

# ESSENTIAL PROPERTY OWNERS

## KEY FACTS



FOR THE  
PROFESSIONAL  
PROPERTY OWNER

# Essential Property Owners Insurance Policy

Please read this document carefully. Full terms conditions and exclusions can be found within the Policy Document.

The Essential Property Owners policy is underwritten by U K Insurance Limited and will run for 12 months or as shown on the schedule.

Please refer to your policy schedule for full details of any endorsements or excesses that may apply.

## Policy Section 1: Buildings

Cover	Extensions included as standard (subject to certain limits)	Clauses and Conditions	Exclusions
<p>Cover on an "All Risks – Specified Perils" basis on Buildings including</p> <ul style="list-style-type: none"> <li>Landlords fixtures and fittings</li> <li>Tenants improvements for which the Insured is responsible</li> <li>Building management and security systems</li> <li>Gangways, pedestrian malls and pedestrian access bridges</li> <li>Walls, gates, fences and services</li> <li>Roads, pavements, car parks hard standing and street furniture</li> <li>Landscaping and recreational features including garden furniture ornaments and statues</li> </ul> <p>all being the property of the Insured or for which the Insured is responsible and is situate at the Location Insured.</p> <p>Cover available on</p> <ul style="list-style-type: none"> <li>Reinstatement</li> <li>Indemnity or</li> <li>Loss of Market Value basis</li> </ul> <p>Subsidence is available in most cases</p>	<ul style="list-style-type: none"> <li>Adjacent Property Damage – up to £150,000</li> <li>Contractors Interest</li> <li>Contract Works up to £100,000</li> <li>Diminution of Value – up to £100,000</li> <li>Exhibitions &amp; Models – up to £10,000</li> <li>Fly Tipping – up to £1000</li> <li>Frustrated Legal Costs – up to £10,000</li> <li>Further Investigation Expenses</li> <li>Garden Squares included in Buildings item – up to £10,000</li> <li>Insurance Premium and Technical Agents Fees</li> <li>Land Not Otherwise Insured</li> <li>Landscaping</li> <li>Loss of Keys – up to £15,000</li> <li>Metered Water Electricity &amp; Gas charges – up to £25,000</li> <li>Professional Fees – reasonably incurred in the repair or rebuilding of the Buildings</li> <li>Reinstatement to Match</li> <li>Removal of Debris – Buildings</li> <li>Removal of Tenants' Debris – up to £25,000</li> <li>Removal of Insect Nests – up to £500</li> <li>Removal of Vermin – up to £500</li> <li>Trace and access – up to £25,000</li> <li>Unauthorised use of Electricity Gas water or Oil – up to £10,000</li> </ul>	<ul style="list-style-type: none"> <li>Designation – the Company agree to accept the designation under which property insured has been entered into the Insured's books</li> <li>Non-invalidation</li> <li>Seventy Two Hour Provision</li> <li>Underinsurance</li> </ul>	<ul style="list-style-type: none"> <li>Property more specifically insured</li> <li>deterioration and other gradually operating causes</li> <li>Bursting of a boiler due to steam pressure other than in respect of engineering Damage</li> <li>Change in the water table level</li> <li>Damage caused by frost</li> <li>Storm or Flood Damage to fences and gates</li> <li>Storm or Flood Damage to trees, plants, shrubs and turf</li> <li>Settlement or movement of made up ground, coastal or river erosion</li> <li>Damage to property resulting from any production or repair process</li> <li>Pollution or contamination</li> <li>Disappearance or unexplained loss</li> <li>Damage to a building arising from its own collapse or cracking</li> <li>Faulty or defective workmanship</li> <li>Inherent vice, latent defects, gradual deterioration, wear and tear</li> <li>Mechanical or electrical fault or breakdown</li> </ul>

