



FLATS Insurance Policy



Exclusively written for **flats ▶ direct ▶**

Underwritten by MMA Insurance



Introduction

Thank you for choosing MMA Insurance.

This is **Your Flats Policy**. It sets out the details of **Your** insurance contract with MMA Insurance.

Upon payment of the **Premium** for the **Period of Insurance** or any subsequent period for which the **Company** shall agree to accept payment the **Company** will indemnify the **Insured** in accordance with and subject to the terms of the **Policy**.

The **Policy** Schedules and any endorsements are incorporated into and form part of this **Policy**. The signed Schedules A and B are the basis of and form part of this **Policy**.

Please read this Policy and its Schedule to ensure they are in accordance with Your requirements. Any query should immediately be referred to Flats Direct.



The Managing Director of MMA

Contact Numbers

CLAIMS

In the event of **You** wishing to make a claim **We** would ask **You** to follow the procedures **We** have detailed. This will enable best response on **Our** part and **We** will endeavour to get things back to normal as quickly as possible. It will speed up the process if **You** could have **Your Policy** number to hand. This can be found on **Your** schedule of insurance.

Commercial Care Line 08708 44 44 47

HELPLINE

As a Flats Direct Policyholder should **You** require advice or guidance on any legal problem relating to the business of managing the flats **You** may use the following 24-hour Telephone Helpline at any time within the period of this **Policy**.

Business Legal Helpline

The service is provided by Capita Assistance.

Telephone 08705 234915 and quote your policy number.

Advice given to You will be confirmed in writing where necessary.

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Definitions

Certain words in the Policy have specific meanings. These meanings are defined below and are printed in bold type. The words carry the same meaning whenever they appear in the Policy, unless varied by a Definition in a particular Section, and are printed in bold to help You identify them

Company/We/Us/Our

MMA Insurance plc.

Proposal

The signed Schedules A and B and any additional information supplied to the **Company** by or on behalf of the **Insured** which form the basis of the contract of insurance embodied in this **Policy**.

Policy

The policy document and schedule referred to therein plus any Endorsements attached thereto or subsequently issued for attachment thereto.

Insured/You/Your

The person(s) or Company named in the schedule.

Premises

The buildings or part of the buildings situated at the address or addresses shown in the schedule owned by the **Insured** or for which the **Insured** is legally responsible.

Business

The trade stated in the schedule.

Damage

Accidental loss destruction or damage.

Injury

Bodily injury including death or disease.

Employee

- (a) any person under a contract of service or apprenticeship with the **Insured**
- (b) any person who is hired to or borrowed by the **Insured**
- (c) any person engaged under a work experience or training scheme
- (d) any labour master or person supplied by him
- (e) any labour only sub-contractor or person employed by him
- (f) any self employed person working on a labour only basis under the control or supervision of the **Insured**
- (g) any voluntary worker

Pollution or Contamination

- (a) all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
- (b) all **Injury** or **Damage** directly or indirectly caused by such pollution or contamination

Territorial Limits

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

Period of Insurance

The Period of Insurance stated in the **Policy** schedule or any subsequent period for which the **Insured** pays and the **Company** accepts the premium

Policy Cover

Section 1A – Buildings

Definitions

Buildings

Buildings including permanent outbuildings extensions annexes wall gates and fences fixed sanitary ware external blinds and signs and owner's fixtures and fittings.

Contents

Furniture furnishings domestic appliances and all other property belonging to the **Insured** or for which the **Insured** are legally responsible.

Declared Value

The **Insureds** assessment of the cost of reinstatement of the property insured arrived at in accordance with the Claims Settlement clause at the level of costs applying at the inception of the **Period of Insurance** (ignoring inflationary factors which may operate subsequently) including in so far as the insurance by the item provides, due allowance for

- (i) the additional cost of reinstatement to comply with local authority requirements
- (ii) professional fees
- (iii) removal of debris costs

Cover

The **Buildings** described in the **Policy** schedule belonging to the **Insured** or for which the **Insured** is legally responsible are covered against **Damage**.

