Provided that

- a** installation of the Plant has been completed and the item is ready to commence normal working
- b** immediately on becoming aware of
 - i** any Plant inadvertently not insured the Insured shall arrange insurance with the Insurers with effect from inception of this Policy or the date on which the insurance should have been arranged whichever is later
 - ii** any Plant inadvertently not insured for all the risks insured by this Policy the Insured shall arrange insurance for the uninsured risks with effect from inception of this Policy on the date on which the insurance should have been arranged whichever is later
- c** any item of Plant which is subject to the terms of this Extension
 - i** is so far as the Insured is aware suitable for service free from material defects and in sound working condition
 - ii** shall not be worked until any relevant statutory provisions for examination and certification have been fulfilled
 - iii** shall be insured to the same extent and to the same Limit of Liability as similar items of Insured Property described in the Schedule
 - iv** shall cease to be insured from the date of notification to the Insured from the Insurers should the item of Plant prove to be unacceptable to the Insurers
- d** the Insurers liability under this Extension shall not exceed £500,000.

2 TEMPORARY REMOVAL

loss of or damage to the Insured Property occurring within the European Union or European Free Trade Area while it is

- a** temporarily located at any other location or
- b** in transit

Provided that the total liability of the Insurers under this Extension for loss of or damage to Insured Property during sea or air transit shall not exceed £250,000.

Insurance Cover Exclusion 2 Perils does not apply to this Extension of cover.

3 IMMINENT DAMAGE

the cost incurred by the Insured in taking reasonable measures to avoid or reduce imminent loss or damage which would have resulted in a claim under this Policy.

Provided that

- a** the imminent loss or damage did not arise from a reasonably foreseeable cause
- b** the loss or damage would have been the natural outcome to be expected in the absence of the measures taken
- c** the Insurers are satisfied that loss or damage which would have been insured under this Policy has been avoided or reduced in consequence of the measures taken
- d** the liability of the Insurers shall not exceed the cost which would have been incurred had the measures not been taken and loss or damage insured by this Policy had occurred.

4 DEBRIS REMOVAL

the cost necessarily and reasonably incurred by the Insured with the consent of the Insurers in the removal of Insured Property following loss or damage insured by this Policy.

Provided that the total liability of the Insurers for the cost of rectification of loss or damage and the removal of Insured Property shall not exceed the Limit of Liability shown in the Schedule.

5 ADDITIONAL COST

necessary and reasonable cost (if previously approved by the Insurers) incurred by the Insured following loss or damage insured by this Policy in effecting a temporary repair or expediting a permanent repair.

Provided that the liability of the Insurers shall not exceed £50,000.

INSURANCE COVER EXTENSIONS CONTINUED

This Policy is extended to cover

6 PROFESSIONAL ACCOUNTANTS CHARGES

necessary and reasonable cost incurred in producing and certifying any particulars or details required by the Insurers in connection with an event for which liability has been accepted but limited to the additional fees charged by the usual auditors of the Insured.

7 REPAIR INVESTIGATION COST

necessary and reasonable cost (including Consultant Engineers Fees) incurred with the consent of the Insurers in conducting investigations and/or tests into possible repair (whether successful or not) replacement or reinstatement of Insured Property following loss or damage insured by this Policy.

8 PAYMENTS ON ACCOUNT

payment as agreed between the Insured and the Insurers in advance of final settlement of a claim under this Policy where the Insurers have admitted liability.

9 HIRED IN PLANT

the legal liability of the Insured under the terms of their hiring agreement or otherwise to pay

- a** compensation for loss of or damage to Hired in Plant while at or while in transit (other than by sea or air) to or from any Location shown in the Schedule and
- b** continuing hire charges as a result of loss of or damage to Hired in Plant for which indemnity is provided by **a** above.

In addition the Insurers will pay all legal expenses for which the Insured may become liable where legal proceedings have been defended with the written consent of the Insurers.

Hired in Plant means plant or machinery with a replacement value not more than £25,000 hired by the Insured but not plant on hire purchase or subject to a lease agreement or on free loan.

Provided that

- 1** the terms of any hiring agreement shall be no more onerous than the Model Conditions for the hiring of plant approved by The Construction Plant-hire Association

- 2** where the hire charges paid during the Period of Insurance exceed £2,000 the Insured shall declare the hire charges paid and shall pay the additional premium requested by the Insurers

- 3** the liability of the Insurers shall not exceed £25,000.

Insurance Cover Exclusion 2 Perils does not apply to this Extension of cover.

10 COST OF HIRING REPLACEMENT ITEM

hire charges incurred for the hire of an item of plant to replace an item of Insured Property during the period that repair or replacement is carried out following loss or damage insured by this Policy.

Provided that

- a** repair or replacement is carried out without unavoidable delay and
- b** hire of a replacement item of plant is necessary to continue the Insureds business and
- c** the hire charges are incurred in the period beginning with the occurrence of loss or damage to Insured Property and ending no more than three (3) months later
- d** the prior agreement of the insurers has been obtained and
- e** the liability of the Insurers for hire charges shall not exceed £25,000.

The Insurers will also indemnify the Insured under the terms of **Extension 9 Hired in Plant** of this Policy against costs they become legally liable to pay under the terms of their hiring agreement or otherwise in respect of Hired in Plant for which the hire charges are indemnified under this Extension.

Provided that for the purpose of this Extension

- 1** Hired in Plant shall mean plant or machinery for which the hire charges are indemnified under the terms of this Extension and not as defined in **Extension 9 Hired in Plant**
- 2** paragraphs **2** and **3** of the provisos to **Extension 9 Hired in Plant** are deleted
- 3** the liability of the Insurers under this Extension for loss of or damage to Hired in Plant and continued payment of hire charges shall not exceed £25,000.

