

**ARTHUR J. GALLAGHER HOUSING LTD
INSURANCE FOR LEASEHOLDERS**

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THE INSURANCE CONTRACT

This is **your** insurance document. Please read this booklet, the **schedule** and any **endorsements** carefully and keep them in a safe place. This booklet, the **schedule** and any **endorsements** applying to **your** insurance form **your** insurance document.

If **you** have any questions about any of **your** insurance documents, call **Arthur J. Gallagher Housing Limited**. Unless **we** have agreed otherwise with **you**, this insurance is governed under the laws of England and Wales and any reference **we** make to specific statutes will mean the UK statute and equivalent laws in the Channel Islands or Isle of Man.

Our Complaints Procedure

We always aim to treat you with fairness, courtesy and respect for your insurance needs, and keep you informed. This commitment extends to dealing with any complaints you might have in a straightforward, helpful way as quickly as possible.

If you have a complaint please contact us quoting your policy number or claim number. You should address your complaint to:

Arthur J. Gallagher Housing Limited

Head of Business
27-30 Railway Street
Chelmsford
Essex
CM1 1QS

Tel: 01245 341200
Fax: 01245 290 324

If **you** are still not satisfied with the way the complaint has been dealt with, **you** should contact:

Chief Risk Officer
Zennor Ltd
The Walbrook Building
25 Walbrook
London
EC4N 8AW

Tel: 0207 283 0070

Zennor Ltd are the agents of Legal & General Insurance Limited and are authorised and regulated by the Financial Conduct Authority.

If **you** are not satisfied with the way a complaint has been dealt with **you** may ask **your** insurer to review **your** case without prejudice to **your** rights in law. The address is:

THE INSURANCE CONTRACT

The Chief Executive
Legal & General Insurance Limited
Centre City House
The Podium
5 Hill Street
Birmingham B5 4US
Tel: 0370 9003110

Should **you** remain dissatisfied Legal & General Insurance Limited is a member of the Financial Ombudsman Service (FOS). In the event of a dispute **you** may refer the matter to the FOS at the following address

South Quay Plaza
183 Marsh Wall
London E14 9SR

Tel: 0300 123 9123

In all communications the policy number should be quoted

Legal & General Insurance Limited is covered by the Financial Services Compensation Scheme (FSCS). The FSCS is designed to pay compensation to customers if they lose money because a firm cannot meet its financial obligations. Whether or not you're able to claim and how much you may be entitled to will depend on the specific circumstances at the time. For further information about the scheme please visit the FSCS at: www.FSCS.org.uk or call them on: 0800 6781100

THE INSURANCE CONTRACT

This document is a legally binding contract of insurance between **you** (the insured) and **us** (the insurer). The contract does not give, or intend to give, rights to anyone else. No one else has the right to enforce any part of this contract. **We** may cancel or change any part of the contract without getting anyone else's permission. The contract is based on the information **you** provided when **you** applied for the insurance.

The insurance provided by this document covers property owners liability, loss or damage that occurs during any **period of insurance** for which **you** have paid, or agreed to pay the premium. The insurance is provided under the terms and conditions contained in this document or in any **endorsement** applying to this document. The insurance relates **ONLY** to those sections of the policy which are shown in the **schedule** as being included

This policy is issued on behalf of Legal & General Insurance Limited.

DEFINITIONS

Any word defined below will have the same meaning wherever it is shown in this document in **bold** print.

Word	Meaning
Accidental damage	Damage caused by external and visible means, other than a deliberate act by you or your directors or employees/members of staff .
Arthur J. Gallagher Housing Limited	Arthur J. Gallagher Housing Limited
Asbestos	Asbestos, asbestos fibres or any derivatives of asbestos.
Block of flats	Any block or building converted into flats which you have declared to us and we have accepted under this insurance.
Bodily injury	Injury, illness, death or disease.
Buildings, building	The structure of the house, bungalow, flat, apartment, block of flats owned by you or for which you are legally responsible which has been declared to us and which we have accepted under this insurance including:
	a) fixed floor coverings (including fitted carpets in communal parts)
	b) interior decorations;
	c) garages, greenhouses, sheds and outbuildings
	d) statues and fountains cemented into the ground
	e) patios, paved areas, terraces, footpaths, roads, car parks, lampposts, drives, swimming pools but not their covers, hard tennis courts, fixed playground equipment and play areas, walls, fences, hedges and gates
	f) solar heating panels, photovoltaic cells and hoardings
	g) closed circuit security TV systems, security equipment, canopies, fixed signs and external lighting
	h) telecommunications aerials, aerial fittings satellite dishes and masts
	i) electrical installations, meters, lifts, boilers,

DEFINITIONS

Word	Meaning
	central heating plant. j) drains, pipes, cables, oil tanks and underground tanks used to provide services to or from the buildings
Business	Ownership of and/or management of buildings .
Employee/member of staff	Any:
	a) person under a contract of service or apprenticeship with you
	b) a labour master and people supplied by him or her
	c) person employed by labour-only sub-contractors
	d) self-employed person
	e) person hired from any public authority, company, firm or individual
	f) or voluntary committee member, trustee or other voluntary worker
	while working for you in connection with the business .
Endorsement	A change to the terms of this document under Endorsements shown in the schedule .
Excess	The first part of any claim that you must pay for loss or damage for the amount or amounts as stated in the schedule .
Geographical limits	United Kingdom .

DEFINITIONS

Word	Meaning
<i>Insured</i>	The organisation(s) and person(s) named on the schedule .
<i>Motorised vehicle</i>	Any motorised vehicle which is licensed for use on a road or which has to be insured under any laws governing how motor vehicles are used.
<i>Ornamental or landscaped gardens</i>	Any garden that is professionally designed, landscaped and tended.
<i>Our, Us, We</i>	Legal & General Insurance Limited.
	For the purposes of claims management we, our or us may also mean Arthur J. Gallagher Housing Limited .
<i>Period of insurance</i>	This is the length of time covered by this insurance (as shown in the schedule) and any extra period for which we accept your premium.
<i>Pollution or Contamination</i>	Pollution or contamination will mean all pollution or contamination of buildings or other structures or of water or land or the atmosphere and all loss or damage or injury directly or indirectly caused by such pollution or contamination.

