



MATERIAL DAMAGE

Your Policy Terms and Conditions
November 2004 Edition



Be Life Confident

Introducing AXA

One of the world's largest insurers

With more than 50 million customers across the globe, AXA is one of the world's largest financial services providers. We have a presence in over 50 countries, yet we pride ourselves on having a real understanding of local issues.

Care, advice & support – when you need it

As one of the world leaders in financial protection and wealth management, we offer a wide range of insurance and financial products to meet your business and personal needs. Our commitment is to deliver our products with consistent care, advice and support as and when you need it.

We employ 117,000 people worldwide, and are also one of the thirty largest companies of any kind (Fortune magazine's Global 500 for 2003).

AXA provides products that help people to get the best out of life. Our products and services include: Business Insurance, Home and Motor Insurance, Investments, Life Assurance, Retirement Planning, Long Term Care, Asset Management, Medical Insurance and Dental Payment Plans.

AXA Insurance UK plc is authorised and regulated by the Financial Services Authority. This can be checked on the FSA's website at www.fsa.gov.uk/register or by contacting them on 0845 606 1234.

Contents

• Your Policy	4
• Property Memoranda	5
• The Cover - Specified Perils	13
• The Cover - All Risks	17
• Terrorism	21
• The Cover - Domestic Perils	23
• Special Clauses	27
• General Conditions	29
• Making Yourself Heard	32

Your Policy

The Company in consideration of the payment of the premium shall provide insurance against loss destruction damage or liability for injury or damage occurring at any time during the Period of Insurance (or any subsequent period for which the Company accepts a renewal premium) in accordance with the Covers shown as operative in the Policy Schedule subject to the exclusions provisions and conditions of the Policy

The Policy and the Schedule should be read together as one contract and the Proposal/Statement of Fact made by the Insured is the basis of the contract

Important

We recommend that You read this Policy in conjunction with Your Schedule to ensure that it meets with Your requirements Should You have any queries please contact Us or Your Insurance Adviser Your attention is drawn to the Making Yourself Heard on page 32

The law applicable to this Policy

You are free to choose the law applicable to this Policy Your Policy will be governed by the law of England and Wales unless You and We have agreed otherwise

Definitions

The following words will have the same meanings wherever they appear in the Policy or Schedule

AXA Insurance/We/Company/Our/Us
AXA Insurance UK plc

Insured/You/Your(s)/Yourself
The person(s) or company named in the Schedule

Property Memoranda

1. Definitions

Wherever the following words and phrases appear in this Policy they will always have these meanings -

Standard Construction

Brick stone or concrete built and roofed with slates tiles metal concrete asphalt or sheets or slabs composed entirely of incombustible mineral ingredients and plastic rooflights

Non Standard Construction

Constructed of materials other than those detailed in the definition Standard Construction

2. Property Insured

- Column 1 – The building(s) including landlords fixtures and fittings therein and thereon outbuildings walls gates and fences yards car parks and pavements piping ducting cables wires and associated control gear and accessories on the premises and extending to the public mains but only to the extent of the Insureds responsibility
- Column 2 – Contents therein and thereon the property of the Insured or held by them in trust for which they are responsible excluding landlords fixtures and fittings and stock and materials in trade and vehicles licenced for road use (and accessories thereon)
- Column 3 – Stock and materials in trade therein and thereon the property of the Insured or held by them in trust for which they are responsible
- Column 4 – Miscellaneous and on property as specified in the description column

3. Plan References

Plan references (if any) refer to plans and reports of the premises lodged with AXA Insurance

4. Construction of Buildings

Except as otherwise stated the buildings described in the Schedule are of Standard Construction

5. Changes in Tenancy

The Insured must advise AXA Insurance of all changes in tenancy or occupation within the premises in accordance with General Condition 2 of this Policy

6. Architects Surveyors Legal and Consulting Engineers Fees Clause

The insurance by each item under Columns 1 and 2 includes an amount in respect of architects surveyors legal and consulting engineers fees necessarily incurred in the reinstatement or repair of the Property Insured consequent upon its DAMAGE but not for preparing any claim it being understood that the amount payable under the item shall not exceed in total its sum insured

7. Average Clause

The sum insured by each item of this Policy (other than those applying solely to fees rent or removal of debris) is declared to be separately subject to Average i.e. if such sum shall at the commencement of any DAMAGE be less than the value of the property covered within such sum insured the amount payable by the Company in respect of such DAMAGE shall be proportionately reduced

Exceptions:

- a) a private dwelling house or household goods and personal effects
- b) a building used mainly for public religious worship or for activities in connection therewith
- c) agricultural produce on a farm in Great Britain which will be subject to the Special Condition of Average
- d) any item subject to the Two Conditions of Average
- e) any item subject to the Day One Average Memorandum

8. Capital Additions Clause

The insurance by this Policy shall subject to its terms and conditions extend to cover

- a) any newly acquired and/or newly erected buildings or buildings in course of erection (excluding any property for which a building contractor is responsible) machinery and plant in so far as the same are not otherwise insured
and
- b) alterations additions and improvements to buildings machinery and plant but not in respect of any appreciation in value

anywhere in the United Kingdom provided that

- i) at any one situation this cover shall not exceed 10% of the sum insured by Columns 1 and 2

- ii) the Insured undertake to give particulars of such extension of cover as soon as practicable and to effect specific insurance thereon retrospective to the date of the commencement of the Companys liability
- iii) the provisions of this extension shall be fully maintained notwithstanding any specific insurance effected under ii) above

9. Contents Clause

It is agreed that the term contents is understood to include in so far as they are not otherwise insured -

- a) money and stamps (including National Insurance stamps) for an amount not exceeding £500
- b) documents manuscripts and business books but only for the cost of the materials and clerical labour expended in reproducing such records (excluding any expense in connection with the production of information to be recorded therein)
- c) computer systems records but only for the cost of the materials and clerical labour and computer time expended in reproducing such records (excluding any expense in connection with the production of information to be recorded therein)
- d) patterns models moulds plans and designs for an amount not exceeding the cost of the labour and materials expended in reinstatement
- e) contents of outbuildings
- f) contents of open yards
- g) tenants improvements alterations and decorations
- h) directors partners customers visitors and employees personal effects of every description (other than motor vehicles and money) for an amount not exceeding £500 in respect of any one person

10. Contract Price Clause

In respect only of goods sold but not delivered for which the Insured are responsible subject to a sale contract which following DAMAGE is cancelled by reason of its conditions wholly or to the extent of the DAMAGE the liability of the Company shall be based on the contract price For the purpose of this insurance the value of all goods to which this clause could apply in the event of DAMAGE shall also be ascertained on this basis

11. Debris Removal Clause

The insurance by each item of this Policy extends to include costs and expenses necessarily incurred by the Insured with the consent of the Company in -

- a) removing debris
- b) dismantling and/or demolishing
- c) shoring up or propping

of the portion or portions of the Property Insured as a result of DAMAGE hereby insured against