INSURANCE COVER EXTENSIONS CONTINUED

This Policy is extended to cover

11 DAMAGE TO BUILDING AUTOMATION SYSTEMS

For the purpose of this Extension paragraph **vii** of the definition of Insured Property is deleted and replaced by the following:

- vii** office machinery computers or other electronic data processing equipment other than Building Automation Systems

For the purpose of this Extension the following Definitions Exclusions and Conditions are added to the Policy.

DEFINITIONS

Building Automation System

Installed Equipment and Computer Media.

Installed Equipment

Mainframes servers personal computers electronic control systems and other installed equipment including fixed discs interconnecting wiring and telecommunications equipment belonging to the Insured or leased hired rented or licensed to the Insured of which its main purpose is to control and monitor the building's mechanical and electrical services including but not limited to ventilation lighting power systems and security systems.

Computer Media

- a** data carrying materials of all types
- b** software programs or data

other than paper records or paper licences.

Corruption

Loss distortion corruption or erasure of software programs or data forming part of Computer Media.

EXCLUSIONS

This Extension does not cover

Unproven Software

any cost incurred in consequence of the use by the Insured of software programs on which development has not been finalised or which has not passed all testing procedures and has not been successfully proven.

Incorrect Storage of Computer Media

cost incurred in consequence of the failure of the Insured to comply with the manufacturers' recommendations relating to the storage of Computer Media.

Programming Errors or Design Defects

the cost of rectifying programming errors or design defects in software and any additional expenditure in consequence of such errors or defects.

CONDITIONS

Obsolete Property

In the event of loss of or damage to any item of the Building Automation Systems which is unobtainable or for which spares or parts are no longer manufactured or available at the manufacturers listed prices the liability of the Insurers shall be limited to the cost of the repair or replacement of an equivalent item of equipment which is in current production and for which spare parts are readily available.

Duplicate Records

The Insured shall

- a** back up data records and update the records no less frequently than once every seven (7) calendar days
- b** where possible maintain up to date duplicate copies of software programs
- c** store back up data records and up to date duplicate software programs away from the building where the original software programs and data are held
- d** observe the manufacturer's and/or suppliers recommendations for the storage verification and security of Computer Media.

Maintenance Agreement

The Insured shall have in place a maintenance rental hire or lease agreement providing at an inclusive cost on-call remedial maintenance with free repair or replacement in the event of breakdown arising out of normal use in respect of Building Automation Systems.

INSURANCE COVER EXTENSIONS CONTINUED

This Policy is extended to cover

12 ENVIRONMENTAL AND EFFICIENCY IMPROVEMENTS

the additional costs incurred by the Insured in replacing Insured Property following loss or damage indemnified under this Policy with an item which is better for the environment or more energy efficient than the Insured Property being replaced.

Provided that

- a** the prior agreement of the Insurers has been obtained
- b** the liability of the Insurers under this Extension shall not exceed 125% (one hundred and twenty five percent) of the cost had the repair reinstatement or replacement been carried out with an item of a similar quality to the Insured property lost or damaged or £25,000 whichever is the lesser.

13 FIRE BRIGADE COSTS

the cost of charges arising from the activities of the fire brigade in dealing with the consequences of loss or damage for which the Insurers have admitted liability.

Provided that the liability of the Insurers under this Extension shall not exceed £10,000.

14 UNDAMAGED PARTS OR COMPONENTS

the cost incurred by the Insured in replacing or modifying undamaged parts or components of the Insured Property following loss or damage insured by this Policy.

Provided that

- a** the prior agreement of the Insurers has been obtained
- b** replacement or modification of the undamaged parts or component is necessitated solely due to its incompatibility with the part or component replaced as a result of the loss or damage.

The liability of the Insurers under this Extension shall not exceed £25,000.

15 TRACE AND ACCESS

the additional costs incurred by the Insured following loss or damage indemnified under this Policy resulting from a water escape incurred in locating the source of the water escape and subsequently making good.

Provided that the liability of the Insurers under this Extension shall not exceed £10,000 in any one Period of Insurance.

16 HAZARDOUS SUBSTANCES

the cost incurred by the Insured in repairing or replacing Insured Property due to contamination by a Hazardous Substance following loss or damage indemnified under this Policy including the additional expenses incurred to clean up or dispose of such Insured Property.

Provided that the liability of the Insurers under this Extension shall not exceed £25,000.

OPTIONAL INSURANCE COVER EXTENSIONS

The following optional Extensions shall apply when stated in the Schedule

This Policy is extended to cover

E/1100 ALTERNATIVE COSTS OF ACCOMMODATION

the necessary and reasonable cost incurred with the consent of the Insurers for alternative accommodation similar and comparable to the residential portion of the Premises in direct consequence of damage insured by this Policy which results in the residential portion of the Premises being uninhabitable by the tenants and if required their pets.

Provided that

- a** the Insurer shall not be liable for cost of alternative accommodation during the seventy two (72) hours immediately following the occurrence of the damage insured by this Policy
- b** the Insurers liability ceases immediately the residential portions of the Premises are available for re-habitation by the tenants of the Premises
- c** the Insured Property is the subject of regular maintenance in accordance with the manufacturer or suppliers recommendations
- d** the Insurers liability shall not exceed
 - i** £50,000 in any one Period of Insurance
 - ii** £15,000 in respect of any one accident or series of accidents arising from one occurrence.

E/1101 OWN SURROUNDING PROPERTY (LIFT AND CRANES PLANT)

Damage to property (other than property being carried or handled by the Insured Property) belonging to or held by the Insured in their care custody or control directly consequent on and solely due to an accident error or fault in the ordinary use of Lift and Cranes Plant insured by Cover One.