DEFINITIONS

<i>Word</i>	Meaning
<i>Rebuilding cost</i>	The cost of rebuilding all the buildings in the same way, size, style and appearance as when they were new. This includes fees and other costs and the cost of meeting Local Authority and other legal requirements.
<i>Resident</i>	The part owner, lessee or tenant of any building and their respective spouse, partner, children (including adopted and foster children), parents or other relatives who reside in the private living accommodation with the part owner, lessee or tenant.
<i>Schedule</i>	The document which describes details of your insurance.
<i>Uninhabitable</i>	Unfit for normal occupancy.
<i>United Kingdom</i>	England, Scotland, Wales, Northern Ireland, the Isle of Man and the Channel Islands.
<i>Unoccupied</i>	Vacant, empty, untenanted or not in use.
<i>You, Your</i>	The insured stated on the schedule .

BUILDINGS SECTION

Your **schedule** will show **you** if this cover applies.

What is covered

Buildings

Loss or damage to the **buildings** caused by the following events occurring or commencing during the **period of insurance**:

1. Fire, lightning, explosion, earthquake

2. Smoke

3. Storm or flood

4. Freezing water in fixed water or fixed heating systems

Water escaping from washing machines, dishwashers, fixed water or fixed heating systems

Oil escaping from a fixed heating system

5. Riot, civil commotion, strike, labour or political disturbance

What is not covered (see also General Exclusions)

The **excess** shown in the **schedule**.

The most **we** will pay for any one loss is the **buildings** sum insured for property declared to **us** or the Any One Building Maximum Claim Limit shown in the **schedule** whichever is the lower.

Loss or damage caused by frost.

Loss or damage to fences and gates is limited to indemnity. 10% of the replacement cost will be deducted from each claim for each year of age of the damaged items.

Loss or damage to swimming pools, tennis courts, paved terraces, patios, footpaths, drives and foundations.

Loss or damage to the appliance itself or system itself from which the water or oil escapes, except where the damage is caused by freezing.

Loss or damage to swimming pools.

Loss or damage caused by subsidence heave or landslip other than as covered under number 8 of this section.

Any claim reported more than 7 days after the date of incident.

BUILDINGS SECTION

What is covered

6. Malicious people, squatters or vandals

What is not covered (see also General Exclusions)

Loss or damage caused by **you**, any of **your** directors, **employees /members of staff**.

In respect of damage by graffiti, **you** are responsible for the first 50% of each and every loss or the **excess** shown in the **schedule**, whichever is the greater.

Separate **excesses** will apply to damage caused at separate times even if caused by the same party.

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7. Theft or attempted theft

Loss or damage caused by **you** or any of **your** directors or **employees/members of staff**.

Separate **excesses** will apply to damage caused at separate times even if caused by the same party.

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8. Subsidence, heave or landslip of the site on which **your buildings** stand

The subsidence, heave or landslip **excess** shown in the **schedule**.

Loss or damage to patios, drives, terraces, footpaths, tennis courts, swimming pools, statues, fountains, playgrounds and play areas, car parks, walls, hedges, fences and gates, canopies and closed circuit TV systems, security equipment, fixed signs and external lighting unless the main structure of the **buildings** is damaged by the same cause and at the same time.

Loss or damage to solid floors or loss or damage resulting from the movement of solid floors unless the foundations beneath the external load bearing walls of the property insured are damaged by the same cause and at the same time.

Loss or damage caused by new structures bedding down, expanding or shrinking or the settling of newly made-up ground.

Loss or damage caused by coastal or river erosion.

Loss or damage caused by the action of chemicals on or the reaction of chemicals with any materials which form part of the **buildings**.

BUILDINGS SECTION

What is covered

What is not covered (see also General Exclusions)

Loss or damage caused by or as a result of the **buildings** being under construction or demolition, altered or repaired.

Loss or damage, which commenced before the inception of this insurance.

9. Falling trees or branches

10. Falling aerials or satellite receiving equipment, their fittings or masts

11. Impact by flying objects, vehicles, trains, animals or aircraft or anything dropped from them

Loss or damage caused by animals kept as domestic pets.

12. **Accidental damage**

Anything under the '**What is not covered**' paragraphs of this section.

Damage caused by domestic pets.

Damage caused by the **buildings** moving, settling, shrinking, collapsing or cracking.

Damage caused by any process of cleaning, repairing, renovating or maintaining the **buildings**.

Damage caused by faulty workmanship, the use of defective materials or defective design.

Damage to swimming pools, tennis courts, patios, paved footpaths, roads, car parks, lampposts and drives.

Loss or damage due to wear and tear or any other gradually operating cause.

BUILDINGS SECTION

What is covered

13. **Accidental damage** to drains, pipes, cables, oil tanks and underground tanks used to provide services to or from the **buildings** which **you**, or any of the **residents** are legally responsible for

What is not covered (see also General Exclusions)

Damage caused by or from movement, settlement or shrinkage of any part of the **buildings** or the land belonging to the **buildings**.

The cost of clearing blocked sewer pipes, drains, soakaways, pipes or underground tanks.

Loss or damage due to wear and tear or any other gradually operating cause.

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14. Accidental breakage of glass in doors or windows, ceramic hobs if fitted, sanitary ware, solar heating panels and photovoltaic cells fixed to and forming part of the **building**

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15. Cover during sale

If **you** or any of the **residents** have agreed to sell any **building** and, between the date contracts are exchanged and the date the sale is completed, it is damaged by anything under risks 1 to 14 of this section, **we** will provide cover for the person buying the **building** when the sale has been completed, so long as this is within the **period of insurance**

This cover does not apply if insurance on the **buildings** has been arranged by or for the buyer.