Extensions

Architects & Surveyors Fees

Following **Damage** covered by this Section the **Company** will also pay for architects surveyors consultants and legal fees necessarily incurred in the reinstatement of the **Buildings** but not for preparing any claim

Capital Additions

The Insurance by each Item of this Section on **Buildings** extends to cover alterations and improvements to the **Buildings** but not in respect of appreciation in value during the current Period of Insurance provided that

- (a) at any one situation this cover will not exceed 10 per cent of the total of the Sum Insured on **Buildings** or £250,000 whichever is the less
- (b) the **Insured** undertakes to give particulars of such **Buildings** each six months and to effect specific insurance on them retrospective to the date of the commencement of the **Company's** liability.

Contracting Purchaser

Where the **Insured** contracts to sell his interest in any **Buildings** insured by this Section the contracting purchaser who completes the purchase has the benefit of the insurance by this Section up to the date of completion if the **Buildings** are not otherwise insured and without prejudice to the rights and liabilities of the **Insured** or the **Company**.

Day One (non adjustable basis)

This Extension applies to each item stated in the schedule in respect of **Buildings**

- (a) The **Insured** having stated in writing the **Declared Value** the premium has been calculated accordingly.
- (b) At the inception of each **Period of Insurance** the **Insured** will notify the **Company** of the **Declared Value** of the property insured by each of the said items and in the absence of such declaration the last amount declared by the **Insured** (increased in accordance with the General Building Cost Index published by the Buildings Cost Information Service of the Royal Institution of Chartered Surveyors (or an alternative index selected by the company)) will be taken as the **Declared Value** for the ensuing **Period of Insurance**.
- (c) Where because of the provisions of the Claims Settlement clause no payment is to be made beyond the amount which would have been payable had the Extension not been operative the sum insured will be limited to the **Declared Value(s)** shown in the schedule.
- (d) In respect of each item to which this Extension applies the Under Insurance clause is amended to read 'If at the time of **Damage** the **Declared Value** of the property insured by any item is less than the cost of reinstatement at the inception of the **Period of Insurance** then the **Company's** liability in respect of such **Damage** will be limited to the proportion that the **Declared Value** bears to the cost of reinstatement'.

Drain Cleaning

The insurance by this Section extends to cover expenses necessarily incurred in clearing cleaning and/or repairing drains gutter sewers and the like for which the **Insured** are responsible in consequence of insured **Damage** provided that the **Company's** liability shall not exceed £25,000 any one occurrence.

Fire Extinguishing Appliances

The **Company** will pay the reasonable costs incurred by the **Insured** for

- (a) refilling fire extinguishing appliances
- (b) replacing used sprinkler heads
- (c) refilling sprinkler tanks

in consequence of insured **Damage** provided that the **Company's** liability shall not exceed £5,000 any one occurrence.

Policy Cover

Section 1A – Buildings

continued

Communal Contents

The insurance by this Section extends to cover the **Contents** of the insured **Building(s)** for which the Insured is responsible whilst contained within the **Building(s)** insured by this section provided that the **Company's** liability shall not exceed the amount shown in the Schedule any one occurrence or £2,500 any one article.

Landscape Gardens

The insurance by this Section extends to cover costs and expenses incurred by the **Insured** in making good destruction of or **Damage** to landscaped gardens or grounds at the **Premises** caused by the emergency services defending the property insured against insured **Damage** provided that the **Company's** liability shall not exceed £10,000 any one occurrence.

Metered Water or Heating Oil

The insurance by this Section extends to include additional meter water or heating oil charges incurred by the **Insured** as a result of insured **Damage** provided that the **Company's** liability shall not exceed £2,500 in any one **Period of Insurance**.

The amount payable shall be ascertained by comparing the charge made by the Water Suppliers on their account for the period during which the **Damage** occurred with the normal charge in the same period in a previous year adjusted for any other relevant factors affecting the **Insureds** consumption of water during such period.

Mortgagee

The interest of a mortgagee in this insurance shall not be prejudiced by any act or neglect of the mortgagor or occupier of any **Building** insured by this Section whereby the risk of **Damage** is increased without the authority or knowledge of the mortgagee provided that the mortgagee immediately on becoming aware thereof gives notice to the **Company** and pays an additional premium if required.

Non Invalidation

The insurance by this Section shall not be invalidated by any act or omission or by any alteration whereby the risk of **Damage** is increased without the authority or knowledge or beyond the control of the **Insured** provided that the **Insured** immediately on becoming aware thereof gives notice to the **Company** and pays an additional premium if required.