Provided that the Insurers liability shall not exceed the amount shown in the Schedule.

E/1102 LOSS OF RENTAL INCOME

the Financial Loss of the Insured following loss or damage indemnified under this Policy which results in interruption to or interference with the Business carried out by the Insured at the Premises.

Financial Loss means

- a** in respect of reduction in Rental Income the amount by which the Rental Income during the Indemnity Period falls short of the Standard Rental Income
- b** in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Rental Income which but for that expenditure would have been incurred during the Indemnity Period but not exceeding the amount of the reduction avoided

less any sum saved during the Indemnity Period in respect of the charges and expenses of the Business as may cease or be reduced in consequence of the loss or damage.

Provided that the Insurers liability shall not exceed the amount shown in the Schedule.

REINSTATEMENT AND PUBLIC AUTHORITIES

In the event of damage to:

Insured Property and/or

Other Property damaged by Explosion of Pressure Plant

for which liability is accepted the basis on which the amount payable is to be calculated shall be the Reinstatement of the Insured Property or Other Property.

Reinstatement shall mean:

- a** where the Insured Property or Other Property is destroyed
 - i** if a building the rebuilding of the property
 - ii** if not a building its replacement by similar plant or property

in either case to a condition equal to but not better or more extensive than its condition when new
- b** where the Insured Property or Other Property is damaged the repair of the damaged portion to a condition substantially the same as but not better or more extensive than its condition when new
- c** additional work solely necessary to comply with European Union legislation or building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any municipal or local authority.

Provided that

- 1** the liability of the Insurers shall not exceed the Limits of Liability under this Policy
- 2** where the Insured Property or Other Property is damaged or destroyed in part only the liability of the Insurers shall not exceed the amount which would have been payable had the Insured Property or Other Property been totally destroyed
- 3** no payment beyond that which would have been payable if this clause had not been included shall be made
 - i** unless the work of reinstatement is commenced and carried out without unnecessary delay
 - ii** if at the time of any loss or damage the Insured Property or Other Property shall be covered by any other insurance effected by or on behalf of the Insured which is not on a reinstatement basis

- 4** the Insurers shall not be liable for the cost incurred in complying with any of the legislation or regulations under **c**
 - i** in respect of damage occurring prior to the introduction of this clause
 - ii** under which notice has been served on the Insured prior to the happening of the damage
 - iii** in respect of undamaged property
 - iv** in respect of any tax duty development or other charge which may be payable for compliance with any regulations.

Where by reason of the above provisions no payment is to be made beyond the amount which would have been payable if this clause had not been incorporated the rights and liabilities of the Insurers and the Insured in respect of the destruction or damage shall be subject to the terms of this Policy as if this Reinstatement and Public Authorities clause had not been incorporated.

DEFINITION

Other Property means property belonging to the Insured or for which they are responsible but not Insured Property or anything sold supplied processed serviced or manufactured or stored in the course of the trade or business of the Insured.

INSURANCE COVER EXCLUSIONS

This Policy does not cover

1 EXCESS

the amount stated in the Schedule as the Excess in respect of each and every occurrence for which the Insured is indemnified by this Policy.

2 PERILS

loss damage or additional expenditure caused by

- a** fire however caused
- b** fire extinguishing fluid
- c** explosion other than specifically insured by this Policy
- d** lightning earthquake storm tempest flood inundation water aircraft or other aerial devices or articles dropped therefrom
- e** subsidence or other ground movement or displacement
- f** theft or attempted theft
- g** riot strike lockout and civil commotion.

3 WEAR AND TEAR OR GRADUAL DETERIORATION

the cost of rectification of

- a** inevitable wear and tear erosion corrosion or other deterioration caused by or naturally resulting from ordinary work use or exposure
- b** gradually developing defects flaws deformation distortion cracks partial fractures or loose parts which do not necessitate immediate stoppage
- c** defective joints or seams unless caused directly by overheating brought about by shortage of water in Insured Property which is subject to steam or fluid pressure

but not damage insured by this Policy resulting from **a**, **b** or **c** unless otherwise excluded.

4 OTHER CONSEQUENTIAL LOSS

liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency or loss of use or any other form of consequential loss not specifically provided for by this Policy.

5 OVERLOADING OR APPLICATION OF TOOLS

loss damage or additional expenditure

- a** caused by and occurring during intentional overloading
- b** caused by the direct application of tools in the course of any modification maintenance repair or overhaul.

This Exclusion shall not apply to loss damage or additional expenditure caused by and occurring during the checking of the correct working of the Insured Property or of safety installations connected with the Insured Property.

6 LOSS DAMAGE OR CONTAMINATION OF STORAGE TANK CONTENTS

loss damage or contamination of the contents of storage tanks resulting from

- a** the natural settling separation or accumulation of fluids or materials constituting the normal contents
- b** the deliberate use of fluids or material in the storage tanks for cleaning flushing or similar purposes.

7 SOLIDIFICATION OF CONTENTS OR BIOLOGICAL ACTIVITY

loss of contents of storage tanks resulting from solidification of the contents however caused or loss of contents due to biological activity in the contents.

8 TRANSIT OF STORAGE TANKS

loss of contents of storage tanks sustained while the storage tanks are in transit between Locations or working positions.

9 SCRATCHING

scratching of painted or polished surfaces unless accompanied by indemnifiable damage to the item.

10 MULTIPLE LIFTING OPERATIONS

damage arising during any lifting or lowering operation in which a load is shared between two or more machines unless the lifting operation complies fully with the requirements of British Standard BS7121 or the prior consent of the Insurers has been obtained.

