

# Commercial Select Leaseholder cover overview



# Introduction

## What is this document?

This is a document which provides the leaseholder with a cover overview only and does not contain full terms and conditions of the contract of insurance. Some covers are optional and will only apply if the policyholder (also referred to in this document as 'the insured') has selected them. The Certificate details the covers selected. Full terms and conditions can be found in the policy documents which are provided to the policyholder.

## What is Commercial Select?

The Commercial Select policy has been designed to cover the main insurance needs for a business wishing to insure their assets, earnings and legal liabilities.

The product design offers covers specifically required by the business as selected by the Policyholder.

The policy is underwritten by Allianz Insurance plc (Allianz).

## What is the policy duration?

This policy has a 12 month period of insurance (unless shown differently on the Certificate). The start and end dates of the cover are detailed on the Certificate.

## What is the law applicable to the contract?

Unless agreed otherwise by the Insurer:

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

## How do I make a claim?

If you believe a claim needs to be made please contact the policyholder or the person who deals with your insurance.

You or anyone claiming under this policy must not admit fault or responsibility, or pay, offer or agree to pay any money or settle any claim without our permission.

## Introduction continued

### How do I make a complaint?

If you have a complaint about anything other than the sale of the policy please contact us at:

Allianz Complaints Team  
Allianz Insurance plc  
PO Box 5291  
Worthing  
BN11 9TD

Telephone number: **01483 552 438**

Email: **[commercialcomplaints@allianz.co.uk](mailto:commercialcomplaints@allianz.co.uk)**

If we are unable to resolve the problem we will provide you with information about the Financial Ombudsman Service which offers a free, independent complaint resolution service.

The Financial Ombudsman Service  
Exchange Tower  
London  
E14 9SR

Website: **[financial-ombudsman.org.uk](http://financial-ombudsman.org.uk)**

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

Email: **[complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)**

Full details of our complaints procedure will be found in the policy wording.

### Would I receive compensation if Allianz were unable to meet its liabilities?

Allianz Insurance plc contributes to the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS if we are unable to meet our liabilities.

Further information about compensation scheme arrangements is available at **[fscs.org.uk](http://fscs.org.uk)**, by emailing **[enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)** or by phoning the FSCS on **0800 678 1100** or **0207 741 4100**.

# Property Damage All Risks and Property Damage Events

## (Optional Section of Cover)

Optional cover for loss or damage to the insured's buildings &/or contents. Cover is available on either an 'All Risks' basis where the damage or loss is covered unless it is specifically excluded or an 'Events' basis where the damage or loss is only covered if caused by a list of specified perils.

### ✓ Significant Features and Benefits

**Contents** – cover includes data processing media, money up to £1,000, personal effects of employees and directors up to £1,000.

**Inflation Provision** – sums insured are index linked. Alternatively the insured may select the Day One Reinstatement basis of settlement.

**Services** – cover provided for damage to services including telephone, gas, water and electricity instruments, piping, cabling etc.

**Alterations and Additions** – limit up to £1,000,000.

**Locks and Keys** – covers the cost of replacing locks and keys up to £25,000 any one claim.

**Metered Utilities** – covers charges incurred as a consequence of damage up to £25,000 any one claim.

**Exhibitions** – covers property whilst at any exhibition up to £25,000 any one exhibition.

**Trace and Access** – covers the cost of locating the source of escape of water or fuel oil from any tank, apparatus or pipe and subsequent making good of damage up to £25,000 any one claim.

### ✗ Significant Exclusions or Limitations

#### This Section does NOT cover:

- Explosion due to bursting of non domestic steam boilers, or other steam apparatus
- Malicious damage, freezing or escape of water in any unoccupied building
- Theft or theft damage not involving forcible and violent entry to or exit from the premises, or from open sided or temporary buildings or involving any partner, director, or employee
- Theft, storm, tempest or flood to fences and gates and movable property in the open
- Acts of fraud or dishonesty by any partner, director, or employee
- Disappearance, unexplained or inventory shortage or filing or misfiling of information
- Frost, wear and tear, gradual deterioration, inherent vice, latent defect
- Rot, mildew, rust, corrosion, insects, woodworm, vermin
- Dyeing, cleaning, repair, renovation, marring or scratching
- Damage attributable to changes in water table level
- Electrical or mechanical breakdown, failure or derangement
- Faulty or defective design workmanship or materials
- Changes in temperature, dampness, dryness, shrinkage, evaporation, loss of weight, contamination, change in colour, flavour, texture or finish
- Damage to any property resulting from its undergoing any process
- Operational error or omission by the insured or any employee
- Damage due to pollution or contamination

# Property Damage All Risks and Property Damage Events continued

(Optional Section of Cover)

## ✔ Significant Features and Benefits

**Landscaped Grounds** – covers the cost, up to £25,000 of restoring landscaped grounds to their original appearance following damage at the premises.