BUILDINGS SECTION

What is covered

What is not covered (see also General Exclusions)

16. Rent

If the **buildings** are **uninhabitable** due to damage to the same **buildings** by any of the events 1 to 14 of this section

Or if the **buildings** are **uninhabitable** due to damage caused to property nearby by any of the risks 1 to 14 of this section following instructions from the emergency services

Or if the buildings at any:

- a) generating station or sub-station of a public electricity supply provider
- b) land based premises of the public gas supply or any national gas producer linked directly to them
- c) waterworks and pumping stations of a public water supply provider
- d) land based premises of any public telecommunications provider

from which the **buildings** obtain electricity, gas, water or telecommunication services are damaged by any of the events 1-14 of this section which results in the **buildings** being **uninhabitable** for a period in excess of 24 hours

BUILDINGS SECTION

What is covered

We will pay for:

A. Rent **you** would have received but have lost (including up to two years ground rent)

And/or

B.

Reasonable additional costs of comparable accommodation incurred by **you** or **resident** of the **buildings** during the period necessary to restore the **buildings** to a habitable condition to rent

What is not covered (see also General Exclusions)

More than 25% of the sum insured for the **buildings** damaged or destroyed.

If **you** claim under A and B **we** will not pay more than 25% of the sum insured in total for the **buildings** damaged or destroyed.

The most **we** will pay for any one loss is as specified in the Any One Building Maximum Claim Limit **shown in the schedule**.

No **excess** will apply.

Any costs **you** or the **residents** should pay once the **buildings** can be lived in again.

Any costs caused by any electricity, gas, water or telecommunications company cutting off or restricting **your** supply other than as a direct result of loss or damage by any of the risks 1-14 of this section.

Any costs due to the failure of **your** electricity, gas, water or telecommunications supply caused by a withdrawal of labour at the electricity, gas, water or telecommunications company.

BUILDINGS SECTION

What is covered	What is not covered (see also General Exclusions)
<p>17. Metered water, gas, electricity and oil</p> <p>a) The cost of metered water, gas and electricity for which you are legally responsible discharged in the buildings following loss or damage insured under this Section</p> <p>b) The cost of oil lost from the domestic heating installation for which you are legally responsible following loss or damage insured under this section to any part of the domestic heating installation</p>	<p>The most we will pay for any one loss is £25,000. No excess will apply.</p> <p>The most we will pay from any one loss is £25,000.</p> <p>No excess will apply.</p>
<p>18. Trace and access</p> <p>We will pay the costs and expenses you pay with our written permission to find the source of any damage caused by the escape of water from a fixed water or heating system and then to repair the buildings</p>	<p>Where none of the events in 1 to 14 of this section have operated, the most we will pay is £50,000 any one loss less the excess applicable to Sections 1 to 14 of this policy.</p>
<p>19. Accidental loss or damage to satellite receiving equipment, aerials and their fittings or masts which are permanently fixed to the outside of the buildings</p>	
<p>20. Loss or damage to ornamental or landscaped gardens caused by events 1, 2, 5, 6, 7 and/or by the emergency services</p>	<p>The most we will pay for one loss is £25,000. No excess will apply.</p>

BUILDINGS SECTION

What is covered

What is not covered (see also General Exclusions)

21. Locks and keys

If **you** or the **residents** lose the keys to the inside or outside doors of the **buildings** or to safes or alarms in the **buildings** or they are stolen, or there is loss or damage to the locks of the outside doors, safes or alarms, **we** will either pay the cost of:

- a) changing locks and keys
- b) replacing locks if **we** choose

The most **we** will pay for any one loss is £5,000.

No **excess** will apply.

Loss or damage caused by any process of repair or restoration.

22. Removal of debris

We will pay the cost of removing debris, dismantling and/or demolishing, shoring up or propping, where damage has been caused to **buildings** by any of the events 1 to 11 of this section.

Any costs or expenses incurred in removing debris except from the site of **buildings** destroyed or damaged and the area immediately adjacent to the site.

No **excess** will apply.

BUILDINGS SECTION

Extensions to the Buildings Section

What is covered

What is not covered (see also General Exclusions)

A Contractors' Interest

Where **you** are required to effect insurance on the **buildings** in the joint names of **you** and the contractor under the terms of a contract condition then the interest of the contractor in the **buildings** as joint Policyholder is hereby noted and **you** must provide **us** with details of any single contract valued in excess of £500,000 prior to work commencing and pay an additional premium if required.

B Reinstatement to Match

Where the **buildings** have suffered loss or damage insured under this section, **you** may replace, repair or restore the property with equivalent property which employs current technology, and replacement, repair or restoration with such property for the purposes of this Section shall not be regarded as being better or more extensive than when new. This Section further extends to include the replacement or modification of undamaged property insofar as it is necessary to adapt it to operate in conjunction with that property which has been replaced, repaired or restored provided that **our** total liability is not increased beyond the amount that would otherwise have been payable for the replacement, repair or restoration of the property destroyed or damaged in its original form.

When the **buildings** are damaged or destroyed in part only, **we** will not pay more than the amount representing the cost which **we** would pay for reinstatement if such property had been wholly destroyed.

BUILDINGS SECTION

What is covered	What is not covered (see also General Exclusions)
C Risk Protection Equipment Replacement Costs	
Reasonable costs and expenses incurred in refilling, recharging or replacing any	Costs and expenses recoverable from the maintenance company or fire service. The most we will pay in respect of any one claim is £25,000.
<ol style="list-style-type: none">1) portable fire extinguishing appliances2) local fire suppression system3) fixed fire suppression system4) sprinkler installation5) sprinkler heads	
and having any fire and/or intruder alarms and closed circuit television equipment re-set as a result of loss or damage insured under this section.	