Public Authorities

Following **Damage** covered by this Section the **Company** will also pay for the additional cost of reinstatement of the **Buildings** incurred solely to comply with any regulations arising out of an Act of Parliament or with bye-laws of any municipal or local authority excluding

- (i) costs incurred in complying with such regulations or bye-laws under which notice has been served upon the **Insured** prior to the happening of the **Damage** or in respect of undamaged parts of the **Buildings**
- (ii) the amount of any rate tax duty development or other charge or assessment which may become payable following compliance with such regulations or bye-laws

Removal of Debris

Following **Damage** covered by this Section the **Company** will also pay for costs incurred with the consent of the **Company** in removing debris dismantling demolishing shoring up or propping that part of the **Buildings** destroyed or damaged.

Replacement of Locks

The insurance by this Section extends to cover costs incurred as a result of the necessary replacement of locks at the **Buildings** described in the **Policy** schedule following theft of keys from the **Insureds** own business premises or from the home of the **Insured** or any director partner or **Employee** authorised by the **Insured** to hold such keys provided that the **Company's** liability shall not exceed £5,000 any one occurrence.

Temporary Repairs

The insurance by this Section extends within the limits of the Sums Insured to cover costs incurred with the prior consent of the **Company** for weatherproofing and boarding up windows and doors following insured **Damage**.

Trace and Access

In the event of **Damage** to the **Buildings** caused by bursting overflowing or leaking of water tanks apparatus or pipes the insurance by this section is extended to include costs reasonably and necessarily incurred with the consent of the **Company** in locating the source of the **Damage** at the **Buildings** and subsequent making good.

Provided that the liability of the **Company** under this Extension will not exceed £5,000.

Policy Cover

Section 1A – Buildings

continued

Unauthorised use of Electricity Gas or Water

The insurance by each item on **Buildings** extends to include the cost of metered electricity gas or water for which the **Insured** is legally responsible arising from its unauthorised use by persons taking possession or occupying the **Buildings** without the **Insureds** authority.

Provided that

- (a) the liability of the **Company** under this Extension for any one loss will not exceed £10,000
- (b) the **Insured** shall take all practical steps to terminate such unauthorised use as soon as it is discovered.

Additional Property Covered

This Section extends to cover **Damage** to the following property if it is owned by the **Insured** or the **Insured** is legally responsible for it.

Television Aerials

Radio and television receiving aerials satellite aerials their fitting or masts at the **Buildings** specified in the **Policy** schedule.

Underground Pipes and Cables

Underground water gas electricity sewage drainage or telephone pipes wires or cables extending from the **Buildings** specified in the **Policy** schedule to the public main.

Limits of Liability

The **Company's** liability during any one **Period of Insurance** shall not exceed in respect of each Item specified in the **Policy** schedule on **Buildings** the sum insured set against it.

Automatic Reinstatement of Sum(s) Insured after loss

In the absence of written notice by the **Company** or the **Insured** to the contrary within 30 days of the insured **Damage** the Sum Insured on any **Building** which sustains **Damage** shall not be reduced by the amount of any loss in consideration of which 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** provided that the **Insured** shall take immediate steps to effect such additions to or variations in the protections of the property insured as the **Company** may require.

Claims Settlement

Following **Damage** to **Buildings** covered by this Section the **Company** will pay the cost of reinstating the **Buildings** equal to their condition when new provided that

- (a) this is carried out without delay and in the most economical manner
- (b) when any **Building** is partially damaged the **Company's** liability shall not exceed the reinstatement cost that would have been incurred had it been wholly destroyed
- (c) no payment will be made until reinstatement has been carried out
- (d) if the damaged **Building** is not reinstated a loss will be settled after allowance for depreciation

Underinsurance

If at the time of **Damage** the total of the sums insured on **Buildings** specified in the **Policy** Schedule is less than 85% of the reinstatement cost of the **Buildings** covered by this Section the **Company** shall bear only that proportion of the **Damage** which the total of the sums insured on **Buildings** bear to the total reinstatement cost

Exceptions

The **Company** will not be liable under this Section for **Damage**

1. to **Buildings** in course of construction or erection and materials or supplies in connection with such **Buildings**
2. to blinds or signs not securely fixed to the **Buildings**
3. to fences and gates caused by storm or flood
4. caused by
 - (a) theft or attempted theft not involving forcible and violent means
 - (b) faulty or defective design materials or workmanship inherent vice latent defect gradual deterioration wear and tear or frost
 - (c) corrosion rust dampness dryness wet or dry rot shrinkage collapse cracking evaporation contamination pollution change in temperature colour texture or finish vermin insects marring or scratching
 - (d) subsidence ground heave or landslip or the normal settlement or bedding down of new structures.
5. attributable solely to change in the water table level.