The Company shall not pay for any costs or expenses

- i) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to the site
- ii) arising from pollution or contamination of property not insured by this Policy

The liability of the Company under this extension and this Policy in respect of any item shall in no case exceed the sum insured thereby

12. Designation Clause

For the purpose of determining where necessary the heading under which any property is insured the Company agrees to accept the designation under which such property has been entered in the Insureds books

13. Exhibition Clause

The insurance by any item on stock and materials in trade extends to cover the property described thereby for a period not exceeding 15 days whilst at any exhibition in Great Britain and Northern Ireland The liability of the Company under this extension shall not exceed 10% of the sum insured by said item

14. Fire-Break Doors and Shutters Clause

It is warranted that all fireproof doors and shutters be kept closed except during working hours and be maintained in efficient working order

15. Fire Extinguishing Appliances Clause

Where the Company has agreed to allow a discount for fire extinguishing appliances the Insured warrant that the said appliances will be maintained in efficient working order during the currency of the insurance

16. Inflation Protection Clause

The Company will adjust the sum insured in line with suitable indices of costs and the renewal premium for this Policy will be based on the adjusted Sum Insured

17. Mortgagees Clause

The act or neglect of any mortgagor or occupier of any building hereby insured whereby the risk of DAMAGE is increased without the authority or knowledge of any mortgagee shall not prejudice the interest of the latter party (or parties) in this insurance provided they shall notify AXA Insurance immediately on becoming aware of such increased risk and pay additional premium if required

18. Non Invalidation Clause

This insurance shall not be invalidated by any act or omission or by an alteration whereby the risk of DAMAGE is increased unknown to or beyond the control of the Insured provided that the Insured immediately they become aware thereof shall give notice to AXA Insurance and pay an additional premium if required

19. Notice Clause

AXA Insurance UK plc must be notified in writing immediately any empty building or empty portion of a building insured hereby become(s) occupied or any occupied building becomes empty and the Insured undertake to pay an additional premium if required

20. European Community and Public Authorities (including Undamaged Property) Clause

Subject to the following special conditions the insurance by Columns 1 and 2 of this Policy extends to include such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the Stipulations of

- a) European Community Legislation or
- b) Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye-laws of any Public Authority (hereafter referred to as the Stipulations) in respect of
 - the lost destroyed or damaged property thereby insured
 - undamaged portions thereof

Excluding

- a) the cost incurred in complying with the Stipulations:
 - i) in respect of DAMAGE occurring prior to the granting of this Extension
 - ii) in respect of DAMAGE not insured by this Policy

- iii) under which notice has been served upon the Insured prior to the happening of the DAMAGE
- iv) for which there is an existing requirement which has to be implemented within a given period
- v) in respect of property entirely undamaged by any peril hereby insured against

- b) the additional cost that would have been required to make good the property lost destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with the Stipulations

Special Conditions

- 1) The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within twelve months after the DAMAGE or within such further time as the Company may allow (during the said twelve months) and may be carried out upon another site (if the Stipulations so necessitate) subject to the liability of the Company under this extension not being thereby increased
- 2) If the liability of the Company under (any item of) this Policy apart from this extension shall be reduced by the application of any of the terms and conditions of the Policy then the liability of the Company under the extension (in respect of any such item) shall be reduced in like proportion

- 3) The total amount recoverable under any item of this Policy in respect of this extension shall not exceed
 - a) in respect of the lost destroyed or damaged property
 - i) 15% of its sum insured
 - ii) where the sum insured by the item applies to property at more than one premises 15% of the total amount for which the Company would have been liable had the property insured by the item at the premises where the DAMAGE has occurred been wholly destroyed
 - b) in respect of undamaged portions of property (other than foundations) 15% of the total amount for which the Company would have been liable had the property insured by the item at the premises where the DAMAGE has occurred been wholly destroyed
- 4) The total amount recoverable under any item of this Policy shall not exceed its sum insured
- 5) All the terms and conditions of the Policy except insofar as they are varied hereby shall apply as if they had been incorporated herein

21. Reinstatement Clause

(N.B. not applicable to motor vehicles and their accessories personal effects or stock and materials in trade)

Subject to the following Special Conditions the basis upon which the amount payable in respect of Property Insured under sums insured marked R on the Schedule is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose Reinstatement means

- a) the rebuilding or replacement of property lost or destroyed which provided the liability of the Company is not increased may be carried out
 - i) in any manner suitable to the requirements of the Insured
 - ii) upon another site
- b) the repair or restoration of property damaged

in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new

Special Conditions

- 1) The liability of the Company for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed
- 2) If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item subject to this memorandum exceeds its sum insured at the commencement of any DAMAGE the liability of the Company shall not exceed that proportion of the amount of the DAMAGE which the said sum insured shall bear to the sum representing the total cost of reinstating the whole of such property at that time

- 3) No payment beyond the amount which would have been payable in the absence of this memorandum shall be made
 - a) unless reinstatement commences and proceeds without unreasonable delay
 - b) until the cost of reinstatement shall have been actually incurred
 - c) if the Property Insured at the time of its loss destruction or damage shall be insured by any other insurance effected by or on behalf of the Insured which is not upon the same basis of reinstatement
- 4) All the terms and conditions of the Policy shall apply
 - a) in respect of any claim payable under the provisions of this memorandum except in so far as they are varied hereby
 - b) where claims are payable as if this memorandum had not been incorporated

22. Reinstatement of Sum Insured after Loss Clause

In the event of loss the sum insured by this Policy will be automatically reinstated from the date of the loss unless written notice is given to the contrary either by AXA Insurance or by the Insured and the Insured undertake to pay such necessary premiums as may be required for such reinstatement from that date

23. Rent Clause

The insurance on rent applies only if (any of) the said building(s) or any part thereof is unfit for occupation in consequence of its DAMAGE and then the amount payable shall not exceed such proportion of the sum insured on rent as the period necessary for reinstatement bears to the term of rent insured

24. Repairs and Alterations Clause

Joiners and other tradesmen may be employed to effect repairs or minor structural alterations in all or any of the buildings insured without prejudice to the insurance hereby

25. Subrogation Waiver Clause

In the event of a claim arising under this Policy the Company agrees to waive any rights remedies or relief to which they might have become entitled by subrogation against

- a) any Company standing in relation of Parent to Subsidiary (Subsidiary to Parent) to the Insured as defined in the Companies Act or the Companies (N.I.) Order as appropriate current at the time of the DAMAGE
- b) any Company which is a subsidiary of a Parent Company of which the Insured are themselves a Subsidiary in each case within the meaning of the Companies Act or the Companies (N.I.) Order as appropriate current at the time of the DAMAGE