BUILDINGS SECTION

What is covered	What is not covered (see also General Exclusions)
<p data-bbox="193 443 496 470">D Subrogation Waiver</p> <p data-bbox="261 488 735 607">In the event of a claim arising under this Section, we agree to waive any rights, remedies, or relief to which we may be entitled by subrogation against</p> <ol data-bbox="261 640 783 1431" style="list-style-type: none"><li data-bbox="261 640 783 846">1) any company whose relationship to you is either a parent to subsidiary or subsidiary to parent as defined in, or within the meaning of the relevant Companies Act or Companies (N.I.) Order, current at the time of loss or damage<li data-bbox="261 853 783 1032">2) any company which is a subsidiary of a parent company of which you are a subsidiary as defined in, or within the meaning of the relevant Companies Act or Companies (N.I.) Order, current at the time of loss or damage<li data-bbox="261 1039 783 1431">3) any lessee of yours provided that<ol data-bbox="357 1070 783 1431" style="list-style-type: none"><li data-bbox="357 1070 783 1182">a) the lessee contributes to the cost of insuring the Property Insured against the event which caused the loss or damage<li data-bbox="357 1189 783 1301">b) the loss or damage did not result from a breach of the terms of the lease by the lessee<li data-bbox="357 1308 783 1431">c) the loss or damage did not result from a criminal, fraudulent or malicious act of the lessee.	

BUILDINGS SECTION

What is covered

What is not covered (see also General Exclusions)

E Workmen

Repairs and minor structural alterations may be carried out at the **buildings** without affecting the cover.

F Further Investigation Expenses

Where a **building** has suffered loss or damage and in the opinion of a competent construction professional there is a reasonable possibility of other damage to portions of the same **building** which are not immediately apparent **we** will pay reasonable costs and expenses incurred with **our** consent in establishing whether or not such loss or damage has occurred.

G Management Fees

In the event of loss or damage to the **buildings** exceeding £15,000 **we** will pay reasonable costs and expenses incurred with **our** consent in respect of claims preparation costs including the management and supervision of the rebuilding works.

The most **we** will pay in any one **period of insurance** is £25,000.

H Unauthorised Use of Electricity Gas or Water

We will pay the cost of metered electricity gas or water for which **you** are legally responsible arising from its unauthorised use by persons taking possession keeping possession or occupying the **building** without **your** authority.

The most **we** will pay in respect of any one claim is £25,000.

It is a condition of this Extension that such **buildings** have been inspected weekly by a responsible person acting on **your** behalf and that all practicable steps are taken to terminate such unauthorised use as soon as it is discovered.

BUILDINGS SECTION

What is covered

- I European Union and Public Authorities including Undamaged Property

Following loss or damage insured by this Section to any **buildings** described in the **schedule**, **we** will pay the additional cost of reinstating the **buildings** necessary to comply with

- 1) European Union Legislation
- 2) Act of Parliament
- 3) Bye-Laws of any public authority
- 4) Current LPC Rules for Automatic Sprinkler Installations, the additional cost of reinstating water supply equipment which:
 - a. Conformed to previous LPC Rules
 - b. Conformed to current LPC Rules when installed but fails to conform to subsequent amendment to those rules

The reinstatement of the **buildings**

- 1) must begin and be carried out as quickly as possible
- 2) may be carried out on another site and in a manner suitable to **your** needs but this must not increase **our** liability

If **our** liability under this Section is reduced by the application of any terms or conditions of the policy, **our** liability under this Extension will be similarly reduced

What is not covered (see also General Exclusions)

We will not indemnify **you** in respect of

- a) costs incurred
 - i. in respect of loss or damage not insured by this Section
 - ii. where notice was served upon **you** before the **damage** occurred
 - iii. where an existing requirement must be completed within a stipulated period
 - iv. in respect of any **building** which has not suffered loss or damage insured by this Section
- b) any charge or assessment arising from capital appreciation following compliance with legislation or Bye-Laws

The most **we** will pay under this Extension in respect of

- a) **Buildings** which have suffered loss or damage is the Sum Insured or the Any One Building Maximum Claim Limit shown in the Schedule whichever is the lower.
- b) Undamaged portions of the **buildings** other than foundations but including water supply equipment is 15% of the amount **we** would have been liable to pay if the **buildings** item at the premises where loss or damage occurred had been completely destroyed.

BUILDINGS SECTION

What is covered

What is not covered (see also General Exclusions)

J 72 Hour Clause

The **excess** which applies to this insurance will apply once to a single event in the event of loss or damage to **buildings** which are designated as **your** leaseholder **buildings**.

A single event is defined as a loss arising from storm, flood, fire or escape of water which is ongoing for less than 72 hours. The loss must be identifiable as being due to the same storm, flood, fire or escape of water.

If there is a break of 12 hours or more when storm conditions do not exist a separate **excess** will apply and a new 72 hour period will have deemed to have started.

K Notice Of Interests

The interest of the freeholder, head lessee (if they are not the **Insured**), the owner or lessee of each **building**, shared owners, leaseholders, mortgagees or other interested parties in each individual **building** covered by this insurance is noted the extent of such interest to be disclosed in the event of loss.