INSURANCE COVER GENERAL EXCLUSIONS

This Policy does not cover loss damage legal liability additional expenditure or cost consisting of or in consequence of

1 WAR AND KINDRED RISKS

- a** loss or damage (whether sudden and unforeseen or not) directly or indirectly caused by war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power confiscation nationalisation requisition or destruction of or damage to property by order of the Government or any Public Municipal or Local Authority.
- b** in the case of Insured Property outside Great Britain Northern Ireland the Isle of Man and the Channel Islands loss or damage directly or indirectly caused by warlike operations mutiny conspiracy martial law state of siege or any events or causes which determine the proclamation or maintenance of martial law or state of siege riot civil commotion strike lock-out persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation.

2 RADIOACTIVE CONTAMINATION

loss or damage (whether sudden and unforeseen or not) directly or indirectly caused by or contributed to by or arising from

- a** ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- b** the radioactive toxic explosive or other hazardous or contaminating properties of any nuclear installation reactor or other nuclear assembly or nuclear component thereof
- c** any weapon or other device utilising radioactive material and/or matter and/or ionising radiation and/or atomic or nuclear fission and/or fusion or other like reaction.

3 TERRORISM

loss or damage (whether sudden and unforeseen or not) directly or indirectly caused by resulting from or in connection with

- a** in respect of England Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987:
 - i** any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - ii** any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism

In respect of **a** above an act of Terrorism means:

Acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto.

- b** in respect of territories other than those stated in **a** above:
 - i** any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - ii** any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism
 - iii** riot or civil commotion in Northern Ireland

In respect of **b** above an act of Terrorism means:

Any act including but not limited to the use of force or violence and/or the threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

In any action suit or other proceedings where the Insurers allege that by reason of this Exclusion any loss damage or liability is not covered by this Policy (or is covered only up to a specified Limit of Liability) the burden of proving the contrary shall be on the Insured.

In the event any part of this Exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect.

INSURANCE COVER GENERAL EXCLUSIONS CONTINUED

This Policy does not cover loss damage legal liability additional expenditure or cost consisting of or in consequence of

4 CYBER EVENT

- a** Damage to loss destruction distortion erasure corruption alteration theft or other dishonest criminal fraudulent or unauthorised manipulation of Electronic and Digital Data from any cause whatsoever (including but not limited to Computer Attack) or loss of use reduction in functionality loss cost expense and/or fee of whatsoever nature resulting therefrom regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage.
- b** However in the event that an Insured Event listed below results from any of the matters described in **a** above this Policy subject to all its terms provisions conditions exclusions and limitations will cover a direct physical damage and/or a consequential loss therefrom occurring during the Period of Insurance to property insured by this Policy directly caused by such an Insured Event to the extent covered and not otherwise excluded under this Policy.

Insured Event:

Any loss or damage other than loss or damage due to or caused by malicious persons

For the purposes of this Exclusion

Electronic and Digital Data means data of any kind including but not limited to facts concepts or other information in a form useable by computers or other electronic or electromagnetic data processing equipment. Electronic and Digital Data shall also include computer software and all other coded instructions for the processing or manipulation of data on any equipment.

Computer Attack means any malicious direction of network traffic introduction of malicious computer code or other malicious attack directed at occurring within or utilising the computer system or network of whatsoever nature.

5 POLLUTION OR CONTAMINATION

loss or damage (whether sudden and unforeseen or not) directly or indirectly caused by or contributed to by or arising from pollution or contamination.

This Exclusion shall not apply to cost arising from pollution or contamination of Insured Property caused directly by an occurrence which is insured by this Policy.

6 COMPUTER DATE RECOGNITION

loss or damage (whether sudden and unforeseen or not) 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

- a** correctly to recognise any date as its true calendar date
- b** to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- c** to capture save retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture save retain or correctly to process such data on or after any date

but this Exclusion shall not apply to subsequent loss or damage arising from or caused by fire lightning explosion aircraft or other aerial devices or articles dropped therefrom 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 which would but for the application of this Exclusion be insured by this Policy.

INSURANCE COVER GENERAL CONDITIONS

1 SURVEY AND RISK IMPROVEMENT – SUBJECTIVITY CONDITION

It is a Condition of this Policy that

- a** the Insurers have the right to carry out a survey of the risks insured at any time mutually agreed with the Insured
- b** the Insured shall comply with all survey risk requirements stipulated by the Insurers within the completion time scales specified by the Insurers.

In the event that a risk requirement is not completed or risk requirement procedures are not introduced within the completion time scales specified by the Insurers then the Insurers reserve the right to either continue cover subject to alteration of the terms and Conditions of such cover or to suspend cover effective from the expiry of any time period specified by the Insurers for completion/ introduction of the required survey risk improvements until such risk requirement is completed or risk requirement procedures introduced.

If the terms or Conditions of cover are amended by the Insurers then the Insured will have fourteen (14) calendar days to accept or reject the revised basis of cover.

If the Insured elect to reject the revised basis of cover then the Insured will be entitled to a refund of premium provided that no claim has been made during the current Period of Insurance.

If the Insurers exercise the right to suspend cover then the Insured will be entitled to a refund of premium in respect of such period that cover is suspended provided that no claim has been made during the current Period of Insurance.

All other terms and Conditions of this Policy shall apply to the extent that they are not in conflict with this Condition.

2 OBSERVANCE OF POLICY TERMS

The liability of the Insurers will be conditional on the Insured complying and as appropriate any other person entitled to indemnity complying as though they were the Insured with the terms of this Policy.