## Policy Section 2: Loss of Rent

Cover	Extensions included as standard (subject to certain limits)	Clauses	Exclusions
Loss of Rent including <ul style="list-style-type: none"> <li>• Cost of re-letting</li> <li>• Additional expenditure to avoid Loss of Rent</li> <li>• Business rates payable by the Insured as a result of Damage</li> <li>• PR Expenditure</li> <li>• Accelerated Reinstatement Expenditure</li> <li>• Accountants Fees</li> <li>• Additional Increased Cost of Working (optional)</li> <li>• Advanced Rent (optional)</li> </ul>	<ul style="list-style-type: none"> <li>• Buildings Awaiting Letting – up to £250,000 per annum for a Maximum Indemnity Period of 24 months</li> <li>• Contingency Rent – up to £500,000</li> <li>• Denial of Access – Public Emergency</li> <li>• Disease, Vermin, Murder and Suicide</li> <li>• Failure of Utilities</li> <li>• Loss of Attraction – up to £500,000</li> <li>• Loss of Investment Income on late payment of Rent</li> <li>• Prevention of Access – up to £1,000,000</li> </ul>	<ul style="list-style-type: none"> <li>• Break Clause – policy shall not be prejudiced by any insurance or casualty break clause in a lease that enables a lessee to determine the lease in the event of Damage</li> <li>• Buildings Awaiting Sale</li> <li>• Payments on Account</li> <li>• Rent Free period</li> </ul>	<ul style="list-style-type: none"> <li>• As shown under Buildings - Section 1</li> </ul>

### Clauses applicable to Section 2

- Material Damage Proviso
- Underinsurance Provision – Blanket basis

### Conditions applicable to Sections 1 and 2

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| <ul style="list-style-type: none"> <li>• Alterations and Additions</li> <li>• Automatic Reinstatement of Sum Insured</li> <li>• Contracting Purchasers Interest</li> </ul> | <ul style="list-style-type: none"> <li>• General Interest</li> <li>• Rent of Residential Property</li> </ul> |
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### Optional Extensions applicable to Sections 1 and 2

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|---|--|
| <ul style="list-style-type: none"> <li>• Automatic Cover – Newly Acquired/Newly completed Properties</li> <li>• Inadvertent Omission to Insure</li> </ul> | <ul style="list-style-type: none"> <li>• Privity of contract</li> <li>• Third Party Failure to Insure</li> </ul> |
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## Policy Section 3: Terrorism

Cover	Extensions included as standard (subject to certain limits)	Clauses	Exclusions
<ul style="list-style-type: none"> <li>• Terrorism</li> </ul>		<ul style="list-style-type: none"> <li>• Treasury issues certificate certifying that any Damage was caused by Terrorism</li> <li>• The Insured must declare to the Company all property and/or premises owned by the Insured, or for which the Insured is responsible, including all such property and/or premises of subsidiary companies unless it is the practice of any subsidiary company to effect its own insurance</li> <li>• The Insured must purchase Terrorism insurance from a Pool Reinsurance Company Limited member company in respect of all such property and/or premises</li> </ul>	<ul style="list-style-type: none"> <li>• Cover will not extend to include the territorial seas adjacent to England, Scotland and Wales as defined by the Territorial Sea Act 1987</li> <li>• War, Invasion, Act of Foreign Enemy Hostilities (whether war be declared or not), Civil War, Rebellion, Revolution, Insurrection or Military or Usurped Power</li> <li>• Riot or Civil Commotion</li> <li>• Digital or Cyber Risks</li> <li>• Virus or Similar Mechanism or Hacking or Denial of Service Attack, ( as well as any Financial Loss associated)</li> </ul>

### Policy Section 3: Terrorism *continued*

Cover	Extensions included as standard (subject to certain limits)	Clauses	Exclusions
			<ul style="list-style-type: none"> <li>• Damage to residential property insured in the name of a private individual</li> <li>• Any long term agreement applying to this Policy</li> </ul>

### Policy Section 4: Property Owners' Liability

Cover	Extensions included as standard (subject to certain limits)	Clauses	Exclusions
<ul style="list-style-type: none"> <li>• Property Owners Liability Indemnity limit as shown on the schedule</li> <li>• Limit in the aggregate any one Period of Insurance for Pollution and Contamination</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate Manslaughter &amp; Corporate Homicide Act 2007</li> <li>• Contingent motor</li> <li>• Health and Safety at Work etc. Act 1974</li> <li>• Member to Member Liability</li> <li>• Indemnity to Principals</li> <li>• Indemnity to Others</li> <li>• Data Protection Act 1998</li> <li>• Defective Premises Act 1972</li> <li>• Leased or Rented Premises</li> <li>• Overseas Personal Liability</li> <li>• Work Overseas</li> </ul>		<ul style="list-style-type: none"> <li>• Faulty or defective workmanship</li> <li>• Damage to anything sold, supplied, installed or erected by or on behalf of the Insured</li> <li>• Damage to material property sustained whilst being worked upon</li> <li>• Legal liability for Bodily Injury caused to any Employee</li> <li>• Work on any offshore rig or platform</li> </ul>