Policy Cover

Section 1B – Glass

Definition

Glass

All fixed glass (including its framework lettering or any intruder alarm foil attached to it) in windows doors and fanlights.

Cover

In the event of **Damage to Glass** in the **Buildings** specified in the **Policy** Schedule by any accident or misfortune the **Company** will indemnify the **Insured** by at their option replacing or paying the amount of the **Damage**

In addition the **Company** will pay the cost of any necessary boarding up pending replacement.

Exceptions

The **Company** will not be liable under this Section for **Damage**

- (a) caused by scratching or chipping
- (b) to **Glass** already cracked at the commencement of the insurance by this Section.

Policy Cover

Section 1C – Owners' Liability to the Public

Cover

1. In the event of
 - (a) **Injury** to any person other than an **Employee**
 - (b) **Damage** to property other than property belonging to the **Insured** or in the custody or control of the **Insured** or any **Employee**happening during the **Period of Insurance** in the **Territorial Limits** and arising from ownership by the **Insured** of the **Buildings** described in the **Policy** schedule or any gardens car parks drives and footpaths on the same site the **Company** will subject to the Limit of Liability indemnify the **Insured** against legal liability for damages and claimant's costs and expenses in respect of such **Injury** or **Damage**
2. If the **Insured** comprises more than one party (which terms in the case of a partnership includes each individual partner) the **Company** will indemnify each in the terms of this section against liability incurred to the other as if such other was not included as an **Insured**
3. The **Company** will in addition pay
 - (a) solicitors' fees for representation at any Coroner's Inquest of fatal inquiry or Court of Summary Jurisdiction in respect of any event which may be the subject of indemnity under 1 above
 - (b) costs and expenses incurred with their written consent.

Indemnity to Other Persons

The **Company** will indemnify in the terms of this Section

1. if the **Insured** so requests any director or **Employee** in respect of liability for which the **Insured** would have been entitled to indemnity if the claim had been made against him
2. the legal personal representatives of any person entitled to indemnity under this Section in respect of liability incurred by that person

If the **Company** is liable to indemnify more than one party the total amount of indemnity to all such parties including the **Insured** shall not exceed the Limit of Liability.

Additional Cover

1. The **Company** will indemnify the **Insured** in the terms of this Section against legal liability incurred by the **Insured** under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in respect of **Injury** or **Damage** occurring within a period of seven years from the expiry or cancellation of this **Policy** provided that the **Company** shall not be liable under this extension if the **Insured** is entitled to indemnity under any other insurance
2. The **Company** will indemnify the **Insured** in the terms of this Section in respect of **Injury** or **Damage**
 - (a) caused by any motor vehicle which is owned by or in the possession of or being used by or on behalf of the **Insured** in connection with the **Business** which is not licensed for road use and which is being used in circumstances which do not require insurance or security under any road traffic legislation
 - (b) arising during the act of loading or unloading a motor vehicle or the bringing to or taking away of a load from such vehicle in the course of the **Business**provided that the **Insured** is not more specifically insured under any other policy
3. The **Company** will indemnify the **Insured** and no other person in the terms of this Section in respect of the use of any motor vehicle not the property of or provided by the **Insured** and being used in the course of the **Business**

The **Company** will not be liable in respect of

- (a) **Damage** to such vehicle
- (b) **Injury** or **Damage** arising while such vehicle is being driven by the **Insured**

provided the the **Company** shall not be liable under this extension if the **Insured** is entitled to indemnity under any other insurance.

Limit of Liability

£5,000,000 in respect of any claim or number of claims arising out of one cause

provided that the **Company's** liability in any one **Period of Insurance** in respect of **Injury** or **Damage** arising directly or indirectly from **Pollution** or **Contamination** which is deemed to have occurred during any such **Period** shall not exceed £1,000,000.