**Automatic Reinstatement** – sums insured will not be reduced by the amount of any claim unless we advise the insured otherwise. This extension will be subject to payment of an additional premium in the event of a claim, and we may require the insured to implement risk reduction measures.

**European Union & Public Authorities (and Undamaged Property)** – cover includes the cost of complying with European Union & Public Authorities requirements. Including the costs relating to undamaged portions of the buildings subject to a 15% limit.

**Removal of Debris** – cover includes the necessary and reasonable costs of removing debris following a loss, including the cost of cleaning, clearing or repairing of drains, sewers gutters.

**Professional Fees** – cover includes architect's, surveyor's, managing agent's, legal and consulting engineer's professional fees incurred following a loss.

**Index Linking** - the sum insured will be adjusted to take into account inflation, and will be automatically increased at each renewal date.

**Contracting Purchaser's Interest** – cover for buildings in the period between exchange of contract and completion.

## ✘ Significant Exclusions or Limitations

- Property in transit
- Terrorism
- Cyber and data events
- Contagious and infectious disease
- The excess – please refer to the Certificate

### Subsidence

- If operative subsidence cover will exclude:
  - Damage to surfaced areas, walls, gates and fences, and various specified items unless the building is also damaged
  - The settlement or movement of made up ground
  - Coastal or river erosion
  - Defective design or workmanship or the use of defective materials
  - Damage which commenced prior to inception of this cover
  - Damage as a result of demolition, excavation or other building work
  - A minimum excess of £1,000

# Property Damage All Risks and Property Damage Events continued

(Optional Section of Cover)

## ✓ Significant Features and Benefits

**Fire Extinguishers and Sprinklers** – cost of refilling, recharging risk protection, equipment up to £25,000.

**Inadvertent Omission to Insure** – provides cover for buildings and contents which have been inadvertently left uninsured up to £1,000,000.

**Theft Damage to Buildings** – cover for damage to occupied buildings by theft. An excess, normally £500, will apply to this cover.

**Leased and Rented Premises** – where as a tenant or lessee the insured may be legally liable for buildings and fixtures/fittings but which under the terms of the agreement are insured elsewhere. Cover extends to provide the difference in conditions or limits over such specific insurance up to £1,000,000.

**Unauthorised use of Supplies** – the unauthorised use of electricity, gas, water or other metered supplies is covered up to an amount of £25,000 in respect of occupied properties.

**Property Stored** – stock cover extends to include storage elsewhere than at the insured's premises, up to £250,000.

**Undamaged Tenants Improvements** – if following damage the insured's lease is terminated and the insured cannot legally remove their fixtures and fittings, cover extends to include their value, up to £100,000.

## ✗ Significant Exclusions or Limitations

# Property Damage All Risks and Property Damage Events continued

(Optional Section of Cover)

## ✔ Significant Features and Benefits

**Loss Minimisation and Prevention Expenditure** – cover includes costs the insured incurs with our consent to prevent or reduce imminent impending damage, up to £25,000 any one claim.

**Further Investigation Expenses** – cover includes investigation costs incurred by the insured with our consent to establish whether buildings adjacent to those damaged are also damaged, up to £5,000.

**Moulds, Tools and Dies** – cover includes moulds, tools and dies belonging to the insured or for which the insured are responsible whilst anywhere in the UK including in transit, up to £250,000.

**Working From Home** – cover includes contents temporarily removed from the premises to employees homes, up to £1,500 per item and £3,000 per employee's home.

## ✘ Significant Exclusions or Limitations

## ⚠ Significant Conditions

### Unoccupied Buildings

Unoccupied buildings are not insured unless they are notified to us and specific precautions are taken to inspect and protect the property as specified in the policy.

### Theft Cover

The insured must ensure that the premises are kept secure and in a good state of repair. Whenever the premises are closed for business all keys including duplicate keys must be removed from the premises.

### Intruder Alarm

If the insured's premises are protected by an intruder alarm Installation certain important conditions relating to the operation of such system will apply.

# Business Interruption and Book Debts

(Optional Section of Cover)

Optional cover for loss resulting from interruption or interference with the business carried on by the insured at the premises in consequence of an event to property used by the insured at the premises for the purpose of the business.