26. Temporary Removal Clause

- a) The Property Insured by this Policy (other than stock if insured) is covered whilst temporarily removed for cleaning renovation repair or similar purposes elsewhere and in transit thereto and therefrom all in Great Britain and Northern Ireland
- b) The liability of the Company under this extension in respect of each item of this Policy for any DAMAGE occurring elsewhere than at the within mentioned premises shall not exceed 10% of the sum insured by the item
- c) This extension does not apply to property in so far as it is otherwise insured nor as regards losses occurring elsewhere than at the premises from which the property is temporarily removed to motor vehicles and motor chassis licensed for normal road use
- d) All the terms and conditions of the Policy except in so far as they are varied hereby shall apply as if they had been incorporated herein

27. Temporary Removal of Documents Clause

The insurance of deeds and other documents (including stamps thereon) manuscripts plans and writings of every description computer systems records and books (written and printed) extends to cover such property for an amount not exceeding 10% of the value thereof whilst temporarily removed to any premises not in the Insureds occupation and in transit all in Great Britain and Northern Ireland This extension does not apply to property insofar as it is otherwise insured

28. Transfer of Interest Clause

If at the time of DAMAGE the Insured shall have contracted to sell their interest in any building hereby insured and the purchase shall not have been but shall be thereafter completed the purchaser on completion of the purchase (if and so far as the property is not otherwise insured against such DAMAGE by him or on his behalf) shall be entitled to benefit under this Policy without prejudice to the rights and liabilities of the Insured or the Company until completion

Date Recognition Clause

This Policy does not cover

DAMAGE directly or indirectly caused by or contributed to by or arising from the failure of any computer or other equipment data processing service product microchip micro processor integrated circuit embedded chip or similar device computer software program or process or any other electronic system or any design or advice in connection with any of the foregoing irrespective of ownership possession or use and whether occurring before during or after the year 2000

- i) correctly to recognise any date as its true calendar date
- ii) 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
- iii) to capture save or 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 shall not exclude subsequent DAMAGE not otherwise excluded which itself results from 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 theft earthquake storm flood escape of water from any tank apparatus or pipe or impact by any road vehicle or animal provided such contingency is insured by this Policy

Terrorism Exclusion Clause

This Policy does not cover

Loss damage cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with

1. any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
2. any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism

If the Company alleges that by reason of this exclusion any loss damage cost or expense is not covered by this Policy the burden of proving the contrary shall be upon the Insured

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

Definition - Terrorism

For the purpose of this exclusion an act of Terrorism shall mean an act including but not limited to the use of force or violence and or 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 put the public or any section of the public in fear

In respect of private house(s) or contents thereof insured in the name of an individual this Terrorism Exclusion only applies to loss damage cost or expense caused by nuclear chemical or biological contamination resulting directly or indirectly from Terrorism

The Cover - Specified Perils

Only applicable to Items as shown in the Schedule

Indemnity

The Company agrees that if any of the Property Insured described in the Schedule be lost destroyed or damaged by any of the undernoted Perils which are shown as in force in the Schedule the Company will pay the Insured the value of the property at the time of its loss or destruction or the amount of the damage or at the Companys option reinstate or replace such property or any part of it

Provided that the liability of the Company under this section of the Policy shall not exceed

- i) in the whole the total sum insured or in respect of any item its sum insured at the time of loss destruction or damage
- ii) the sum insured remaining after deduction for any other loss destruction or damage occurring during the same period of insurance unless the Company shall have agreed to reinstate any such sum insured

adjusted in accordance with the Inflation Protection Clause if applicable

This section of the Policy incorporates the schedule memoranda and endorsements which shall be read together as one contract Words and expressions to which specific meaning is given in any part of this section of the Policy shall have the same meaning wherever they appear

Additional Definition

The word DAMAGE in capital letters shall mean loss destruction of or damage to the Property Insured

Perils

- A FIRE but excluding DAMAGE caused by
 - a) explosion resulting from fire
 - b) earthquake or subterranean fire
 - c) i) its own spontaneous fermentation or heating or
 - ii) its undergoing any heating process or any process involving the application of heat

LIGHTNING

EXPLOSION

a) of boilers

b) of gas

used for domestic purposes only but excluding DAMAGE caused by earthquake or subterranean fire

B EXPLOSION excluding DAMAGE

a) caused by or consisting of the bursting of a boiler economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the Insured

b) in respect of and originating in any vessel machinery or apparatus or its contents belonging to or under the control of the Insured which requires to be examined to comply with any Statutory Regulations unless such vessel machinery or apparatus shall be the subject of a policy or other contract providing the required inspection service

c) by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

- C AIRCRAFT or other aerial devices or articles dropped therefrom excluding DAMAGE by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds
- D RIOT CIVIL COMMOTION STRIKERS LOCKED-OUT WORKERS or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation excluding DAMAGE
 - a) arising from confiscation requisition or destruction by order of the government or any public authority
 - b) arising from cessation of work
- E RIOT CIVIL COMMOTION STRIKERS LOCKED-OUT WORKERS or persons taking part in labour disturbances or MALICIOUS PERSONS excluding
 - a) DAMAGE arising from confiscation requisition or destruction by order of the government or any public authority
 - b) DAMAGE arising from cessation of work
 - c) as regards DAMAGE (other than by fire or explosion) directly caused by malicious persons not acting on behalf of or in connection with any political organisation
 - i) DAMAGE by theft
 - ii) DAMAGE in respect of any building which is empty or not in use
 - iii) the first £300 of each and every loss in respect of each separate premises as ascertained after the application of any condition of Average
- F EARTHQUAKE
- G SUBTERRANEAN FIRE
- H STORM excluding
 - a) DAMAGE by
 - i) the escape of water from the normal confines of any natural or artificial water course lake reservoir canal or dam
 - ii) inundation from the seawhether resulting from storm or otherwise
 - b) DAMAGE attributable solely to change in the water table level
 - c) DAMAGE by frost subsidence ground heave or landslip
 - d) DAMAGE in respect of movable property in the open fences and gates
 - e) the first £300 of each and every loss in respect of each separate premises as ascertained after the application of any condition of Average
- I STORM OR FLOOD excluding
 - a) DAMAGE attributable solely to a change in the water table level
 - b) DAMAGE by frost subsidence ground heave or landslip
 - c) DAMAGE in respect of movable property in the open fences and gates
 - d) the first £300 of each and every loss in respect of each separate premises as ascertained after the application of any condition of Average
- J ESCAPE OF WATER FROM ANY TANK APPARATUS OR PIPE excluding
 - a) DAMAGE by water discharged or leaking from any automatic sprinkler installation
 - b) DAMAGE in respect of any building which is empty or not in use
 - c) the first £300 of each and every loss in respect of each separate premises as ascertained after the application of any condition of Average