Policy Cover

Section 1C – Owners' Liability to the Public

continued

Exceptions

The **Company** shall not be liable in respect of

1. any liability for any amount in respect of liquidated damages fines or penalties which attaches solely because of a contract
2. **Injury or Damage** which results from any deliberate act or omission of the **Insured** his partners directors or managerial **Employees** and which could reasonably have been expected having regard to the nature and circumstances of such act or omission

This Exception shall also apply in respect of any deliberate act or omission of any other person claiming indemnity but only so far as indemnity to such person is concerned.

3. **Injury or Damage** which arises directly or indirectly from **Pollution** or **Contamination** unless such **Pollution** or **Contamination** is caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the **Period of Insurance**

For the purposes of this Exception all **Pollution** or **Contamination** which arises out of one incident shall be deemed to have occurred at the time such incident takes place.

4. Liability arising from the ownership or possession or use by or on behalf of the **Insured** of any mechanically propelled vehicle or mobile plant
 - (a) which is licensed for road use or
 - (b) for which compulsory motor insurance or security is required or
 - (c) which is more specifically insured

Provided always that this Exception shall not apply in respect of

- (i) liability not more specifically insured under any other policy arising during the act of loading or unloading mechanically propelled vehicles or mobile plant or the bringing to or the taking away of a load from such vehicles or such plant
- (ii) the use of any mechanically propelled vehicle or mobile plant solely as a tool of trade unless more specifically insured or unless compulsory motor insurance or security is required.

5. Liability arising from the ownership or possession or use by or on behalf of the **Insured** of craft designed to travel through air or space hovercraft or watercraft other than barges motor launches and non-powered craft used on inland waterways.
6. Liability arising from Products.
7. **Damage** to that part of any property upon which the **Insured** or any servant or agent of the **Insured** is or has been working where the loss or **Damage** is the direct result of such work.

Policy Cover

Section 2 – Rent

Definitions

Rent

Periodic payments made to the **Insured** as lessors of **Buildings** in respect of rent received or receivable from the letting of **Buildings**.

Cover

Following **Damage** covered by Section 1A of this **Policy** the **Company** will pay for loss of **Rent** resulting from such **Damage** in respect of **Buildings** insured under Section 1A.

Extensions

Prevention of Access (Rent)

The insurance by each Item on **Rent** extends to include loss of **Rent** resulting from **Damage** to property in the vicinity of the **Buildings** to which the **Rent** Item relates by a cause covered under this Section which hinders or prevents access to such **Buildings** but excluding **Damage** to the property of any supply undertaking from which electricity gas water or telecommunications services are provided to the **Buildings**.

Alternative Accommodation

In the event of **Damage** to **Buildings** covered by Section 1A of this **Policy** resulting in

- (a) a residential portion of the **Buildings** being uninhabitable
- (b) access being prevented to a residential portion of the **Premises**

this Section extends to include the reasonable additional cost of alternative residential accommodation during the period necessary to restore their respective parts to a habitable condition

The amount payable under this Extension will not exceed 33.33% of the sum insured on **Buildings**.

Limits of Liability

The **Company's** liability during any one **Period of Insurance** shall not exceed 33.33% of the sum insured on **Buildings**.

Claims Settlement

Following **Damage** to **Buildings** covered by Section 1A the **Company** will pay in respect of any Item on **Rent**

- (a) the amount by which the **Rent** received by the **Insured** during the period specified in the **Policy** schedule falls short in consequence of the **Damage** of the **Rent** which would have been received had the **Damage** not occurred
 - (b) the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding a shortfall in **Rent** but not exceeding the amount of the loss of **Rent** which would otherwise have been payable under (a) above
- less any savings in respect of expenditure payable out of **Rent** which reduces or ceases in consequence of the **Damage**

Policy Cover

Section 3 – Employers' Liability

Cover

1. In the event of **Injury** to an **Employee** happening during the **Period of Insurance** in the **Territorial Limits** and caused in connection with the **Business** the **Company** will subject to the Limit of Liability indemnify the **Insured** against legal liability for damages and claimant's costs and expenses in respect of such **Injury** and other costs and expenses incurred with their written consent
2. If the **Insured** comprises more than one party (which term in the case of a partnership includes each individual partner) the **Company** will indemnify each in the terms of this Section against liability incurred to the other as if such other was not included as an **Insured**
3. The **Company** will in addition pay solicitors' fees for representation at any Coroner's Inquest or fatal inquiry or Court of Summary Jurisdiction in respect of any event which may be the subject of indemnity under 1 above.