## ✓ Significant Features and Benefits

Cover options are as outlined under the Property Damage Section - 'All Risks' or 'Events'.

### Basis of settlement available:

- Gross Rent or Estimated Gross Rent

The Estimated basis of settlement provides a limit of liability of 133.33% of the Estimated Gross Rent giving inflation protection.

### The following extensions can be added to if required:

- Book Debts – provides cover, up to a limit of £250,000, for outstanding debit balances.

## ✗ Significant Exclusions or Limitations

### This Section does NOT cover:

- Exclusions as shown under the Material Damage section, except explosion of a steam boiler or economiser which is covered
- The deliberate act of a supply undertaking of water, gas, electricity, fuel or telecommunications services is excluded
- Cyber and data events
- Contagious and infectious disease.

### Material Damage Requirement

Liability must have been admitted under the Property Damage insurance for there to be a Business Interruption claim.

## ⚠ Significant Conditions

### Estimated Basis of Settlement

A declaration of the amounts actually earned must be made to us within 6 months after each period of insurance.

### Book Debts

Monthly records must be kept and a copy stored away from the insured's premises.



# Public and Products Liability

(Optional Section of Cover)

Optional cover for the insured's legal liability to pay compensation and claimants' costs and expenses in respect of accidental injury to any person or loss of or damage to material property in connection with the business and caused by or arising from products.

## ✔ Significant Features and Benefits

Limit of Indemnity - as selected by the insured up to £5,000,000. The amount relates to:

- One claim or series of claims arising out of one occurrence
- All claims any one period of insurance arising out of products supplied
- All claims any one period of insurance for pollution or contamination.

### Territorial Limits

- the United Kingdom
- in respect of Injury, loss or damage caused by or arising from
  - i manual and non-manual work occurring during any temporary visit or journey anywhere in the world (other than the United States of America or Canada) and
  - ii non-manual work occurring during any temporary visit or journey to the United States of America or Canada
 by any partner, director or Employee of the Insured normally resident within the United Kingdom
- anywhere in the world in respect of Products

## ✘ Significant Exclusions or Limitations

**This Section does NOT cover:**

- Injury to any employee
- loss of or damage to property belonging to the insured or in their charge or control except premises occupied by them for temporary work
- Liability for loss or damage to goods sold, supplied, delivered, installed or erected or the cost of recalling or refunding a defective product or replacing, repairing or reinstating faulty work
- Liability arising out of ownership, possession or use of any mechanically propelled vehicle or attached trailer where motor insurance is required by law or any aircraft or water craft other than hand-propelled or sailing craft or those used for business entertainment purposes in inland waters
- Liability arising out of error or omission in any advice, design, formula, specification, inspection, certification or testing performed for a fee
- In respect of injury, loss or damage arising from products:
- liability which attaches solely under the terms of an agreement
- Installed or incorporated in aircraft or spacecraft
- Claims made in any country outside the European Union if the insured have premises or representation in that country
- Injury, loss or damage arising from manual work carried out away from the premises, and undertaken in the United States of America or Canada
- Loss or damage to contract works undertaken under a contract or liability under JCT Contract Clause 6.5.1

# Public and Products Liability continued

(Optional Section of Cover)

## ✓ Significant Features and Benefits

### Legal and other Costs and Expenses

Cover is provided for the above in connection with the defence of any valid claim, including the insured's representation at any coroner's inquest, fatal accident enquiry or certain criminal proceedings

### Health and Safety at Work – Legal Defence Costs

Covers legal defence costs arising out of the Health & Safety at Work Act 1974.

### Court Attendance Compensation

Covers attendance as a witness in connection with a claim:

- Director/partner    £750 for each days' attendance
- Employee            £250 for each days' attendance

### Corporate Manslaughter and Homicide

Cover extends to include legal costs and expenses incurred with our consent and costs of the prosecution awarded against the insured in connection with the defence of any criminal proceedings brought under the Corporate Manslaughter and Corporate Homicide Act 2007 in respect of any fatal injury. Cover is limited to £5,000,000 or the amount stated in the Certificate which ever is the lower.

## ✗ Significant Exclusions or Limitations

- Injury, loss or damage arising from products exported to the USA or Canada
- Any liability in respect of pollution or contamination:
- In the USA or Canada
- Elsewhere unless due to a sudden, identifiable, unintended and unexpected incident
- Fines, penalties or liquidated, aggravated, punitive or exemplary damages
- Work on an offshore installation or travelling to or from
- Cyber Event exclusion

### Data Protection Act

The limit of indemnity provided under our Data Protection Act 2018 section 168 extension is £1,000,000, or the Policy limit of indemnity whichever is lower.