- K IMPACT by any road vehicle or animal not belonging to or under the control of the Insured or any occupier of the premises or their respective employees
 - L IMPACT by any road vehicle or animal excluding in respect of road vehicles or animals belonging to or under the control of the Insured or any occupier of the premises or their respective employees the first £300 of each and every loss in respect of each separate premises as ascertained after the application of any condition of Average
 - M ACCIDENTAL ESCAPE OF WATER FROM ANY AUTOMATIC SPRINKLER INSTALLATION in the premises not caused by
 - a) freezing whilst the building insofar as it is in the Insureds ownership or tenancy is empty or not in use
 - b) explosion earthquake subterranean fire or heat caused by fire
 - N FIRE only resulting from the property's own SPONTANEOUS FERMENTATION OR HEATING
- 2. loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
 - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
 - 3. DAMAGE in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of
 - i) civil commotion
 - ii) **TERRORISM** as defined in the **Terrorism Exclusion Clause**

In any action suit or other proceedings where the Company alleges that by reason of this definition any DAMAGE is not covered by this section of the Policy the burden of proving that such DAMAGE is covered shall be upon the Insured
 - 4. loss or destruction or damage caused by pollution or contamination except (unless otherwise excluded) destruction of or damage to the Property Insured caused by
 - a) pollution or contamination which itself results from a peril hereby insured against
 - b) any peril hereby insured against which itself results from pollution or contamination

Exclusions

This section of the Policy does not cover

- 1. DAMAGE occasioned by
 - a) riot or civil commotion unless these perils are specified in the Schedule and then only to the extent stated
 - b) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

5. property which at the time of the happening of DAMAGE is insured by or would but for the existence of this section of the Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected
6. any property more specifically insured by or on behalf of the Insured
7. consequential loss or damage of any kind or description except loss of rent when such loss is included in the cover under this section of the Policy
8. DAMAGE to any electrical plant or apparatus caused by its own over-running short-circuiting excessive pressure or self-heating but should DAMAGE extend to and damage or destroy any other part of the plant or apparatus or other Property Insured hereby such DAMAGE is not excluded by this section of the Policy

The Cover - All Risks

Only applicable to Items as shown in the Schedule

Indemnity

The Company agrees that if any of the Property Insured described in the Schedule be accidentally lost destroyed or damaged the Company will pay the Insured the value of the property at the time of its loss or destruction or the amount of the damage or at the Companys option reinstate or replace such property or any part of it

Provided that the liability of the Company under this section of the Policy shall not exceed

- i) in the whole the total sum insured or in respect of any item its sum insured or any other limit of liability stated in the Schedule at the time of loss destruction or damage
- ii) the sum insured (or limit) remaining after deduction for any other loss destruction or damage occurring during the same period of insurance unless the Company shall have agreed to reinstate any such sum insured (or limit)

adjusted in accordance with the Inflation Protection Clause if applicable

This section of the Policy incorporates the schedule memoranda and endorsements which shall be read together as one contract Words and expressions to which specific meaning is given in any part of this section of the Policy shall have the same meaning wherever they appear

Additional Definitions

1. The word DAMAGE in capital letters shall mean accidental loss or destruction of or damage to the Property Insured
2. The words Defined Peril shall mean 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

Exclusions

This section of the Policy does not cover

1. the amount shown below after the application of the condition of Average in respect of
 - i) DAMAGE by fire lightning explosion aircraft riot civil commotion strikers locked-out workers persons taking part in labour disturbances or earthquake**£NIL**
 - ii) all other DAMAGE**£300**
2. DAMAGE caused by or consisting of
 - a) inherent vice latent defect gradual deterioration wear and tear frost change in water table level its own faulty or defective design or materials
 - b) The bursting by steam pressure of a boiler (not being a boiler used for domestic purposes only) economiser or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the Insured
 - c) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

but this shall not exclude subsequent DAMAGE which itself results from a cause not otherwise excluded
3. DAMAGE caused by or consisting of
 - a) faulty or defective workmanship operational error or omission on the part of the Insured or any of his employees

but this shall not exclude

 - i) such DAMAGE not otherwise excluded which itself results from a Defined Peril

- ii) subsequent DAMAGE which itself results from a cause not otherwise excluded
 - b) acts of fraud or dishonesty by the Insureds employees but this shall not exclude such DAMAGE not otherwise excluded which itself results from a Defined Peril
4. DAMAGE caused by or consisting of
- a) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
 - b) change in temperature colour flavour texture or finish
 - c) theft or attempted theft
- DAMAGE consisting of
- d) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers super heaters pressure vessels or any range of steam and feed piping in connection therewith
 - e) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which such breakdown or derangement originates
- but this shall not exclude
- i) such DAMAGE not otherwise excluded which itself results from a Defined Peril or from any other accidental loss destruction or damage
 - ii) subsequent DAMAGE which results from a cause not otherwise excluded
5. loss or destruction or damage caused by pollution or contamination but this shall not exclude destruction of or damage to the Property Insured not otherwise excluded caused by
- a) pollution or contamination which itself results from a Defined Peril
 - b) a Defined Peril which itself results from pollution or contamination
6. DAMAGE caused by or consisting of
- a) subsidence ground heave or landslide unless resulting from fire explosion earthquake or the escape of water from any tank apparatus or pipe
 - b) normal settlement or bedding down of new structures
 - c) disappearance unexplained or inventory shortage misfiling or misplacing of information
7. destruction of or damage to a building or structure caused by its own collapse or cracking unless resulting from a Defined Peril insofar as it is not otherwise excluded
8. DAMAGE in respect of movable property in the open fences and gates caused by wind rain hail sleet snow flood or dust
9. DAMAGE
- a) caused by fire resulting from its undergoing any heating process or any process involving the application of heat
 - b) (other than by fire or explosion) resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair
10. DAMAGE
- a) caused by freezing
 - b) caused by escape of water from any tank apparatus or pipe
 - c) caused (other than by fire or explosion) by malicious persons not acting on behalf of or in connection with any political organisation
- in respect of any building which is empty or not in use

11. DAMAGE in respect of
- a) jewellery precious stones precious metals bullion furs curiosities works of art or rare books
 - b) property in transit
 - c) fixed glass
 - d) glass (other than fixed glass) china earthenware marble or other fragile or brittle objects
 - e) computers or data processing equipment
 - f) money cheques stamps bonds credit cards or securities of any description
- other than such DAMAGE caused by a Defined Peril in so far as it is not otherwise excluded
12. a) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft
- b) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection
 - c) land roads pavements piers jetties bridges culverts and excavations
 - d) livestock growing crops or trees
- unless specifically mentioned as insured by this section of the Policy
13. property which at the time of the happening of DAMAGE is insured by or would but for the existence of this section of the Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected
14. any property more specifically insured by or on behalf of the Insured
15. DAMAGE occasioned by war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power nationalisation confiscation requisition seizure or destruction by the government or any public authority
16. loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from
- a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
17. DAMAGE in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of
- i) riot civil commotion and (except in respect of DAMAGE by fire or explosion) strikers locked-out workers or persons taking part in labour disturbances or malicious persons
 - ii) **TERRORISM**
- as defined in the **Terrorism Exclusion Clause**
- In any action suit or other proceedings where the Company alleges that by reason of this definition any DAMAGE is not covered by this section of the Policy the burden of proving that such DAMAGE is covered shall be upon the Insured
18. consequential loss or damage of any kind or description except loss of rent when such loss is included in the cover under this section of the Policy