BUILDINGS SECTION

What is covered	What is not covered (see also General Exclusions)
<p data-bbox="183 501 464 533">L Capital Additions</p> <p data-bbox="261 566 774 685">It is agreed that the insurance shall subject to its terms and conditions extend to cover the following property situated anywhere in the geographical limits</p> <ol data-bbox="309 719 774 1055" style="list-style-type: none"><li data-bbox="309 719 774 786">1) Any newly erected and/or newly acquired building<li data-bbox="309 813 774 902">2) Any newly erected and/or newly acquired group of buildings in the same location<li data-bbox="309 936 774 1055">3) Alterations additions and improvements to buildings but not in respect of any appreciation in value <p data-bbox="261 1093 416 1124">provided that</p> <p data-bbox="261 1153 735 1211">Our maximum liability under this clause shall not exceed £2,000,000 in total</p> <p data-bbox="261 1245 774 1429">You must provide us with details of these extensions as soon as possible but at least within 90 days and specifically insure such extensions with us from the date our liability commenced and the pay the appropriate additional premium.</p> <p data-bbox="261 1462 756 1581">You must tell us straight away about any building(s) with a rebuilding value exceeding £500,000 which are unoccupied.</p>	

BUILDINGS SECTION

What is covered

What is not covered (see also General Exclusions)

M Obsolete Building Materials

The insurance by this Section extends to include the reasonable additional costs incurred in replacement of materials which given consideration to the scientific and technical knowledge at the time of installation construction or fitting were reasonably deemed to be fit for the purpose intended but require replacement with more suitable modern materials.

The **buildings** shall not be regarded as being better or more extensive than when new provided that our liability for such additional costs shall not exceed 5% of the Sum Insured.

N Value Added Tax

The insurance by this Section extends to include Value Added Tax paid by **you** (including 'self-supply' Value Added Tax where appropriate) which is not subsequently recoverable provided that

- 1)
 - a) **your** liability for such tax arises solely as a result of the reinstatement or repair of the **buildings** following loss or damage
 - b) **we** have paid or have agreed to pay for such loss or damage
 - c) if any payment by **us** in respect of the reinstatement or repair of such loss or damage is less than the actual cost of reinstatement or repair, any payment under this Extension resulting from that loss or damage will be reduced in like proportion

BUILDINGS SECTION

What is covered

- 2) **your** liability for such tax does not arise from the replacement **building** having greater floor area than or being better or more extensive than the destroyed or damaged **building**
- 3) where an option to reinstate on another site is exercised, **our** liability under this Extension will not exceed the amount of tax that would have been payable had the **building** been rebuilt on its original site
- 4) **our** liability under this Extension will not include amounts payable by **you** as penalties or interest for non-payment or late payment of tax
- 5) **you** have taken all reasonable precautions to insure adequately for Value Added Tax liability from the inception of this insurance and at each subsequent renewal date

The following amendments are made to this policy in respect of this Extension only

- A **Our** liability may exceed the Sum Insured where such excess is solely in respect of Value Added Tax.

What is not covered (see also General Exclusions)

PROPERTY OWNERS LIABILITY SECTION

What is covered:

We will indemnify **you** for any amounts **you** become legally liable (in accordance with the laws applicable in the country where the **building** is located) to pay as damages for:

- 1) **bodily injury**
- 2) damage to property
- 3) obstruction, trespass, nuisance or interference with any right of way, air, light or water

caused by an accident happening during the **period of insurance**:

- a) arising out of any defect in the **buildings**
- b) incurred by virtue of either Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises Act (Northern Ireland) Order 1975 in connection with any **building** formerly owned or leased by or the responsibility of **you** provided that at the time of the incident giving rise to the liability **you** had disposed of all legal title to and interest in the **building**

In the event of this Section ceasing to apply to **you** as a result of the sale of such **building**, the indemnity under this paragraph shall apply to accidental **bodily injury** or **damage** to material property occurring during a period of seven years from the date of such cessation but will not apply if the liability is covered under a more recently effected or current insurance.

What is not covered (see also General Exclusions):

The **excess** shown in the **schedule**.

Liability arising directly or indirectly from:

- 1) damage to property owned by or in the charge or control of **you** or any member of **your family** or any person engaged in **your** service as an **employee/member of staff**
- 2) **bodily injury** to **you** or any member of **your family** or any person who at the time of sustaining such injury is engaged in **your** service as an **employee/member of staff**
- 3) any profession occupation or business other than the **business**
- 4) **your** ownership, possession or use of any motorised or horse drawn vehicle other than domestic gardening equipment used within the premises
- 5) any aircraft watercraft or caravan, assault, alleged assault or a deliberate or criminal act by **you** or **your employee/member of staff**
- 6) the transmission of any communicable disease or virus
- 7) the cost of correcting any fault or alleged fault
- 8) the ownership custody or control of any animal
- 9) demolition, erection or structural alteration of or addition to new or existing buildings or structures
- 10) any liability solely as occupier of the buildings
- 11) liability which **you** have assumed under contract and which would not otherwise have attached

PROPERTY OWNERS LIABILITY SECTION

What is not covered (See also General Exclusions):

Liability arising directly or indirectly from:

- 12) owning, occupying, possessing or use of any land or buildings not forming part of the **buildings**
- 13) any liability in respect of which **you** are entitled to indemnity from any other source
- 14) In respect of liability directly or indirectly caused by contributed to by or arising from **asbestos**: more than £2,000,000 for any one accident or series of accidents arising out of one event plus costs and expenses that **we** have agreed in writing
- 15) In respect of **pollution or contamination** more than the limit shown in the **schedule** in all
- 16) more than the limit shown in the **schedule** for any one accident or series of accidents arising out of any one event plus costs and expenses that **we** have agreed in writing.

PROPERTY OWNERS LIABILITY SECTION

The limit of indemnity for all damages and claimant costs resulting from any one accident or series of accidents arising out of any one event during any **period of insurance** is the amount shown on the **schedule**.

We may pay the limit shown in the **schedule** (after taking off any sums **we** have already paid) or any lesser amount which will cover the claim. **We** will then have no further liability in connection with the claim.

We will also pay defence costs and other expenses **you** incur following **our** written permission.