3 FAIR PRESENTATION OF THE RISK

- a** The Insured must make a fair presentation of the risk to the Insurers at inception renewal and variation of the Policy.
- b** The Insurers may avoid the Policy and refuse to pay any claims where any failure to make a fair presentation is
 - i** deliberate or reckless or
 - ii** of such other nature that if the Insured had made a fair presentation the Insurers would not have issued the Policy.

The Insurers will return the premium paid by the Insured unless the failure to make a fair presentation is deliberate or reckless.

- c** If the Insurers would have issued the Policy on different terms had the Insured made a fair presentation the Insurer will not avoid the Policy (except where the failure is deliberate or reckless) but the Insurers may instead
 - i** reduce proportionately the amount paid or payable on any claim the proportion for which the Insurers are liable being calculated by comparing the premium actually charged as a percentage of the premium which the Insurers would have charged had the Insured made a fair presentation and/or
 - ii** treat the Policy as if it had included such additional terms (other than those requiring payment of premium) as the Insurers would have imposed had the Insured made a fair presentation.

For the purposes of this clause references to

- 1** avoiding a Policy means treating the Policy as if it had not existed from the inception date (where the failure to make a fair presentation of the risk occurs before or at the inception of the Policy) the renewal date (where the failure occurs at renewal of the Policy) or the variation date (where the failure occurs when the Policy is varied)
- 2** refunds of premium should be treated as refunds of premium back to the inception date renewal date or variation date as the context requires
- 3** issuing a Policy should be treated as references to issuing the Policy at inception renewing or varying the Policy as the context requires.

INSURANCE COVER GENERAL CONDITIONS CONTINUED

4 ALTERATION IN RISK

The Insured must notify the Insurers as soon as possible if during the Period of Insurance

- a** the business is wound up or carried on by a liquidator or receiver or permanently discontinued
- b** the interest of the Insured ceases other than by death
- c** there is any alteration to the facts or matters set out in the Schedule or otherwise comprising the risk presentation made by the Insured to the Insurers at inception renewal or variation of the Policy which materially increases the risk of loss damage legal liability additional expenditure or cost.

Upon being notified of any such alteration the Insurers may at their absolute discretion

- i** continue to provide cover under this Policy on the same terms
- ii** restrict the cover provided under this Policy
- iii** impose additional terms
- iv** alter the premium
- v** cancel the Policy.

If the Insured fails to notify the Insurers of any material alteration of the risk the Insurers may

- 1** treat 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 Insurers would have cancelled the Policy had they known of the increase in risk
- 2** treat 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 Insurers would have applied had they known of the increase in risk
- 3** reduce proportionately the amount paid or payable on any claim the proportion for which the Insurers are liable being calculated by comparing the premium actually charged as a percentage of the premium which the Insurers would have charged had they known of the increase in risk.

5 REASONABLE PRECAUTIONS

It is a condition precedent to the liability of the Insurers that

- a** the Insured shall take all reasonable precautions to safeguard the Insured Property against loss or damage and
- b** the Insured shall maintain the Insured Property in an efficient condition and take all reasonable steps to ensure that all Government and other regulations relating to the operation and use of the Insured Property are observed.

6 CANCELLATION

Other than where **Claims Condition 3** applies the Insurers may cancel this Policy by giving the Insured thirty (30) calendar days notice in writing at their last known address. Provided the premium has been paid in full and no claim has been made during the Period of Insurance the Insured shall be entitled to a proportionate rebate of premium in respect of the unexpired period of the insurance.

If the premium for this Policy is paid by instalments and in the event that the Insured fails to pay one or more instalments whether in full or in part the Insurer may cancel the Policy by giving the Insured fourteen (14) calendar days notice in writing at their last known address.

7 NON INVALIDATION

This Policy shall not be invalidated by any act or omission or by any alteration whereby the risk of indemnifiable loss or damage is increased unknown to or beyond the control of the Insured provided that immediately the Insured becomes aware of the increased risk notice is given to the Insurers and any additional premium required is paid.

8 GENERAL INTEREST

The interests of freeholders lessees tenants underlessees assignees and/or mortgagees of the Insured Property are noted in the insurance provided by this Policy subject to their names being disclosed to the Insurers.

INSURANCE COVER GENERAL CONDITIONS CONTINUED

9 CONTRACT PURCHASE AGREEMENT

If at the time of an indemnifiable incident the Insured has contracted to sell their interest in any Insured Property and the purchase has not been completed the purchaser shall on completion of the purchase be entitled to benefit under this Policy without prejudice to the rights and liabilities of the Insured and of the Insurers.

Provided that

- a** the total liability of the Insurers to the Insured and any other party entitled benefit under this Policy shall not exceed the Limit of Liability
- b** the purchaser has an insurable interest in the Insured Property
- c** the Insured Property is not otherwise insured against the indemnifiable incident by the purchaser or on their behalf
- d** the purchaser arranges for the Insurers to continue cover for the Insured Property on completion of the sale and there is prompt payment of the appropriate first premium.

10 LAW AND LANGUAGE APPLICABLE

Unless the Insurers agree otherwise

- a** the language of the Policy and all communications relating to it will be in English and
- b** all aspects of the Policy including negotiation and performance are subject to English law and the decisions of English courts.

11 ASSIGNMENT

The Insured shall not assign any of the rights or benefits under this Policy without the prior written consent of the Insurer. The Insurer will not be bound to accept or be affected by any notice of trust charge lien or purported assignment or other dealing with or relating to this Policy.