### Policy Section 4a: Property Owners' Liability Sub-Section (a) Legionellosis

Cover	Extensions included as standard (subject to certain limits)	Clauses	Exclusions
<ul style="list-style-type: none"> <li>• Property Owners Liability Legionellosis Indemnity limit as shown on the schedule</li> </ul>			

### Policy Section 4b: Property Owners' Liability Sub-Section (b) Financial Loss

Cover	Extensions included as standard (subject to certain limits)	Clauses	Exclusions
<ul style="list-style-type: none"> <li>• Property Owners Liability Financial Loss Indemnity limit as shown on the schedule</li> </ul>		<ul style="list-style-type: none"> <li>• The financial loss is sustained within the United Kingdom</li> </ul>	

Extensions applicable to Sections 4 and 4(a) Only			
<ul style="list-style-type: none"> <li>• Court Attendance</li> </ul>	<ul style="list-style-type: none"> <li>any director or partner of the Insured      £250 (rate per day)</li> <li>any Employee      £150 (rate per day)</li> </ul>		
<ul style="list-style-type: none"> <li>• Cross Liabilities</li> </ul>			

Conditions applicable to Sections 4, 4(a) and 4(b)	
<ul style="list-style-type: none"> <li>• Contractual Liability</li> </ul>	

## Policy Section 4b: Property Owners' Liability Sub-Section (b) Financial Loss *continued*

Exclusions applicable to Sections 4 and 4(a) Only	
<ul style="list-style-type: none"> <li>Liquidated Damages, Fines or Penalties</li> <li>Punitive, exemplary or aggravated Damages</li> <li>Not applicable to Section 4(a) – Pollution or Contamination Pollution or Contamination in the United States of America and/or Canada and/or their dependencies or trust territories</li> </ul>	<p>Legal Liability caused by / arising from / out of:</p> <ul style="list-style-type: none"> <li>Advice, design, formula or specification provided by or on behalf of the Insured</li> <li>Craft other than hand propelled watercraft</li> <li>Mechanically propelled vehicle (or trailer attached thereto) licensed for road use</li> </ul>
Exclusions applicable to Section 4(b) Only	
<p>Legal Liability arising / of / for / arising out of / from:</p> <ul style="list-style-type: none"> <li>Any breach of anti-trust laws</li> <li>Asbestos</li> <li>Asbestos Dust</li> <li>Asbestos Containing Materials</li> <li>Damage to Data</li> <li>Any defamation, injurious falsehood, passing off or infringement of any Intellectual Property Rights</li> </ul>	<ul style="list-style-type: none"> <li>The diminution in the value of any property</li> <li>The transmission or impact of any Virus</li> <li>Any unauthorised access to a System</li> <li>Failure of a system</li> <li>Any financial loss sustained by any Employee arising out of and in the course of employment by the Insured in the Business</li> </ul>

## Policy Section 5: Employers' Liability

Cover	Extensions included as standard (subject to certain limits)	Clauses	Exclusions
<ul style="list-style-type: none"> <li>Indemnity Limit up to £10 million (inclusive of legal costs) unless otherwise shown on the schedule</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Manslaughter &amp; Corporate Homicide Act 2007 - legal costs and expenses in defence of any criminal proceedings brought in respect of a charge, of corporate manslaughter or corporate homicide</li> <li>Compensation for Court Attendance connected to a claim (Max £50 per day)</li> <li>Cross Liabilities</li> <li>Health &amp; Safety at Work etc. Act 1974</li> <li>Indemnity to Others</li> <li>Indemnity to Principals</li> <li>Unsatisfied Court Judgements</li> <li>Work Overseas</li> </ul>	<ul style="list-style-type: none"> <li>Provisions of Law</li> <li>Certificate of Employers' Liability Insurance - if this Policy or Section is cancelled any certificate of employers' liability insurance shall be similarly cancelled from the same date</li> <li>Contractual Liability</li> </ul>	<ul style="list-style-type: none"> <li>Injury to Employees, other than the driver, resulting from being in or on any of the Insured's vehicles whilst on the road under the terms of Part VI of the Road Traffic Act 1988</li> <li>Work offshore</li> </ul>