Indemnity to Other Persons

The **Company** will indemnify in the terms of this Section

1. if the **Insured** so requests any partner director or **Employee** in respect of liability for which the **Insured** would have been entitled to indemnity if the claim had been made against him
2. the legal personal representatives of any person entitled to indemnity under this Section in respect of liability incurred by that person.

Additional Cover

The **Company** will indemnify the **Insured** or at the request of the **Insured** any partner director or **Employee** of the **Insured** against legal costs and expenses incurred in the defence of any criminal proceedings brought for a breach of the Health and Safety at Work Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the **Period of Insurance** including legal costs and expenses incurred with the consent of the **Company** in an appeal against conviction arising from such proceedings provided that the **Company** shall not be liable for the payment of fines or penalties.

Limit of Liability

£10,000,000 in respect of any claim or numbers of claims arising out of one cause for **Injury** to **Employees**.

Special Condition

Other Insurances

If the liability which is the subject of a claim under this Section is or would but for the existence of this Section be insured under any other insurance the **Company** shall not be liable under this Section except to the extent of any excess beyond the amount payable under such other insurance had this Section not been effected.

Rights of Recovery

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law enacted in Great Britain Northern Ireland the Isle of Man or the Channel Islands relating to the compulsory insurance of liability to **Employees**

but the **Insured** shall repay to the **Company** all sums paid by the **Company** which the **Company** would not have been liable to pay but for the provisions of such law.

Exceptions

The **Company** will not be liable in respect of

1. **Injury** arising in connection with work on offshore installations or transit thereto or therefrom
2. **Injury** arising when the **Employee** is
 - (i) carried in or upon a vehicle
 - (ii) entering or getting on to or alighting from a vehiclein circumstances where any road traffic legislation requires insurance or security.

Exceptions applicable to all Sections

This Policy does not cover:

1. Excess

See Policy schedule.

2. Radioactive Contamination

Damage to any property or any loss or expense resulting or arising therefrom or any consequential loss or any legal liability directly or indirectly caused by or contributed to by or arising from

- (a) ionising radiation 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
- (c) but in respect of **Injury** to **Employees** under SECTION 3 – EMPLOYERS' LIABILITY this Exception shall apply only when the **Insured** under a contract has either undertaken to indemnify or to assume the liability of another party in respect of such **Injury**.

3. Terrorism

Liability loss or **Damage** caused directly or indirectly by an act of terrorism as defined in the UK Terrorism Act 2000 is excluded except where we need to provide the minimum insurance required by Employers' Liability legislation.

4. Sonic Boom

Damage directly occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

5. War Risks

Any consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power.

6. Confiscation

Confiscation nationalism or requisition by order of any government public municipal local or customs authority.

7. Asbestos

THE FOLLOWING EXCEPTION DOES NOT APPLY TO SECTION 3

Loss cost expense liability for **Injury** loss or **Damage** directly or indirectly arising out of or resulting from the manufacture mining processing distributions testing remediation removal storage disposal sale use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss

In respect of liability for property damage, only that part of any such loss which is directly or indirectly arising out of or resulting from the manufacture mining processing distributions testing remediation removal storage disposal sale use of or exposure to asbestos is excluded by the foregoing

8. Date Change and Computer Viruses

Any loss, **Damage** or liability arising from:

- (a) the failure of a computer chip, computer software or any other electronic equipment to recognise a true calendar date;
- (b) computer viruses.

Conditions applicable to all Sections

1. Compliance with Policy Terms

The **Company's** liability will be conditional upon the **Insured** complying with the terms of this **Policy**.

2. Reasonable Precautions

The **Insured** must take or cause to be taken all reasonable precautions to prevent or minimise **Injury** or **Damage**.

3. Alterations

Cover under this **Policy** will cease in the event of any alteration which increases the risk of **Damage** or where the **Insureds** interest ceases (other than by will or operation of law) unless such alteration is agreed in writing by the **Company**.