19. DAMAGE to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information programs or software) and whether the property of the Insured or not where such DAMAGE is caused by programming or operator error Virus or Similar Mechanism or Hacking

but this shall not exclude DAMAGE not otherwise excluded which itself results from a Defined Peril save in respect of malicious persons other than thieves

Definitions

For the purposes of this Exclusion 19 the following Definitions apply

- a) Virus or Similar Mechanism shall mean program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not

This Definition of Virus or Similar Mechanism includes but is not limited to Trojan horses worms and logic bombs

- b) Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data

General Provisions

1. Deductibles

This section of the Policy does not cover the amount excluded stated in Exclusion 1 in respect of each and every loss as ascertained after the application of all other terms and conditions of this section of the Policy including any condition of Average

2. Explosion

In respect of any vessel machinery or apparatus or its contents belonging to or under the control of the Insured which requires to be examined to comply with any Statutory Regulations cover against destruction or damage caused by an explosion thereof is subject to the provision that such vessel machinery or apparatus shall be the subject of a policy or other contract providing the required inspection service

Terrorism

Only applicable if this Section is shown as operative in the Schedule

In consideration of the payment of the Premium in respect of the Period of Insurance, the cover provided under the Sections shown under the Terrorism Section of the Schedule of this Policy is extended to include loss destruction or damage to the property insured occasioned by or happening through or in consequence of Terrorism as hereinafter defined for the purposes of this Terrorism Section

Terrorism is defined for the purposes of this Terrorism Section only as:

1. An act of any person(s) 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 any government de jure or de facto as certified by Her Majesty's Government or HM Treasury or any successor relevant authority

or

2. An act of any person(s) acting alone and not on behalf of or in connection with any organisation who carries out activities directed towards the overthrowing or influencing by force or violence of any government de jure or de facto, and such act not being certified by Her Majesty's Government or HM Treasury or any successor relevant authority and in the event of any challenge to such non-certification the refusal to certify being upheld by a Tribunal ruling confirming such non-certification

Provided always that the insurance provided by this Terrorism Section is:

- A. in respect only of the insurance provided by paragraph 1. of this Terrorism Section not subject to the Policy Exclusions but is subject to the following War and Allied Risks exclusion:

Loss destruction or damage to the property insured occasioned by riot civil commotion war invasion act of foreign enemy hostilities (whether war is declared or not) civil war rebellion revolution insurrection or military or usurped power nationalisation confiscation requisition seizure or destruction by the government or any public authority

- B. in respect only of the insurance provided by paragraph 2. of this Terrorism Section not subject to any Terrorism exclusion applicable to loss destruction or damage to property insured

- C. subject to the following additional exclusions:

1) **Electronic Risks Exclusion**

This insurance does not cover any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from:

loss destruction or damage to any computer or other equipment or component or system or item which processes stores transmits or retrieves data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of the Insured or not where such loss destruction or damage is caused by Virus or Similar Mechanism or Hacking or Denial of Service Attack

For the purposes of this exclusion the following definitions shall apply:

Virus or Similar Mechanism

Virus or Similar Mechanism means program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not The definition of Virus or Similar Mechanism includes but is not limited to Trojan horses worms and logic bombs

Hacking

Hacking means unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data

Denial of Service Attack

Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems Denial of Service Attacks include but are not limited to, the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

2) Excluded Property

This insurance does not cover any losses whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from loss destruction or damage in respect of:

- i) any property located outside England, Wales and Scotland
- ii) any nuclear installation or nuclear reactor

- iii) any property which is specifically excluded elsewhere in this Policy
- iv) any property which is insured by or would but for the existence of this Policy be insured by any form of transit, aviation or marine policy

D. subject to the following additional Policy terms and conditions:

- 1) In any action or other proceedings where the Company alleges that any loss destruction or damage is not covered by this Terrorism Section the burden of proving that such loss destruction or damage is covered shall be upon the Insured
- 2) Except where otherwise indicated in this Terrorism Section the insurance provided by this Terrorism Section is subject to all the terms definitions exclusions conditions and provisions of this Policy Subject to any limits stated within this Terrorism Section the Company's liability in respect of all losses arising out of any one occurrence and in the aggregate in any one period of insurance shall not exceed the limits as otherwise specified under this Policy

E. in respect only of the insurance provided by paragraph 2. of this Terrorism Section subject to the following additional Policy term:

the liability of the Company in respect of loss destruction or damage to property insured directly or indirectly caused by contributed to by resulting from or arising out of or in connection with biological chemical or nuclear pollution or contamination will be subject to a limit of up to £25 million any one loss and in the aggregate during any one period of insurance

The Cover - Domestic Perils

Only applicable to Items as shown in the Schedule

Indemnity

The Company agrees to provide insurance against loss damage destruction or liability for injury or damage in accordance with the Contingencies detailed below

Provided that the liability of the Company under this section of the Policy shall not exceed

- i) in the whole the total sum insured or limit of liability or in respect of any item its sum insured at the time of loss destruction or damage
- ii) the sum insured remaining after deduction for any other loss destruction or damage occurring during the same period of insurance unless the Company shall have agreed to reinstate any such sum insured

adjusted in accordance with the Inflation Protection Clause if applicable

This section of the Policy incorporates the Schedule Memoranda and Endorsements which shall be read together as one contract

Words and expressions to which specific meaning is given in any part of this section of the Policy shall have the same meaning wherever they appear

Definition

The word "DAMAGE" in capital letters shall mean loss destruction of or damage to the Property Insured

Property Insured

Column 1 shall insure –

The building(s) including domestic outbuildings swimming pools paved terraces walls gates fences patios paths drives and landlords fixtures and fittings all on the same premises and in addition any private garage(s) owned and used in connection with the said buildings

Sum Insured

The Insured declares that the sum insured marked 'R' on the Schedule represents the full cost of rebuilding the Property Insured in the same form style and condition as new plus a reasonable amount for the cost of shoring up debris removal architects surveyors and legal fees and the sum insured on said property shall be maintained on this basis during the currency of the Insurance

Basis of Claims Settlement

In the event of DAMAGE to

- a) the Property Insured caused by any Contingency insured the Company may either
 - i) pay for rebuilding or repair or
 - ii) make a money payment instead

but it is a condition precedent to liability that the Property Insured be maintained in a good state of repair and the property be insured for the full value as defined in the paragraph headed Sum Insured

- b) matching sets suites groups and collections

the Company will not pay for the cost of replacing an undamaged or unbroken item or parts of items forming part of a set suite or other article of uniform nature colour or design when damage or breakage occurs within a clearly identifiable area to a specific part and replacements cannot be matched

Amount Excluded

The Company will not be liable for the first £30 of each claim other than those arising under