## Policy Section 6: Engineering Breakdown

Cover	Extensions included as standard (subject to certain limits)	Clauses	Exclusions
<ul style="list-style-type: none"> <li>Engineering Breakdown</li> <li>The insurance by Sections 1 and 2 (if operative) of the Policy is extended to include cover for direct physical Damage caused to Covered Equipment resulting from an Accident.</li> </ul>	<ul style="list-style-type: none"> <li>Hazardous Substances - up to £10,000</li> <li>Computer Equipment Location - up to £250,000, European Union up to - £5,000</li> <li>Reinstatement of Data - up to £25,000</li> <li>Increased Costs of Working - up to £25,000</li> <li>Rent Receivable - up to £30,000</li> </ul>	<ul style="list-style-type: none"> <li>Precautions - The Insured shall exercise due diligence in <ul style="list-style-type: none"> <li>complying with any statute or order</li> <li>ensuring that insured items are properly maintained and used in accordance with manufacturer's recommendations and in taking reasonable precautions to prevent loss or damage</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>A hydrostatic, pneumatic, or gas pressure test of any boiler or pressure vessel; or an insulation breakdown test of any type of electrical equipment;</li> <li>Any defect, virus, loss of data or other situation within Media</li> <li>Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions</li> </ul>

## Policy Section 6: Engineering Breakdown *continued*

Cover	Extensions included as standard (subject to certain limits)	Clauses	Exclusions
	<ul style="list-style-type: none"> <li>Perishable Goods - up to £15,000 frozen/chilled foods, - up to £5,000 for perishable goods</li> <li>Expediting Expenses – up to £20,000</li> <li>Hire of Substitute Item - up to £5,000</li> <li>Hired Plant - up to £25,000</li> <li>Repair Investigation Costs - up to £25,000</li> </ul>	<ul style="list-style-type: none"> <li>Back Up Records</li> </ul>	<ul style="list-style-type: none"> <li>Damage recoverable under a maintenance agreement or any warranty or guarantee</li> <li>Delay in resuming operations resulting from the need to reconstruct or re-input data or programs on Media</li> </ul>

## Policy Section 7: Legal Expenses

Cover	Extensions included as standard (subject to certain limits)	Clauses	Exclusions
<p>This Section covers legal expenses in relation to the following:</p> <ul style="list-style-type: none"> <li>Legal Defence and Eviction of Squatters (known as Basic cover)</li> <li>Basic plus Property Damage, Contract Disputes and Rent Recovery (known as Silver cover)</li> <li>Silver plus Repossession, Hotel Expenses and Storage Costs (known as Gold cover)</li> <li>Claims under this section are dealt with and managed by DAS Legal Expenses Insurance Company Limited on the Company's behalf</li> </ul>		<p>The following Conditions apply to Rent Recovery:</p> <ul style="list-style-type: none"> <li>If the Insured accepts payment (or part payment) of rent arrears from the tenant of the Location, the Insured must be able to provide proof that the Insured has warned the tenant that it does not prevent the Insured taking further action against them under this Policy</li> <li>Where the tenant is a limited company, the Insured must first seek advice from the Appointed Lawyer before accepting payment of rent arrears</li> </ul> <p>The following Conditions apply to Repossession:</p> <ul style="list-style-type: none"> <li>For both the Housing Act 1988 or the Housing (Scotland) Act 1988 and The Private Tenancies (Northern Ireland) Order 2006 the Insured must give the tenant the correct notices telling him or her that the Insured wants possession of the Location</li> <li>All posted pre-agent notices and pre-proceeding notices must be sent by recorded-delivery post.</li> </ul> <p>Section Conditions</p> <ul style="list-style-type: none"> <li>DAS can take over and conduct, in the Insured's name, any claim or legal proceedings at any time.</li> <li>The Company will not pay any claim covered under any other policy, or any claim that would have been covered by any other policy if this Section did not exist</li> </ul>	<ul style="list-style-type: none"> <li>Any claim reported to DAS more than 90 days after the date the Insured should have known about the Insured Incident</li> <li>Any Costs and Expenses, Hotel Expenses or Storage Costs that are incurred before DAS agree to pay them</li> <li>Any disagreement with the Insured's tenant when the Date of Occurrence is within the first 90 days of the first Period of Insurance and the tenancy agreement started before the start of insurance cover under this Section</li> <li>A claim which is fraudulent, exaggerated or dishonest or where an allegation of dishonesty or violent behaviour has been made against the Insured</li> <li>Any claim relating to registering rents, reviewing rents, rent control, buying the freehold of the Location or any matter that relates to rent tribunals, rates tribunals, land tribunals, rent assessment committees and rent officers</li> <li>Any claim relating to someone legally taking the Location from the Insured, whether the Insured is offered money or not, or restrictions or controls placed on the Location by any government or public or local authority unless the claim is for accidental physical damage caused by any of the above.</li> <li>Any claim relating to Subsidence, mining or quarrying</li> <li>Judicial review</li> <li>Fines, penalties, compensation or damages for which the Insured is ordered to pay by a court or other authority</li> </ul>