Persons Entitled to Indemnity shall mean:

- A. **you**
- B. **Your** personal representatives in respect of legal liability incurred by **you**
- C. At **your** request
 - Any principal
 - A director or partner
 - Any **employee/member of staff**

each of whom shall be subject to the terms of the insurance so far as they can apply

We will provide indemnity to any person entitled to indemnity in respect of:

- A. costs of legal representation at
 - 1. any coroner's inquest or inquiry in respect of any death
 - 2. proceedings in any court arising out of any alleged breach of statutory duty resulting in injury, loss or damage specified in the cover above which may be the subject of indemnity under this section
- B. all other costs and expenses in relation to any matter which may form the subject of a claim for indemnity under the cover above Incurred with **our** written consent.

Cross Liability Clause

If more than one **insured** is named in the **schedule** each **insured** so named shall be considered as a separate and distinct entity and cover shall be construed as applying to each **insured** as though each had been insured separately subject to the overall limit of indemnity shown in the **schedule**.

PROPERTY OWNERS LIABILITY SECTION

Legal Expenses arising from Health and Safety Legislation Clause

We will indemnify **you** in respect of

- 1) legal fees and expenses incurred with **our** written consent for defending proceedings, including appeals
- 2) costs of prosecution awarded against **you** which arise from any health and safety inquiry or criminal proceedings for any breach of the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978.

We will not provide indemnity

- 1) unless the proceedings relate to an actual or alleged act, omission or incident committed during the **period of insurance** within **geographical limits** and in connection with The **business**.
- 2) in respect of proceedings which
 - a) result from any deliberate act or omission by **you**.
 - b) relate to the health and safety of any **employee/member of staff**.
- 3) where indemnity is provided by another insurance policy.

Corporate Manslaughter and Corporate Homicide Act 2007 Clause

We will indemnify **you** in respect of

- 1) legal fees and expenses incurred with **our** written consent for defending proceedings, including appeals
- 2) costs of prosecution awarded against **you** which arise from criminal proceedings for any offence as defined in Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007.

We will not provide indemnity

- 1) unless the proceedings relate to an actual or alleged offence committed during the **period of insurance** within the **geographical limits** and in connection with the **business**
- 2) in respect of proceedings which
 - a) result from any deliberate act or omission by **you**.
 - b) relate to any **employee/member of staff**.
- 3) In respect of any
 - a) fines.
 - b) remedial or publicity orders or any steps required to be taken by such orders.
- 4) where indemnity is provided by another insurance policy.

PROPERTY OWNERS LIABILITY SECTION

Payment for Court Attendance

We will compensate **you** if, at **our** request, **you**, any director, partner or **employee/member of staff** of **yours**, is attending court as a witness in connection with a claim for which the **insured** is entitled to indemnity.

The maximum **we** will pay for

- 1) **you**, each director or partner is £500 per day.
- 2) each **employee/member of staff** is £250 per day.

GENERAL EXCLUSIONS

The Following Exclusions Apply to The Whole of Your Insurance

This insurance does not cover:

1. Radioactive Contamination

This insurance does not cover:

direct or indirect loss or damage to any property;

any legal liability;

costs and expenses; or

death or injury to any person;

caused by or contributed to, or arising from, the following :

Radioactive contamination from:

- ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel; or
- the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
- any weapon or war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

2. Sonic Bangs

Any loss or damage by pressure waves caused by aircraft or other flying objects moving at or above the speed of sound.

3. Pollution or Contamination

Pollution or contamination of air, water or soil unless the **pollution or contamination** is directly caused by an event which is sudden, identifiable, unforeseen, unintended and unexpected. The whole event must happen at a specific moment of time and place and occur at the **buildings** during the **period of insurance**. All **pollution or contamination** arising from such an event shall be deemed to have happened at the time of such event.

We will not cover claims arising from **pollution or contamination** which happen as a result of deliberately releasing substances, or as a result of leaks, other than escape of water or oil from **your** fixed water or heating systems.

We will not cover any **pollution or contamination** claim which is reported more than 30 days after the **period of insurance**.

GENERAL EXCLUSIONS

4. Matching Items

The cost of replacing, repairing or changing any undamaged items or parts of items forming part of a set, suite, carpet or other items of a common nature, colour, design or use. This applies if the other item can still be used and the loss or damage only affects one part of the set.

5. Existing and Deliberate Damage

Loss or damage which happens before this cover starts or which arises from an event before cover starts, or any loss or damage caused deliberately by **you**.

6. Cyber

Loss or damage caused by computer viruses or erasure or corruption of electronic data. The failure of any equipment to correctly recognise the date or a change of date.

In this exclusion, computer virus means an instruction from an unauthorised source that corrupts data and which spreads over a computer system or network.

7. Loss of Value

Loss of value after **we** have made a claim payment.

8. Indirect Loss

Indirect loss of any kind other than as defined under item 16 of the Buildings section of this policy.

9. War

- i) War, invasion, act of foreign enemy, hostilities or a warlike operation or operations (whether war be declared or not), civil war, rebellion, mutiny, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising military or usurped power
- ii) Nationalisation, confiscation, requisition, seizure or destruction by the Government or any public authority
- iii) Any action taken in controlling preventing suppressing or in any way relating to i) above

GENERAL EXCLUSIONS

10. Terrorism

Notwithstanding any provision to the contrary within this insurance or any **endorsement** thereto it is agreed that this insurance excludes loss, damage, cost and expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the insurer alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the **insured**.

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

POLICY CONDITIONS

These are the other conditions **you** must keep to as **your** part of the contract.

1. Precedent To Liability

Liability under this insurance is conditional on **your** observance of the terms and conditions of the insurance and any **endorsements** attached.

2. Taking care

You must take all reasonable steps to prevent loss or damage to everything that is covered by this insurance. **You** must keep all **buildings** in good condition and in good repair.

3. Changes in **your** circumstances

When **you** arranged **your** insurance **you** told **us** certain material facts. If **you** do not tell **us** about any changes in these facts, **you** may not be covered in the event of a claim or **your** cover may be affected.