12 CONDITIONS PRECEDENT

If the Insured does not comply with any part of any condition which makes payment of a claim conditional upon compliance with it (a condition precedent) the Insurers will not pay for any claim except that where the condition concerned

- a** operates only in connection with particular Premises or Locations the Insurers will pay for claims arising out of an event occurring at other premises or Locations which are not specified in the condition
- b** operates only at particular times the Insurers will pay for any claim where the Insured shows on the balance of probabilities that its non-compliance with the condition did not cause or contribute to the loss damage legal liability additional expenditure or cost which occurred
- c** would if complied with tend to reduce particular types of loss damage legal liability additional expenditure or cost or as the context may require liability the Insurers will pay for any claim where the Insured shows on the balance of probabilities that its non-compliance with the condition did not cause or contribute to the loss damage legal liability additional expenditure or cost which occurred.

13 DECLARATIONS

Where the premium is a deposit and has been calculated on estimates supplied by the Insured they shall keep an accurate record of information on matters for which estimates have been given.

This record shall be supplied to the Insurers within one month following the expiry of the Period of Insurance to enable the adjustment of premium to be calculated.

14 ADJUSTMENT OF PREMIUM

If the premium calculated on the basis agreed between the Insurers and the Insured on the declarations made for the Period of Insurance exceeds or falls short of the deposit then the Insured shall pay or the Insurers shall refund the difference subject to the minimum premium retention shown in the Schedule or if no amount is shown in the Schedule seventy five percent (75%) of the deposit premium.

INSURANCE COVER CLAIMS CONDITIONS

1 CLAIMS PROCEDURES

In the event of any occurrence giving rise or likely to give rise to a claim under this Policy it is a condition precedent to the liability of the Insurers that the Insured shall

- a** at their own expense deliver to the Insurer
 - i** within thirty (30) calendar days after such occurrence (twenty eight (28) calendar days in the case of loss or 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
 - 1** full information in writing of the Insured Property and the amount of loss or damage
 - 2** details of any other insurances on the Insured Property covered by this Policy
 - ii** all such proof and information relating to the claim as may reasonably be required
 - iii** if required a statutory declaration of the truth of the claim and of any matters connected with it
- b** preserve any damaged or defective Insured Property for inspection by the representatives of the Insurers
- c** in the case of Insured Property lost stolen or wilfully damaged take all steps (including immediate notification to the Police) to discover any guilty person and recover the property
- d** carry out and permit to be taken any reasonable action to prevent further loss damage liability cost or additional expenditure
- e** in the case of any claim made against the Insured by any third party forward every claim writ or other document immediately and unacknowledged to the Insurers
- f** not pay or offer or agree to pay any money or make any admission of liability without the prior consent of the Insurers
- g** furnish at their own expense all particulars and information as the Insurers require
- h** allow the Insurers in the name of and on behalf of the Insured to take over and during such periods as they think proper to have the absolute conduct and control of all negotiations and proceedings which may arise in respect of any claim and its settlement and the Insured shall give the Insurers all necessary assistance for that purpose.

2 OPTIONS FOR CLAIMS SETTLEMENT

- a** The Insurers may at their option repair reinstate or replace what is damaged or pay for the damage in money.

If any Insured Property is to be reinstated or replaced by the Insurers the Insured shall at their own expense provide all such plans documents books and information as may reasonably be required.

The Insurers shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner.

- b** The Insurers shall not be liable for the cost of any repairs undertaken without their written consent except in urgent cases where it has been necessary to put minor repairs in hand.

Provided that

- i** the requirements of **Claims Conditions 1** and **5** have been complied with and
- ii** the repairs are carried out to the satisfaction of the Insurers.
- c** Where loss or damage is confined to a part of a machine or structure the Insurers shall be liable for the value of that part plus the cost of any necessary dismantling and erection for which the Insured is responsible.
- d** The Insured shall not be entitled to abandon any property to the Insurers whether taken into the possession of the Insurers or not.

INSURANCE COVER CLAIMS CONDITIONS CONTINUED

3 FRAUD

If the Insured or anyone acting on the Insured's behalf

- a** makes any false or fraudulent claim
- b** makes any exaggerated claim
- c** supports a claim by false or fraudulent documents devices or statements (whether or not the claim is itself genuine) or
- d** makes a claim for loss or damage which the Insured or anyone acting on the Insured's behalf deliberately caused

the Insurers will

- i** refuse to pay the whole of the claim and
- ii** recover from the Insured any sums that they have already paid in respect of the claim.

The Insurers may also notify the Insured that they will be treating the Policy as having terminated with effect from the date of the earliest of any of the acts set out in sub-clauses **a – d** above. In that event the Insured will

- 1** have no cover under the Policy from the date of the termination and
- 2** not be entitled to any refund of premium.

4 CONTRIBUTION

If at the time any claim arises there is any other insurance effected by or on behalf of the Insured covering loss or damage insured by this Policy the liability of the Insurers shall be limited to its rateable proportion of the loss.

5 SUBROGATION

Any claimant under this Policy shall at the request and expense of the Insurers 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 any payment is made by the Insurers.

6 ARBITRATION

If any difference arises as to the amount to be paid under this Policy this difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this Condition to be referred to arbitration the making of the award shall be a condition precedent to any right of action against the Insurers.

7 MULTIPLE INSURED

In the event that the Insured consists of more than one party or legal entity the amount payable shall not exceed the amount for which the Insurers would have been liable had the loss or damage been sustained by any one of the Insured.