4. Claims Procedure and Requirements

In the event of circumstances giving rise to or likely to give rise to a claim the **Insured** shall

- (a) report it to the **Company** immediately and furnish in writing full details of **Injury** or **Damage** as soon as possible but at the latest within seven days if caused by riot civil commotion or malicious persons
- (b) report it to the Police immediately in the event of **Damage** by malicious persons theft or vandalism
- (c) at the **Insured's** own expense give all evidence information and assistance as required
- (d) send every writ or other document to the **Company** immediately and not acknowledge it nor admit liability nor promise payment to other parties without the **Company's** written consent
- (e) permit the **Company** at their own discretion and expense to take over and conduct the defence or settlement of any claim and to take all necessary steps for enforcing any rights against any other party in the name of the **Insured** before or after the **Insureds** claim.

5. Fraud

If any claim is in any respect fraudulent or if any fraudulent means or devices are used by the **Insured** or anyone acting on his behalf to obtain any benefit under this **Policy** or if any **Damage** be occasioned by the wilful act or with the connivance of the **Insured** all benefits under this **Policy** shall be forfeited.

6. Company's Rights

- (a) The **Company** may enter any **Premises** where **Damage** has occurred and take possession of or require to be delivered to them any property insured and deal with it in any reasonable manner
- (b) The **Company** is entitled to take over and conduct the defence or settlement of any claim at their discretion
- (c) Under SECTION 1C – OWNERS' LIABILITY TO THE PUBLIC and SECTION 3 – EMPLOYERS' LIABILITY the **Company** may at any time pay the limit of liability (after the deduction of any sum or sums already paid) or any less amount for which such claim or claims can be settled and shall then relinquish the conduct and control of and be under no further liability in respect thereof except for the payment of costs and expenses incurred prior to the date of such payment.

7. Other Insurances

If the **Damage** or liability which is the subject of a claim under this **Policy** is covered by any other insurance the **Company** will not pay more than their rateable proportion.

8. Cancellation Rights

This **Policy** may be cancelled

- (a) by the **Insured** giving written instruction to the **Company** at any stage of the duration of the contract
- (b) by the **Company**:
 - (i) Sending fourteen days written notice in the event of non payment of any monthly premium
 - (ii) Sending fourteen days written notice in all other circumstances by recorded delivery letter to the last known address of the **Insured**

In the event of the **Policy** being cancelled by either party the **Insured** will be entitled to a refund of the premium paid subject to a deduction for the period for which the **Insured** received cover other than in the first 14 days where **We** will apply an additional service charge of 10%.

Conditions applicable to all Sections

continued

9. Unoccupancy

The **Insured** shall give notice to the **Company** when after the commencement of this insurance any **Buildings** or part of a **Building** insured by this **Policy** becomes unoccupied or untenanted and where the period of unoccupancy exceeds 30 consecutive days continuance of cover in respect of such **Buildings** under Sections 1 and 2 is conditional on the **Company** agreeing in writing to maintain cover during the period the **Building** or part of a **Building** remains unoccupied or untenanted.

10. Tenants' Subrogation Waiver

Following **Damage** to any **Buildings** covered by Section 1 of this **Policy** the **Company** agree to waive any rights remedies or relief to which they might become entitled under Section 1 by subrogation against any tenant of such **Buildings** provided that

- (a) the **Damage** did not result from a criminal fraudulent or malicious act of the tenant and
- (b) the tenant contributes to the cost of insuring the **Buildings** against the event which caused the **Damage**.

11. Payment by Instalments

If the premium is paid or payable by monthly instalments the **Policy** shall remain an annual contract. The date of payment and the amount of instalments are governed by the terms of the credit agreement. If an instalment is not received by the due date then subject to the Consumer Credit Act 1974 (if applicable) the credit agreement and the **Policy** will be cancelled immediately.

12. 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 an arbitrator the making of an award shall be a condition precedent to any right of action against the **Company**.

13. General Interest Clause

The interests of third parties which the **Insured** is required to include on the **Policy** under the terms of any mortgage are automatically noted.