### Terrorism Cover

Cover for acts of Terrorism is limited to £5,000,000 or the amount stated in the Certificate which ever is the lower.

### The Excess

Please refer to Certificate.

# Commercial Legal Expenses

(Optional Section of Cover)

Optional cover for legal costs if the insured needs to take or defend legal action relating to their business.

## ✓ Significant Features and Benefits

### 1 Employment

- Cover up to £100,000 for any one claim in respect of the insured's legal costs to:
  - defend their legal rights in a dispute in an Employment Tribunal with a previous, present or prospective Employee and which arises out of or relates to a contract of employment or a breach of employment or discrimination legislation.
  - pursue a previous employee to recover possession of premises occupied for residential purposes.
  - defend their legal rights in a dispute relating to actual or alleged failure to fulfil their obligations as a trustee of a pension fund set up for the benefit of their employees.
  - defend their legal rights in civil proceedings against an employee under legislation for unlawful discrimination.
- We will also cover Basic and Compensatory awards made against the insured or through a negotiated settlement with our agreement.

## ✗ Significant Exclusions or Limitations

### This Section does NOT cover:

- Claims where the insured have not sought and followed the advice of the Lawphone Legal Helpline before making any changes to an Employee's contract of employment or taking any disciplinary action against an Employee.
- Any dispute with an Employee that the insured have given a verbal or written warning to in the 180 days leading up to the date this policy starts.
- Any dispute arising under the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Acquired Rights Directive.
- Any dispute arising from any industrial dispute, industrial or labour arbitration or collective bargaining agreements.
- Any dispute to do with sub-contracting or contracts for services with anyone who is self-employed.
- For Employment Service Occupancy only, there is no cover for the defence of the insured's legal rights, other than to defend a counter-claim.

# Commercial Legal Expenses continued

(Optional Section of Cover)

## ✓ Significant Features and Benefits

### 2 Tax and VAT

- Cover up to £100,000 for any one claim in respect of the insured's legal costs for an investigation by HM Revenue and Customs for the following:
  - Tax Enquiry
  - VAT Dispute
  - Employer Compliance Dispute

### 3 Criminal Prosecution Defence

- Cover up to £100,000 for any one claim in respect of the insured's legal costs to defend their legal rights after an event, which arises out of their normal business activities and results in criminal proceedings being brought against them.

## ✗ Significant Exclusions or Limitations

- Any claim relating to a tax avoidance scheme.
  - Any investigation conducted by HM Revenue and Customs Fraud Investigation Service or Specialist Investigations, or conducted under the HM Revenue and Customs Civil Investigation of Fraud, Code of Practice 9 or Criminal Investigations procedures or conducted under the General Anti-Abuse rule.
  - Any enquiry into alleged dishonesty or alleged criminal activities.
  - Any HM Revenue and Customs compliance check.
  - Any claim arising from the failure to register for VAT or PAYE.
  - Any enquiry or investigation that concerns wealth, assets or money held outside of the UK.
  - Any IR35 enquiry.
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- The defence of a prosecution relating to:
    - HM Revenue and Customs investigation;
    - Allegations of fraud, theft or violence;
    - The ownership, possession or use of motor vehicles, aircraft, watercraft, trailers or caravans;
    - Pollution.
  - Any costs or fines awarded against the insured by a court of criminal jurisdiction.

# Commercial Legal Expenses continued

(Optional Section of Cover)

## ✓ Significant Features and Benefits

### 4 Property Protection

- Cover up to £100,000 for any one claim in respect of the insured's legal costs in a dispute arising from the following:
  - An event causing physical damage to the insured's premises; or
  - a legal nuisance; or
  - a trespass.

### 5 Data Protection

- Cover up to £100,000 for any one claim in respect of the insured's legal costs to:
  - Defend the insured in a dispute relating to data protection legislation.
  - Appeal against a refusal of an application for registration or alteration of the insured's registered particulars.
  - Appeal against an Enforcement, De-registration or Transfer Prohibition Notice.

### 6 Commercial Tenancy Agreement

- Cover up to £100,000 for any one claim to pursue or defend the insured's legal rights in a dispute relating to property that their business occupies or lets to a commercial tenant.