8 WAIVER OF SUBROGATION RIGHTS

The Insurers agree to waive any rights against

- a** any company standing in the relation of parent to subsidiary to the Insured as defined in Section 736 of the companies act 1985
- b** any company standing in the relation of subsidiary to parent to the Insured as defined in Section 736 of the companies act 1985
- c** any company which is a subsidiary of a parent company of which the Insured is a subsidiary in each case within the meaning of Section 736 of the companies act 1985
- d** a tenant or lessee in respect of indemnifiable damage to Insured Property in the demise to that tenant or lessee or to common Insured Property or where the premium has been paid or is contracted to be paid by the tenant or lessee unless the damage arises out of a criminal or fraudulent or malicious act of the tenant or lessee.

INSURANCE COMPLAINTS PROCEDURE

Our aim is to get it right, first time every time. If you have a complaint we will try to resolve it straight away but if we are unable to we will confirm we have received your complaint within five working days and do our best to resolve the problem within four weeks. If we cannot we will let you know when an answer may be expected.

If we have not resolved the situation within eight weeks we will issue you with information about the Financial Ombudsman Service (FOS) which offers a free, independent complaint resolution service.

If you have a complaint, please contact our Customer Satisfaction Manager at:

Customer Satisfaction Manager
Allianz Engineering, Construction & Power Head Office
Haslemere Road
Liphook
Hampshire
GU30 7UN

Telephone: **01428 722407**

Fax: **01428 724824**

Email: **customer.satisfaction@allianz.co.uk**

You have the right to refer your complaint to the Financial Ombudsman, free of charge – but you must do so within six months of the date of the final response letter.

If you do not refer your complaint in time, the Ombudsman will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances. For example, if the Ombudsman believes that the delay was as a result of exceptional circumstances.

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Website: www.financial-ombudsman.org.uk
Telephone: 0800 0234567 or 0300 1239123
Email: complaint.info@financial-ombudsman.org.uk

Using our complaints procedure or contacting the FOS does not affect your legal rights.

The European Commission has an online dispute resolution service for consumers who have a complaint about a product or service bought online. If you choose to submit your complaint this way it will be forwarded to the Financial Ombudsman Service.

Visit <https://ec.europa.eu/odr> to access the Online Dispute Resolution Service. Please quote our e-mail address: customer.satisfaction@allianz.co.uk.

Alternatively, you can contact the Financial Ombudsman Service directly.

NOTIFYING A CLAIM

Claims under this Policy should be notified to the Insurers in accordance with the Claims Conditions of the Policy at the following Allianz Office.

Please provide your Policy number and as much information as possible about the claim:

Allianz Engineering, Construction & Power
Claims Department
Haslemere Road
Liphook
Hampshire
GU30 7UN

Tel: **01483 265825**

Email: **claims@allianzengineering.co.uk**

Lines are open from 9am to 5pm Monday to Friday

FINANCIAL SERVICES COMPENSATION SCHEME

Allianz Insurance plc contributes to the Financial Services Compensation Scheme (FSCS).

You (the Insured) may be entitled to compensation from the FSCS if we (the Insurers) are unable to meet our liabilities. Further information about compensation scheme arrangements is available at www.fscs.org.uk, by emailing enquiries@fscs.org.uk or by phoning the FSCS on 0800 678 1100 or 0207 741 4100.

FAIR PROCESSING NOTICE – HOW WE USE PERSONAL INFORMATION

1 WHO WE ARE

When **we** refer to “**we**”, “**us**” and “**our**” in this notice it means Allianz Insurance plc or Allianz Engineering Inspection Services Limited.

When **we** say, “**individuals**” in this notice, **we** mean anyone whose personal information **we** may collect, including:

- anyone seeking an insurance quote from **us** or whose details are provided during the quotation process
- policyholders and anyone named on or covered by the Policy
- anyone who may benefit from or be directly involved in the Policy or a claim, including claimants and witnesses.

2 HOW WE USE PERSONAL INFORMATION

We use personal information in the following ways:

- to provide quotes, administer policies and policyholder claims to fulfil **our** contract
- to administer third party claims and prevent financial crime to meet **our** legal obligations
- to manage **our** business and conduct market research to meet the legitimate needs of **our** business
- to send marketing information about **our** products and services if **we** have received specific consent.

There is no obligation to provide **us** with personal information, but **we** cannot provide **our** products and services without it.

Anyone whose personal information we hold has the right to object to us using it.

They can do this at any time by telling us and we will consider the request and either stop using their personal information or explain why we are not able to.

Further details can be found below.

3 AUTOMATED DECISION MAKING, INCLUDING PROFILING

We may use automated decision making, including profiling, to assess insurance risks and administer policies. This helps **us** decide whether to offer insurance, determine prices and validate claims.

Anyone subject to an automated decision has the right to object to it. To do so they should contact **us** by emailing **us** at accsm@allianz.co.uk and **we** will review the decision.

4 THE PERSONAL INFORMATION WE COLLECT

We collect the following types of personal information so **we** can complete the activities in section 2, “How **we** use personal information”:

- basic personal details such as name, age, address and gender
- family, lifestyle and social circumstances, such as marital status, dependants and employment type
- financial details such as direct debit or payment card information
- photographs and/or video to help **us** manage policies and assess claims
- tracking and location information if it is relevant to the insurance Policy or claim
- identification checks and background insurance risk details including previous claims information
- medical information if it is relevant to the insurance Policy or claim
- criminal convictions if it is relevant to the insurance Policy or claim
- accessibility details if **we** need to make reasonable adjustments to help
- business activities such as goods and services offered.

5 WHERE WE COLLECT PERSONAL INFORMATION

Direct from **individuals**, their representatives or information they have made public, for example, on social media.