How to make a claim

In the event of an incident occurring which may give rise to a claim under this **Policy**:

1. Take all necessary and reasonable precautions and emergency action to prevent further Injury Loss or **Damage** occurring

Telephone the MMA Commercial Care Line on 08708 44 44 47

2. Notify the Police of any incident involving Theft, Malicious Damage or Vandalism
3. Notify Commercial Care Line as soon as possible giving full details of the incident

We will

- (i) Check the **Policy** cover to ascertain, as far as practical at this stage, that a valid claim exists
- (ii) Appoint a Loss Adjuster at **Our** discretion

At least two repair estimates should be obtained

4. Send to **Us** immediately upon receipt any writ summons or other legal process issued or commenced against **You** and do not negotiate admit or repudiate any claim without **Our** written consent

5. Retain all damaged property/salvage for inspection.

You may not however abandon any property or salvage to **Us**

6. **We** shall be entitled to

- (i) Enter any of the buildings where **Bodily Injury** Loss or **Damage** has happened and take and keep possession of the insured property and deal with the salvage in a reasonable manner
- (ii) Negotiate defend or settle in **Your** name and on **Your** behalf any claim made against **You** as **We** deem appropriate
- (iii) Prosecute in **Your** name for **Our** own benefit any claim against any other person in respect of any amount paid or payable.

Customer Information

Complaints Procedure

It is always **Our** intention to provide a first class standard of service. If **You** do have any cause for complaint, **You** should either contact Flats Direct, Suite C10, Arena Business Centre, 9 Nimrod Way, Ferndown, Dorset BH21 7SH or MMA Insurance plc, Norman Place, Reading, Berkshire RG1 8DA. Please have **Your** policy number to hand.

If the matter is not resolved to **Your** satisfaction, please write to the Customer Services Director at MMA Insurance plc, Norman Place, Reading, Berkshire RG1 8DA.

If **You** consider the matter still unresolved, the following options are open to you:

1. Contact the Chief Executive at MMA Insurance plc, Norman Place, Reading, Berkshire RG1 8DA.
2. Ask for **Your** case to be reviewed by the Financial Ombudsman Service (FOS), South Quay Plaza, 183 Marsh Wall, London E14 9SR. There are a few instances where the FOS is not able to assist and **You** must have allowed MMA the opportunity to resolve **Your** complaint before the FOS will become involved.

Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to receive compensation from the scheme if **We** cannot meet **Our** obligations.

This depends on the type of business and the circumstances of the claim. Insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit.

Further information is available from the Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, Portoken Street, London E1 8BN (website www.fscs.org.uk).

Law Applicable to Contract

It is possible to choose the Law applicable to a contract of insurance covering a risk situated in the United Kingdom. **We** have chosen Scottish Law if **You** live in Scotland and English Law if **You** live elsewhere in the United Kingdom.

Payment of **Your** premium is evidence of acceptance of **Our** choice. If any other law is to apply, it must be agreed by both parties and evidenced in writing.

Cancellation

You have a statutory right (under Financial Services Authority rules) to cancel your policy during a period of 14 days from the day of purchase of the contract or the day on which you receive your **Policy** documentation whichever is the later.

If **You** wish to do so and the insurance cover has not yet commenced you will be entitled to a full refund of the premium paid.

Alternatively if you wish to do so and the insurance cover has already commenced you will be entitled to a refund of the premium paid, subject to a deduction for the time which you have been covered and a service charge of 10%. This will be calculated on a pro-rata basis for the period for which you received cover. This applies regardless of whether or not a claim has been made.

To exercise your right to cancel, please contact your insurance advisor at the address shown on your **Policy** schedule.

If you do not exercise your right to cancel your **Policy**, it will continue in force and you will be required to pay the premium.

For your cancellation rights outside the statutory cooling off period please refer to the conditions on page 8 and 12 of this **Policy** document

Further Information from Flats Direct

If you have any questions or require general advice in relation to your **Policy**, please call Flats Direct on 0800 731 6242.

About MMA

MMA is a UK general insurer and is part of the MMA Group, established as a major European insurer over 170 years ago. We are part of the Covéa group which is the number one non-life insurer in France. In 2006 Group premium income was £8.1 billion.

MMA Insurance products are available through a national network of professional insurance intermediaries to ensure you receive local and expert service.

MMA Insurance plc is a member of the Association of British Insurers and the Financial Ombudsman Service.

Authorised and regulated by the Financial Services Authority.



MMA Insurance plc

Registered in England and Wales No. 613259

Registered Office: Norman Place, Reading RG1 8DA

Telephone: 0844 902 1000 Fax: 0118 955 2211 www.mma-insurance.com

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