## ✗ Significant Exclusions or Limitations

- Disputes relating to any land or building that doesn't form part of the insured's premises.
- Disputes relating to mining or other subsidence or heave.
- Disputes relating to rent or service charges, tax, planning or building regulations or decisions.
- Disputes arising out of a contract the insured has with another person or organisation.
- Disputes relating to owning, possessing, hiring or using aircraft, watercraft, motor vehicles, trailers or caravans.
- Any prosecution where the insured are accused of fraud or theft.
- Any dispute relating to the insured's failure to register as a Data Controller.
- Any dispute relating to the insured's failure to comply with legislation concerning the processing of Sensitive Personal Data.
- Any fines, penalties or Awards of Compensation made against the insured.
- Any dispute relating to the renewal of a lease or tenancy agreement.

# Commercial Legal Expenses continued

(Optional Section of Cover)

## ✔ Significant Features and Benefits

### 7 Statutory Licence Appeal

- Cover up to £100,000 for any one claim to appeal, following a decision by the licensing authority to suspend, revoke, alter or refuse to renew the insured's business licence.

### 8 Personal Injury

- Cover up to £100,000 for any one claim to take legal action against another person who causes the insured death or bodily injury whilst they are engaged in their business.

### 9 Jury Service Allowance

- Cover up to £5,000 for any one claim in respect of the salary or wages of an employee that the insured cannot get back from the court if that employee has to go to court for jury service.

## ✘ Significant Exclusions or Limitations

- Hearings arising out of any commercial decision made by the insured.
- The first application for, or standard renewal of, the licence.
- Anything to do with drug offences, under age drinking or sexual indecency.

- Personal injury disputes between the insured and any employee(s).
- Any illness or injury arising from a gradually operating cause.

# Commercial Legal Expenses continued

(Optional Section of Cover)

## ✔ Significant Features and Benefits

### 10 Contract Disputes and Disputed Debt

- Cover up to £100,000 for any one claim to enable the insured to take legal action or defend themselves in a dispute with a manufacturer or supplier or customer in respect of a contract for the sale, purchase, hire, service, supply or repair of goods or the supply or purchase of a service. This includes a dispute relating to the payment or receipt of money and interest due under the terms of a contract.

Applying to all sections of the Commercial Legal Expenses

## ✘ Significant Exclusions or Limitations

- Any dispute where a claim is brought against the insured caused by or arising from the provision of goods or services relating to the construction, alteration or repair of any building, or part of that building, or structure.
- Any dispute relating to computer hardware, software, systems or services designed or adapted specifically for the insured's business.
- Any dispute relating to a lease, licence or tenancy of land or buildings other than a dispute with a professional adviser in connection with the drafting of a lease, licence or tenancy agreement.
- Any dispute relating to the insured's legal right to own, occupy or use any land or building or any benefit or alleged benefit attaching to the land.
- Any dispute relating to the ownership, possession, hiring or use of motor vehicles.
- For disputed debt claims only, any claim which is not made within 90 days of the money becoming due and payable.

### Section Limit

A limit of £1,000,000 for all claims which first occurred during the Period of Insurance applies under this section.

### Section Exclusions

- Legal Expenses incurred without the Insurer's written consent.
- Awards of Compensation, Jury Service Allowance or Witness Attendance Allowance incurred before the Insurer's written Consent and acceptance of a Claim.
- Claims which do not arise from or relate to the Business, other than Jury Service Allowance.

# Commercial Legal Expenses continued

(Optional Section of Cover)

## ✓ Significant Features and Benefits

## ✗ Significant Exclusions or Limitations

- Claims by the Insured Person in respect of any event occurring prior to or existing at inception of this Section which they knew, or ought reasonably to have known about.
- Claims the Insured fail to notify to the Insurer within 6 months of the date of occurrence, or as soon as reasonably practicable providing there has been no prejudice to the Insurer.
- Claims arising out of a deliberate or reckless act by the Insured Person or where they have failed to take reasonable steps to avoid, prevent or limit a loss.
- Any Claim where in the Insurer's opinion there are no Reasonable Prospects of a Satisfactory Outcome.
- Fines or other penalties imposed by a court, tribunal or regulator.
- Any Claim arising from or relating to an application for judicial review or other challenge to any legislation or proposed legislation.
- Any VAT attaching to Legal Expenses incurred with the Insurer's consent which is recoverable by the Insured Person from elsewhere.



**Allianz Insurance plc.**

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

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Prudential Regulation Authority and regulated  
by the Financial Conduct Authority and  
the Prudential Regulation Authority.

Financial Services Register number 121849.