From other persons or organisations, for example:

- credit reference and/or fraud prevention agencies
- emergency services, law enforcement agencies, medical and legal practices
- insurance industry registers and databases used to detect and prevent insurance fraud, for example, the Motor Insurance Database (MID), the Motor Insurers Anti-Fraud and Theft Register (MIAFTR) and the Claims and Underwriting Exchange (CUE)
- insurance investigators and claims service providers
- other insurers or service providers who underwrite the insurance or provide the services for **our** products
- other involved parties, for example, claimants or witnesses.

FAIR PROCESSING NOTICE – HOW WE USE PERSONAL INFORMATION CONTINUED

6 SHARING PERSONAL INFORMATION

We may share personal information with:

- other companies within the global Allianz Group www.allianz.com
- credit reference, fraud prevention and other agencies that carry out certain activities on **our** behalf, for example, the Motor Insurance Database (MID), the Insurance Fraud Bureau (IFB) and marketing agencies if agreed
- **our** approved suppliers to help deal with claims or provide **our** benefit services, for example, vehicle repairers, legal advisors and loss adjusters
- other insurers, third party underwriters, reinsurers, insurance intermediaries, regulators, law enforcement and the Financial Ombudsman Service (FOS); and other companies that provide services to **us** or you, for example, the Employers Liability Tracing Office (ELTO) and the Claims and Underwriting Exchange (CUE)
- prospective buyers in the event that **we** wish to sell all or part of **our** business.

7 TRANSFERRING PERSONAL INFORMATION OUTSIDE THE UK

We use servers located in the European Union (EU) to store personal information where it is protected by laws equivalent to those in the UK. **We** may transfer personal information to other members of the global Allianz Group to manage the insurance Policy or claim; this could be inside or outside the EU. **We** have Binding Corporate Rules (BCR's) which are **our** commitment to the same high level of protection for personal information regardless of where it is processed. These rules align with those required by the European Information Protection authorities. For more information about BCR's, contact **our** Data Protection Officer.

Some of **our** suppliers have servers outside the EU. **Our** contracts with these suppliers require them to provide equivalent levels of protection for personal information.

8 HOW LONG WE KEEP PERSONAL INFORMATION

We keep information only for as long as **we** need it to administer the Policy, manage **our** business or as required by law or contract.

9 KNOW YOUR RIGHTS

Any **individual** whose personal information **we** hold has the right to:

- object to **us** processing it. **We** will either agree to stop processing or explain why **we** are unable to (the right to object)
- ask for a copy of their personal information **we** hold, subject to certain exemptions (a data subject access request)
- ask **us** to update or correct their personal information to ensure its accuracy (the right of rectification)
- ask **us** to delete their personal information from **our** records if it is no longer needed for the original purpose (the right to be forgotten)
- ask **us** to restrict the processing of their personal information in certain circumstances (the right of restriction)
- ask for a copy of their personal information, so it can be used for their own purposes (the right to data portability)
- complain if they feel their personal information has been mishandled. **We** encourage **individuals** to come to **us** in the first instance but they are entitled to complain directly to the Information Commissioner's Office (ICO) www.ico.org.uk
- ask **us**, at any time, to stop processing their personal information, if the processing is based only on **individual** consent (the right to withdraw consent).

If you wish to exercise any of these rights please contact our Customer Satisfaction Manager:

Address: Customer Satisfaction Manager, Allianz, 57 Ladymead, Guildford, Surrey, GU1 1DB

Email: accsm@allianz.co.uk

Phone: 01483 552438

10 ALLIANZ (UK) GROUP DATA PROTECTION OFFICER CONTACT DETAILS

Allianz Insurance plc and Allianz Engineering Inspection Services Limited are companies within the Allianz Holdings.

Any queries about how **we** use personal information should be addressed to **our** Data Protection Officer:

Address: Data Protection Officer, Allianz, 57 Ladymead, Guildford, Surrey GU1 1DB

Email: dataprotectionofficer@allianz.co.uk

Phone: 0330 102 1837

FAIR PROCESSING NOTICE – HOW WE USE PERSONAL INFORMATION CONTINUED

CHANGES TO OUR FAIR PROCESSING NOTICE

Occasionally it may be necessary to make changes to this fair processing notice. When that happens **we** will provide an updated version at the earliest opportunity. The most recent version will always be available on **our** website www.allianz.co.uk.

CONSENT FOR SPECIAL CATEGORIES OF PERSONAL DATA

The global Allianz Group may need to collect and process data relating to **individuals** who may benefit from the Policy (“Insured Persons”), which falls within the special categories of personal data under Data Protection Legislation, for example, medical history or convictions of Insured Persons for the purpose of evaluating the risk and/or administering claims which may occur. You must ensure that you have explicit verbal or written consent from the Insured Persons to such information being processed by the global Allianz Group and that this fact is made known to the Insured Persons.

By applying for and/or entering into this insurance Policy you will be deemed to specifically consent to the use of the Insured Persons Personal Data in this way and for these purposes and that your directors, officers, partners, and employees have consented to the global Allianz Group using their details in this way.

ALLIANZ ENGINEERING, CONSTRUCTION & POWER ALSO PROVIDES THE FOLLOWING COVERS:

MACHINERY

All Machinery
Machinery Movement
Machinery Options

CONTRACTORS

Construction Select

ELECTRONICS

Computer
Electronic Equipment

CONSEQUENTIAL LOSS

Deterioration of Stock
Machinery Business Interruption

www.allianzengineering.co.uk

Allianz Insurance plc.
Registered in England number 84638.
Registered office: 57 Ladymead, Guildford,
Surrey, GU1 1DB, United Kingdom.

Allianz Insurance plc is authorised by the Prudential
Regulation Authority and regulated by the Financial
Conduct Authority and the Prudential Regulation Authority.

Financial Services Register number 121849.

Allianz Engineering Inspection Services Ltd. Registered in
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