## General Conditions

<ul style="list-style-type: none"> <li>• Observance of Conditions / Vacant or Disused Locations</li> <li>• Cancellation</li> </ul>	<ul style="list-style-type: none"> <li>• Misrepresentation</li> <li>• Reasonable Precautions</li> </ul>	<ul style="list-style-type: none"> <li>• Choice of Law</li> <li>• Change of Risk and Interest</li> </ul>	<ul style="list-style-type: none"> <li>• Contracts (Rights of Third Parties) Act 1999</li> <li>• Instalments</li> </ul>
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## Further Information

### Other features

24 hour business assistance services

Free helpline services available 24 hours a day, 7 days a week for:-

- Legal Advice on any commercial legal problem including Employment, Value Added Tax, Contract Disputes, Landlord and Tenant Disputes
- Emergency Assistance - from reputable local contractors to deal with an emergency on your premises, including burst pipes, drainage problems, gas, electricity failures and serious roof damage
- Glass Replacement and Locksmith Services - call outs for any glazing or door & window security problems
- Stress Counselling - service for any employee (and their family) over the telephone, assisting with issues such as Stress, Relationship, Depression, Bereavement and Family
- Health and Medical Advice - assistance for any employee concerning Exercise Information, Sports Injuries, Changing Doctors, Patients Rights, Nutrition Assessment, Giving Up Smoking, Complimentary Health, Hospital Waiting Lists and Inoculations.

### Your right to cancel

If this cover does not meet your requirements, please return all your documents and any certificate to the broker, intermediary or agent who arranged the Policy within 14 days of receipt. We will return any premium paid in accordance with General Condition – 4 Cancellation.

### Cancellation

Following the cooling off period under Your right to cancel above, this Policy may be cancelled by the Insured by sending written notice of cancellation by registered post to the Company at its last known address. Any return of premium will be made in accordance with General Condition – 4 Cancellation.

### How to make a claim

Please contact, in the first instance, the broker, intermediary or agent who arranged the Policy. Please quote your Policy number.

### How to complain

If you have an enquiry or complaint arising from your Policy, please contact the broker, intermediary or agent who arranged the Policy for you. If the broker is unable to resolve your complaint or it is regarding the terms and conditions of the policy they will refer it to NIG.

If your complaint is still outstanding you can write to NIG direct at the following address, quoting your policy number.

The Chief Executive,  
NIG, Churchill Court, Westmoreland Road, Bromley BR1 1DP.

Once you receive a written response and if you remain dissatisfied, you may refer your complaint to the Financial Ombudsman Service (FOS). Their address is:

South Quay Plaza, 183 Marsh Wall, London E14 9SR

Telephone: **0800 023 4567** or **0300 123 9123**

### Details about our Regulator

NIG policies are underwritten by U K Insurance Limited who is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, registration number 202810. The Financial Conduct Authority website, which includes a register of all regulated firms can be visited at [www.fca.org.uk](http://www.fca.org.uk), or the Financial Conduct Authority can be contacted on **0800 111 6768**. The Prudential Regulation Authority website can be visited at [www.bankofengland.co.uk/pru](http://www.bankofengland.co.uk/pru), or the Prudential Regulation Authority can be contacted on **020 7601 4878**.

### Financial Services Compensation Scheme

Under the Financial Services and Markets Act 2000, should we be unable to meet our liabilities to policyholders, compensation may be available. Insurance advising and arranging is covered for 90% of the claim, without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit. Information can be obtained on request, or by visiting the Financial Services Compensation Scheme website at [www.fscs.org.uk](http://www.fscs.org.uk).