- i) Paragraph 6 (Subsidence) of the Contingencies where the Company will not be liable for the first £1,000 of each claim
- ii) Paragraph (F) (Property Owners Liability) of the Contingencies

Inflation Protection

The Company will adjust the sum insured in line with suitable indices of costs and the renewal premium for the this section of the Policy will be based on the adjusted sum insured

Contingencies

A. DAMAGE to the Property Insured caused by

1. Fire smoke explosion lightning subterranean fire or earthquake
2. Riot civil commotion labour and political disturbances and strikes
3. Malicious damage but not
 - a) DAMAGE by a person lawfully in the dwelling
 - b) DAMAGE occurring when the dwelling has not been lived in for more than 30 consecutive days or is not furnished for full occupation
4. Impact by aircraft or other aerial devices or anything dropped from them vehicles trains animals falling trees or branches falling aerials or masts
5. Storm or flood but not DAMAGE to swimming pools paved terraces gates fences patios paths and drives
6. Subsidence or heave of the site on which the dwelling stands or landslip but not
 - a) the first £1,000 of each claim
 - b) DAMAGE to swimming pools paved terraces walls gates fences patios paths and drives unless the main building of the dwelling is damaged at the same time from the same cause
 - c) DAMAGE to solid floor slabs or DAMAGE resulting from their movement unless the foundations beneath the outside walls of the main building of the dwelling are damaged at the same time by the same cause

- d) DAMAGE to the buildings or any part of them arising from construction structural alteration or repair or demolition
 - e) DAMAGE caused by or resulting from faulty workmanship or design or the use of faulty materials
 - f) DAMAGE caused by coastal or river erosion
 - g) DAMAGE caused solely by normal settlement shrinkage or expansion of the buildings
7. Escape of water from or the freezing of any fixed domestic water installation but not DAMAGE occurring when the dwelling has not been lived in for more than 30 consecutive days or is not furnished for full occupation
 8. Theft or attempted theft but not when the dwelling has not been lived in for more than 30 consecutive days or is not furnished for full occupation
 9. Escape of oil from any fixed domestic oil heating installation

Note: If more than one dwelling is insured by this section of the Policy any exclusion or limitation applies separately to each dwelling

B. Additional Expenses

Necessary expenses for rebuilding or repairing the dwelling as a result of DAMAGE insured by this section of the Policy namely

- a) architects surveyors and legal fees
- b) the cost of clearing debris from the site or demolishing or shoring up the dwelling
- c) other costs to comply with government local authority requirements or European Community requirements

The total amount payable in respect of DAMAGE and these additional expenses is limited to the sum insured on the dwelling damaged

C. Damage to cables underground pipes and drains

D. Breakage of Glass and Sanitary Fixtures

The cost of repairing accidental breakage of fixed glass and sanitary fixtures in the dwelling but not when the dwelling has not been lived in for more than 30 consecutive days or is not furnished for full occupation

E. Loss of Rent

This section of the Policy will cover the rent the Insured would have received or ground rent the Insured would have paid for up to two years together with the reasonable cost of necessary alternative accommodation for the Insured and their family but only if the dwelling is uninhabitable following DAMAGE insured under this section of the Policy

The most this section of the Policy will pay in any period of insurance in respect of Loss of Rent is 20% of the sum insured on the dwelling damaged

F. Property Owners Liability

The Insured (or their personal representatives if they die) are insured against their legal liability to pay damages costs and expenses to the person claiming against the Insured resulting from an accident during the period of insurance arising from the Insureds ownership of the dwelling if the accident causes

accidental bodily injury including death disease and illness to any person

or

accidental damage to material property

The most the Company will pay for claims for one accident or series of accidents from one cause is £1,000,000 plus other costs incurred with the Companys written consent

The Company insures the Insureds liability under Section 3 of the Defective Premises Act 1972 or Series 5 of the Defective Premises (Northern Ireland)

Order 1975 This means that the Company insures the Insured as owners of any previous residence which the Insured occupied at the time of sale or disposal for any accident in and around that residence if the accident causes accidental bodily injury including death disease and illness to any person or accidental damage to material property

This Defective Premises Act insurance continues for seven years from the date this section of the Policy expires or is cancelled but the insurance will not apply if the Insureds liability is covered by a more recent policy

The most the Company will pay for claims for one accident or series of accidents from one cause is £1,000,000 plus other costs incurred with the Companys written consent

The Company will not pay for any claim arising from

- a) any injury to a member of the Insureds household or to anyone in their employ as domestic staff or to repair or decorate the dwelling
- b) loss or damage to property which is owned leased let rented hired lent or entrusted to the Insured or to a member of their household
- c) any business trade or profession other than the owning of the Property Insured
- d) loss or damage arising from the possession or use of motorised garden implements
- e) loss or damage arising from any agreement unless the Insured would have been liable had the agreement not been made
- f) loss or damage arising from any private residence previously owned or occupied by the Insured
- g) action for damages brought in a court outside the British Isles

Special Conditions

This section of the Policy does not cover -

1. Any expense consequential loss legal liability or damage to property directly or indirectly caused by or arising from or contributed to by
 - a) pressure waves caused by aircraft or other aerial devices
 - b) ionising radiation or contamination by radioactivity from any nuclear fuel or from nuclear waste from the combustion of nuclear fuel
 - c) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component
 - d) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
 - e) DAMAGE in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of
 - i) civil commotion
 - ii) TERRORISM as defined in the Terrorism Exclusion Clause

In any action suit or other proceedings where the Company alleges that by reason of this definition any DAMAGE is not covered by this Section the burden of proving that such DAMAGE is covered shall be upon the Insured
2. Diminution of market value beyond the cost of repair or replacement
3. Loss damage liability or bodily injury arising directly or indirectly from pollution or contamination unless caused by
 - a) a sudden and unforeseen and identifiable incident
 - b) leakage of oil from a domestic oil installation at the dwelling

Special Clauses

Cluses 1-3 applicable only if the Clause numbers are entered in the Schedule Clause 4 applicable only if referred to in the Schedule

1. Day One Average

A Subject to the following Special Conditions the basis upon which the amount payable in respect of the Property Insured under sums insured marked DA in the Schedule is to be calculated shall be the reinstatement of the property lost destroyed or damaged

For this purpose reinstatement means

a) the rebuilding or replacement of property lost or destroyed which provided the liability of the Company is not increased may be carried out

(i) in any manner suitable to the requirements of the Insured

(ii) upon another site

b) the repair or restoration of property damaged

in either case to a condition equivalent to or substantially the same but not better or more extensive than its condition when new

B The Insured having stated in writing the Declared Value shown in brackets below the sum insured for each of the said items the premium has been calculated accordingly

Declared Value means the Insureds assessment of the cost of reinstatement of the Property Insured arrived at in accordance with paragraph A a) at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) together with insofar as the insurance by the item provides due allowance for

- a) the additional cost of reinstatement to comply with public authority requirements
- b) professional fees
- c) debris removal costs