You must tell **us** straight away about the following:

- any **buildings** with a rebuilding value exceeding £500,000 which are or become completely **unoccupied**.

4. Cancelling the Policy

We may cancel this Insurance by giving **you** 14 days' notice at **your** last known address. If **we** cancel the insurance, **we** will refund the premium **you** paid for the rest of the current **period of insurance**.

5. Change in Risk

This insurance shall not be invalidated by any change in occupancy or increase in risk taking place in the **buildings** provided **you** give **us** immediate notice in writing and pay any additional premium that may be required from the date of the change in occupancy or increase in risk.

6. Designation of Property

For the purposes of determining where necessary the item under which any **building** is insured **we** agree to accept the designation under which such **building** has been entered in **your** books.

7. Fraud

If any claim made by **you** is fraudulent, or if **you** or anyone acting for **you** is dishonest in claiming any benefit under this insurance, **you** will lose all benefits under this insurance.

POLICY CONDITIONS

8. Non Invalidation

This insurance shall not be invalidated by any act or omission or by any alteration whereby the risk of damage is increased unknown to or beyond **your** control provided **you** give **us** notice in writing immediately **you** become aware and pay an appropriate additional premium if required.

9. Policy Voidable

This insurance will be void in the event of misrepresentation, mis-description or non- disclosure in any material particular.

10. Arbitration

If any difference shall arise as to the amount to be paid under this insurance (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions currently in force. Where any difference is by this Condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against **us**.

11. Transferring your interest in the Policy

You cannot transfer **your** interest in this insurance to anyone else without **our** written approval.

12. Inflation Protection – Index Linking

We will change the **buildings** sum insured each month using figures available from the RICS or another similar index.

Index linking will continue while the **buildings** are repaired or replaced as long as **you** make sure any work is carried out as quickly as possible.

If the sum insured increases because of index linking, **we** will not make any extra charges until **you** renew the insurance.

CLAIMS CONDITIONS

These are the conditions **you** will need to keep to as **your** part of the contract.

If anything happens which might lead to a claim, what **you** must do depends on what has happened. The sooner **you** tell **us**, the better. In some cases, there are other people **you** should contact first.

What To Do

If someone is holding **you** responsible for an injury or damage, **you** must not admit **you** were responsible. Tell **us** within 3 days and give **us** full details in writing as soon as **you** can. If **you** receive any writ, summons, letter of claim or other legal document, send it to **us** straight away without answering it.

If **you** are a victim of theft, riot or vandalism, tell the police within 24 hours of discovering the loss or damage and ask for an incident number or crime report number. Then tell **us** as soon as **you** can.

For any other claims, tell **us** as soon as possible.

Rights and Responsibilities

We may need to get into a building that has been damaged to save anything **we** can and to make sure no more damage happens. **You** must help **us** to do this but **you** must not leave **your** property with **us**, as **our** responsibility.

You must not admit, settle, reject, negotiate or promise to pay any claim without **our** written permission. **We** will not unreasonably hold back **our** permission.

We have the right, at **our** expense and in **your** name to:

- take over the defence or settlement of any claim;
- start legal action in **your** name to get compensation from anyone else; or
- start legal action in **your** name to get back from anyone else any payments that have already been made.

You must give **us**, and pay for, all the information **we** reasonably ask for about any claim. **You** must also help **us** to take legal action against anyone or help **us** defend any legal action if **we** ask **you** to.

CLAIMS CONDITIONS

How to Make a Claim

Follow the steps below

1. In an emergency, **you** should take any immediate action which **you** need to protect **your** property from further damage, such as switching off the gas, electricity and water.
2. Check **your schedule** and policy wording to see if **you** are covered for the loss or damage. Read carefully any conditions that may apply and the sections headed "what is not covered". **Arthur J. Gallagher Housing Limited** will help **you** if **you** have any questions.
3. Read these "claim conditions" and follow any instructions given.
4. In the event of a loss covered under this policy contact:

Arthur J. Gallagher Housing Limited
Claims Department
27-30 Railway Street
Chelmsford
Essex
CM1 1QS

Tel: 01245 341200

Fax: 01245 290 324

At any stage please feel free to contact **Arthur J. Gallagher Housing Limited** for advice on how to go ahead with **your** claim.

What **we** will do.

(This will depend on the type of claim and the value involved.)

1. **We** may be able to settle the claim from the information **you** have given **us** but **we** may need to contact **you** for more information. It would help **us** if **you** keep records of property valuations and provide photographs of any significant damage before repairs are undertaken.
2. **We** may need to send a Loss Adjuster to find out more about **your** claim. A Loss Adjuster specialises in dealing with insurance claims. He or she will report to **us**. **We** will pay any fee involved unless **we** state otherwise.

Arthur J Gallagher Housing Limited claims staff will do all they can to help **you**.

CLAIMS CONDITIONS

Buildings Section – Claims Settlement

How We Settle Claims

As long as the damage is covered under **your** insurance, **we** will pay the cost of repairing or replacing the damaged parts of the **buildings** in a new condition similar in size, shape or design, including fees and other costs. If the damaged parts are no longer available in their original form, **we** will replace them with parts of a similar quality. If the **buildings** have not been kept in a good state of repair, **we** will pay the cost of repairing or replacing the damaged parts of the **buildings**, but **we** will take off an amount for wear and tear.

Fees and other costs mean architects', surveyors' and legal fees necessarily incurred in repair and replacement (but excluding fees and costs incurred in preparing or furthering any claim under this insurance).

If Repairs Or Replacement Are Not Carried Out

If **you** do not repair or replace the **buildings**, **we** will pay the reduction in market value of the **buildings** caused by the damage. **We** will not pay more than it would have cost to repair the damage if the repair work had been done straight away.