Special Conditions

- 1 At the inception of each period of insurance the Insured shall notify AXA Insurance of the Declared Value of the Property Insured by each of the said item(s) In the absence of such declaration the last amount declared by the Insured shall be taken as the Declared Value which shall be adjusted for inflation for the ensuing Period of Insurance
- 2 If at the time of DAMAGE the Declared Value of the property covered by such item be less than the cost of reinstatement (as defined in paragraph B above) at the inception of the Period of Insurance then the Companys liability for any DAMAGE shall not exceed that proportion thereof which the Declared Value bears to such cost of reinstatement
- 3 The liability of the Company for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed
- 4 No payment beyond the amount which would have been payable in the absence of this memorandum shall be made
 - a) unless reinstatement commences and proceeds without unreasonable delay
 - b) until the cost of reinstatement shall have been actually incurred
 - c) if the Property Insured at the time of its loss destruction or damage shall be insured by any other insurance effected by or on behalf of the Insured which is not upon the same basis of reinstatement

- 5 All the terms and conditions of this Policy shall apply
- a) in respect of any claim payable under the provisions of this memorandum except in so far as they are varied hereby
 - b) where claims are payable as if this memorandum had not been incorporated except that the sum(s) insured shall be limited to 115% of the Declared Value(s)

2. Stock Declaration Conditions

The premium in respect of any item in the Schedule where the sum insured is marked D is provisional and subject to adjustment as provided below

The value of the property on the last day of each calendar month shall be declared by the Insured to AXA Insurance within thirty days thereafter and if a declaration be not so given the Insured shall be deemed to have declared the Sum Insured as the value

On the expiry of each Period of Insurance the actual premium shall be calculated at the rate applicable on the total of the amounts declared divided by the number of the declarations. If the actual premium be greater than the provisional premium the Insured shall pay the difference. If it is less the difference shall be paid to the Insured.

In consideration of the insurance not being reduced by the amount of any loss the Insured shall pay the appropriate extra premium on the amount of the loss from the date thereof to the expiry of the Period of Insurance.

It is warranted that every insurance on such property covering DAMAGE insured hereby is on a similar basis of adjustment against declarations.

3. Temporary Cover

The first premium has been calculated to take into account the cost of temporary cover (in accordance with particulars lodged with the Company) pending issue of this Policy.

4. Long Term Agreement

The discount shown in the Schedule is allowed off the net premiums on this Policy in consideration of the Insured having given an undertaking expiring on the date stated in the Schedule to offer annually the insurance under this Policy on the terms and conditions in force at the expiry of each Period of Insurance and to pay the premium annually in advance it being understood that

- a) the Company shall be under no obligation to accept an offer made in accordance with the above-mentioned undertaking
- b) where appropriate the Sum Insured may be reduced at any time to correspond with any reduction in value

The above-mentioned undertaking applies to any policy (or policies) which may be issued by the Company in substitution for this Policy and the same discount shall be allowed off the net premiums on any substituted policy or policies issued by the Company as aforesaid.

Payment of the premium due at the expiry date shown in the Schedule shall be deemed acceptance by the Insured of the terms of this clause.

General Conditions

1 Policy Voidable

This Policy shall be voidable in the event of misrepresentation misdescription or non-disclosure in any material particular

2 Alteration

This Policy shall be avoided with respect to any item thereof in regard to which there be any alteration after the commencement of this insurance

- a) by removal or
- b) whereby the risk of loss or damage is increased or
- c) whereby the interest of the Insured ceases except by will or operation of law unless admitted to the Company in writing

3 Claims Conditions

- 1) In the event of any loss destruction or damage or event likely to give rise to a claim under this Policy the Insured shall
 - a) notify the Company immediately
 - b) notify the Police Authority immediately if it becomes evident that any loss or damage has been caused by theft or malicious persons
 - c) carry out and permit to be taken any action which may be reasonably practicable to prevent further loss destruction or damage
 - d) deliver to the Company at the Insureds expense
 - i) full information in writing of the property lost destroyed or damaged and of the amount of loss destruction or damage
 - ii) details of any other insurances on any property hereby insured within 30 days after such loss destruction or damage or such further time as the Company may allow
 - iii) all such proofs and information relating to the claim as may be reasonably required
 - iv) if demanded a statutory declaration of the truth of the claim and of any matters connected with it

- 2) No claim under this Policy shall be payable unless the terms of this condition have been complied with

4 Fraud

If a claim is fraudulent in any respect or if fraudulent means are used by the Insured or by anyone acting on their behalf to obtain any benefit under this Policy or if any destruction loss or damage is caused by the wilful act or with the connivance of the Insured all benefit under this Policy shall be forfeited

5 Reinstatement

If any property is to be reinstated or replaced by the Company the Insured shall at their own expense provide all such plans documents books and information as may reasonably be required The Company shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than its Sum Insured

6 Reasonable Precautions

The Insured shall take all reasonable precautions to prevent the loss destruction or damage

7 The Companys rights following a claim

On the happening of any loss destruction or damage in respect of which a claim is made the Company and any person authorised by the Company may without thereby incurring any liability or diminishing any of the Companys rights under this Policy enter take or keep possession of the premises where such loss destruction or damage has occurred and take possession of or require to be delivered to the Company any property insured and deal with such property for all reasonable purposes and in any reasonable manner No claim under this Policy shall be payable unless the terms of this condition have been complied with No property may be abandoned to the Company whether taken possession of by the Company or not

8 Contribution and Average

If at the time of any loss destruction or damage there is any other insurance effected by or on behalf of the Insured covering any of the property lost destroyed or damaged the liability of the Company hereunder shall be limited to its rateable proportion of such loss destruction or damage. If any such other insurance shall be subject to any average condition this Policy if not already subject to any such condition of average shall be subject to average in like manner.

If any such other insurance is subject to any provision whereby it is excluded from ranking concurrently with this Policy either in whole or in part or from contributing rateably the liability of the Company under this Policy shall be limited to that proportion of the loss destruction or damage which the Sum Insured under this Policy bears to the value of the property.

9 Subrogation

Any claimant under this Policy shall at the request and expense of the Company take and 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 Company.

10 Cancellation

Our Rights

We shall not be bound to accept any renewal of this Policy and may at any time give 21 days notice of cancellation by recorded delivery to Your last known address.

Thereupon You shall be entitled to the return of a proportionate part of the premium paid in respect of the unexpired term of this Policy provided that there have been

- no claims made under the Policy for which We have made a payment
- no claims made under the Policy which are still under consideration
- no incidents likely to give rise to a claim but are yet to be reported to Us

during the current Period of Insurance.

This termination will be without prejudice to any rights or claims of the Insured or the Company prior to the expiration of such notice.

If a claim has been submitted or there has been any incident likely to give rise to a claim during the current Period of Insurance, no refund for the unexpired portion of the premium will be given.

Your Rights

You may cancel this Policy in the first year of insurance during the 14 days after the Contract has been concluded by giving notice in writing to Your Insurance Adviser at the address shown in their correspondence or to the AXA Insurance address shown on Your Policy schedule. **This right does not apply at the first or any subsequent renewal of the Policy.**

Provided that there have been

- no claims made under the Policy for which We have made a payment
- no claims made under the Policy which are still under consideration
- no incidents likely to give rise to a claim but are yet to be reported to Us

during this 14 day period, We will give a refund for the proportionate part of the premium paid in respect of the unexpired term of this Policy, subject to a minimum premium of £50.

If a claim has been submitted or there has been any incident likely to give rise to a claim during the current Period of Insurance, no refund for the unexpired portion of the premium will be given.

11 Instalments

If the premium on this Policy is payable by the Company's Budget Plan and You do not pay each instalment on the due date all cover under the Policy is cancelled automatically from the date such instalment was due or where statute requires the giving of prior notice the day following the expiry of such notice

If the premium on this Policy is payable by the Company's Budget Plan and during the current Period of Insurance

- a claim has been made under the Policy for which We have made a payment
- a claim has been made under the policy which is still under consideration
- an incident has occurred which is likely to give rise to a claim but is yet to be reported to Us

the annual premium remains due in full In such case monthly collections must continue or a one off payment be agreed to settle the outstanding amount

Where a one off payment is not made to settle the outstanding amount You must continue with the instalment payments Alternatively We may deduct any outstanding instalments from any claim payment that may be due to You or payable on Your behalf

Any instalments payments legitimately taken prior to the notification of cancellation of the Budget Plan agreement will be retained Any refund of premium will be in respect of any subsequent collections taken between the time of notification and cancellation

12 Proceedings

The Insured shall not except at their own cost negotiate pay settle admit or repudiate any claim without the written consent of the Company The Company shall be entitled to undertake in the name and on behalf of the Insured the absolute conduct and control of any proceedings and any settlement of the same The Insured shall render to the Company all necessary information and assistance to enable the Company to settle or resist any claim or to institute proceedings

13 Warranties

Every warranty to which this Policy or any item thereof is or may be made subject shall from the time the warranty attaches apply and continue to be in force during the whole currency of this Policy Non-compliance with any such warranty in so far as it increases the risk of loss destruction or damage shall be a bar to any claim in respect of such loss destruction or damage provided that whenever this Policy is renewed a claim in respect of loss destruction or damage occurring during the renewal period shall not be barred by reason of a warranty not having been complied with at any time before the commencement of such period

14 Arbitration

If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted) such 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 any award shall be a condition precedent to any right of action against the Company

15 Condition Precedent

It is a condition precedent to any liability on the part of the Company under this Policy that a) the terms hereof so far as they relate to anything to be done or complied with by the Insured are duly and faithfully observed and fulfilled by the Insured and by any other person who may be entitled to be indemnified under this Policy b) the statements made and the answers given in the proposal herein before referred to are true and complete

Making Yourself Heard

If You have cause for complaint it is important You know We are committed to providing You with an exceptional level of service and customer care

We realise that things can go wrong and there may be occasions when You feel that We have not provided the service You expected When this happens We want to hear about it so We can try to put things right

Who to contact?

The most important factors in getting Your complaint dealt with as quickly and efficiently as possible are

- to be sure You are talking to the right person and
- that You are giving them the right information

When You contact Us

- Please give Us Your name and a contact telephone number
- Please quote Your Policy and/or claim number and the type of Policy You hold
- Please explain clearly and concisely the reason for Your complaint

So We begin by establishing Your first point of contact

Step One - Initiating Your complaint

Does Your complaint relate to

A: Your Policy?

B: a claim on Your Policy?

If A You need to contact the agent or AXA office who sold You Your Policy Call the number on Your Policy document and state Your complaint

If B You need to contact whoever is currently dealing with Your claim and state Your complaint

In either case if You wish to provide written details the following checklist has been prepared for You to use when drafting Your letter

- Head Your letter 'COMPLAINT'
- Give Your full name postcode and contact telephone number(s)
- Quote the type of Policy and Your Policy and /or claim number
- Advise the name of Your insurance agent/firm (if applicable)
- Explain clearly and concisely the reason(s) for Your complaint

The letter should be sent to the person dealing with Your complaint along with any other material required

We expect that the majority of complaints will be quickly and satisfactorily resolved at this stage but if You are not satisfied You can take the issue further

Step Two - If You are still unhappy

Should the response You receive be unsatisfactory please refer the matter using the relevant details below

Does Your complaint relate to:

A: Your Policy

B: a claim on Your Policy?

If A, ask to speak to the Branch Manager Where they cannot assist they will ensure You are put into contact with the person who can resolve Your complaint

If, B, please contact the relevant Claims Office, details of which You will have received following notifying Us of Your claim

Step Three - Contacting AXA Insurance Head Office

If Your complaint is one of the few that cannot be resolved by this stage write to the Head of Customer Care who will arrange for an investigation on behalf of the Chief Executive

Head of Customer Care
AXA Insurance
Civic Drive
Ipswich
Suffolk
IP1 2AN

Tel: 01473 205926

Fax: 01473 205101

email: customercare@axa-insurance.co.uk

Step Four - Beyond AXA

If We have given You Our final response and You are still dissatisfied You may refer Your case to the Financial Ombudsman Service (FOS) The FOS is an independent body that arbitrates on complaints about general insurance products It will only consider complaints if

- We have provided You with written confirmation that Our internal complaints procedure has been exhausted
- Your business has a turnover of less than £1,000,000

The Ombudsman can be contacted at

Insurance Division
Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR

Tel: 0845 080 1800

Fax: 020 7964 1001

Referral to the Ombudsman will not affect Your right to take legal action against Us

Our promise to You

- Acknowledge written complaints promptly
- Investigate quickly and thoroughly
- Keep You informed of progress
- Do everything possible to resolve Your complaint
- Learn from Our mistakes
- Use the information from complaints to continuously improve Our service

AXA is a world leader in wealth management and financial protection. We operate in over 50 countries and serve more than 50 million customers worldwide. We cater to a wide range of needs, providing advice and guidance to our individual and corporate customers on a variety of financial products and services. In addition to Business, Motor and Home Insurance we also offer Investments, Life Assurance, Retirement Planning, Long Term Care, Asset Management, Medical Insurance and Dental Payment Plans.

With our expertise and commitment to customer service and consistent, quality care, you can rely on AXA for lasting security.



**ASK ABOUT AXA'S EXCELLENT RANGE OF BUSINESS,
HOME AND MOTOR INSURANCE PRODUCTS**

www.axa.co.uk



AXA Insurance UK plc

Registered in England No 78950. Registered Office: 5 Old Broad Street, London EC2N 1AD
A member of the AXA Group of Companies. AXA Insurance UK plc is authorised and regulated by the Financial Services Authority.
In order to maintain a quality service, telephone calls may be monitored or recorded.

WPR300R/P (01/06) (11231)

Be Life Confident