Building Regulations, Local Authority or Legal Conditions

We will not pay the cost of meeting building regulations, local authority or legal conditions if **you** knew that **you** needed to meet any regulations or conditions and a notice was served on **you** before the damage happened. **We** will not pay the cost of meeting any regulations or conditions if they apply to any undamaged parts of the **buildings**.

We will not pay if the value of **your buildings** is reduced because **you** have repaired or replaced the **buildings**.

Excess

We will take off the **excess** from the amount **we** pay **you** to settle **your** claim

What We Will Pay

The most **we** will pay for any one claim, including fees and other costs, is the **buildings** sum insured shown on the **schedule** or the Any One Building Maximum Claim limit shown in the **schedule** whichever is the lower.

The sum insured on **buildings** will not be reduced after a claim is paid.

The new premium will be based on the new sums insured shown on the **schedule** plus or minus any **buildings** acquired or disposed of during the **period of insurance**.

CLAIMS CONDITIONS

Other Insurance

If **you** claim under this insurance for something that is also covered by another insurance **we** will only pay **our** share of the claim. **You** must give **us** full details of the other insurance.

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

Arbitration

If any difference shall arise as to the amount to be paid under this insurance (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions currently in force. Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against **us**.

Subrogation

Any claimant under this insurance shall at **our** request and expense take and permit to be taken all necessary steps for enforcing rights against any other party in **your** name before or after any payment is made by **us**.

ENDORSEMENTS

Where noted on **your schedule** the following **endorsements** apply:

TER 01.Terrorism Extension

Notwithstanding anything stated herein to the contrary the following General Exclusions do not apply:

General Exclusion 10 Terrorism

This insurance, in consideration of the payment of an additional premium and its Insurance Premium Tax, is extended for the **period of insurance** stated in the **schedule** to include loss or damage to the property insured and business interruption resulting therefrom insofar and to the extent that it is insured in the United Kingdom other than Northern Ireland (meaning England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 and not the Isle of Man nor the Channel Islands) caused by an Act of Terrorism certified as such by Her Majesty's Government or HM Treasury or any successor or other relevant authority.

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

This extension also covers loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

Provided always that the Terrorism Insurance provided under this extension is subject to all the terms and conditions of this insurance except as expressly varied hereby and in addition subject to the following exclusions:

1. **Radioactive Contamination and Nuclear Assemblies Clause**

We will not pay for loss or destruction of or damage to any property whatsoever, or any loss or expenses 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 nuclear assembly or nuclear component thereof.

ENDORSEMENTS

2. **Biological and Chemical Contamination Exclusion**

We will not pay for loss or destruction of or damage to any property whatsoever, or any loss or expenses whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from biological or chemical contamination due to or arising from:-

- a) terrorism; and/or
- b) steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, threatened, suspected or perceived terrorism.

However 1 and 2 above only apply in respect of residential property, houses and **blocks of flats** and other dwellings insured in the name of a private individual.

3. **War Exclusion**

We will not pay for any loss or damage or liability directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power.

4. **Digital and /or Cyber Risks Exclusion**

We will not pay for any loss whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from damage to any computer or other equipment or component or system or item which processes, stores, transmits or receives 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 damage is caused by **Virus or Similar Mechanism** or **Hacking** or **Denial of Service Attack**;

Or

Consequential loss directly or indirectly caused by or arising from **Virus or Similar Mechanism** or **Hacking** or **Denial of Service Attack**.

Wherever the words "**Virus or Similar Mechanism**" or "**Hacking**" or "**Denial of Service Attack**" appear they shall have the following meanings:

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.

ENDORSEMENTS

Hacking

Hacking means unauthorised access to any computer or other equipment or component or system or item which processes, stores or retrieves data, whether the property of the **insured** or not.

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.

and provided that **our** 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 in this insurance.

Irrespective of the currency in which the insurance is expressed, the limit of liability and the premium for the insurance affected by this extension will be determined in sterling.

Special Condition

Any Long Term Agreement / Undertaking to which this insurance is subject shall not apply to the Terrorism Insurance provided under this extension.

MIC 01. Multiple Insureds Clause

The following Condition is hereby added to this insurance:

- (i) It is noted and agreed that if the **insured** described in the **schedule** comprises more than one insured party each operating as a separate and distinct entity then (save as provided in this Multiple Insureds Clause) cover hereunder shall apply in the same manner and to the same extent as if individual policies had been issued to each such insured party provided that **our** total liability to all of the insured parties collectively shall not exceed the sums insured and limits of indemnity including any inner limits set by memorandum or **endorsement** stated in this insurance.
- (ii) It is understood and agreed that any payment or payments by **us** to any one or more such insured parties shall reduce to the extent of that payment **our** liability to all such parties arising from any one event giving rise to a claim under this insurance and (if applicable) in the aggregate.
- (iii) It is further understood that the insured parties will at all times preserve and enforce the various contractual agreements entered into by the insured parties and the contractual remedies of such parties in the event of loss or damage.
- (iv) It is further understood and agreed that **we** shall be entitled to avoid liability to any of the insured parties in circumstances of fraud, misrepresentation, non-disclosure or breach of any warranty or condition of this policy committed by that insured party each referred to in this clause as a Vitiating Act.

ENDORSEMENTS

- (v) It is however agreed that (save as provided in this Multiple Insureds Clause) a Vitiating Act committed by one insured party shall not prejudice the right to indemnity of any other insured party who has an insurable interest and who has not committed a Vitiating Act.
- (vi) **We** hereby agree to waive all rights of subrogation howsoever arising which **we** may have or acquire against any insured party arising out of any occurrence in respect of which a claim is admitted under this insurance except where the rights of subrogation or recourse are acquired in consequence or otherwise as a result of fraud or a deliberate Vitiating Act in which circumstances **we** may enforce such rights notwithstanding the continuing or former status of the vitiating party as an **insured**.