



Farm Policy Property Damage

Section E - Property Damage

The schedule will show if this section applies and the cover is in force

Definitions

Each time any of the following words or phrases appear in this section in bold type (or in capital letters in the schedule) they will take the meaning shown below or if not defined below in the General Definitions

Where words or phrases are not highlighted in this manner the everyday meaning will apply

Insured Event(s) means any Peril listed in the schedule

Item(s) Insured means the items insured as set out in the Property Damage section of the schedule to this policy

Money means cash bank notes cheques giro cheques postal orders current postage stamps National Insurance stamps holidays-with-pay stamps trading stamps National Savings certificates and stamps premium bonds luncheon vouchers gift tokens consumer redemption vouchers credit card sales vouchers and VAT purchase invoices owned by **You** or for which **You** are legally responsible in connection with the **Business Activity**

Personal Belongings means clothing and personal articles worn used or carried about the person excluding **Money** bankers' cards credit and debit cards and any belongings otherwise insured

Cover

We will indemnify You (by payment up to the value of the **Items Insured** at the time of the **Damage** or at **Our** option by repair reinstatement or replacement) in respect of **Damage** to the **Items Insured** by any **Insured Event** happening during the period of insurance

Provided that **Our** liability in any one period of insurance shall not exceed the sum insured for each item nor the total sum insured for all items

Index Linking

The **Building** Sums Insured by this section are subject to **Index Linking** as defined in the General Conditions

Extensions

The insurance by this section is extended to include the following extensions of cover

1. Glass and sanitary fixtures

Accidental **Damage** of any part of the exterior and interior glass sanitary fixtures or signs including the reasonable cost of

- (a) repairs to framework following breakage of the insured glass
- (b) necessary boarding-up pending replacement of the insured glass
- (c) in the case of multiple glazing the additional cost of re-creating vacuums or the purchase and installation of new sealed units
- (d) replacing any lettering painting or alarm foil on such glass but excluding
 - (i) **Damage** which is specifically included or excluded elsewhere under this section
 - (ii) **Damage** to glass sanitary fixtures or signs already damaged at the commencement of the insurance
 - (iii) disfiguration or **Damage** to glass not extending through the entire thickness of the glass
 - (iv) **Damage** to glass while not fixed
 - (v) **Damage** caused by or traceable to alterations to the **Farm** or in the glass whereby the risk of **Damage** is increased
 - (vi) **Damage** to bulbs or tubes unless the signs in which they are contained are damaged at the same time

2. Capital additions

Under the Buildings item

- (a) alterations and additions to the property insured but not in respect of any appreciation in value
- (b) newly acquired property so far as it is not otherwise insured anywhere in the **Geographical Limits**

Provided that

- 1 at any one situation this cover shall not exceed 10% of the total sum insured on such property or £500,000 whichever is the less
- 2 **You** undertake to give details of such extension of cover as soon as practicable and to effect specific insurance and pay any additional premium that is required from inception of the cover

3. Damage to the buildings by theft

Only applicable if Peril 7 (Theft or attempted theft) is operative

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If **Buildings** are insured **Damage** to the **Buildings** caused by theft or attempted theft at the **Farm** provided **You** are the owner of the **Buildings** or are legally responsible for repairing damage to the **Buildings**

This extension does not apply when scaffolding is erected at the **Farm** unless **We** have agreed in writing to continue cover

Limit

£5,000 any one claim

4. Underground pipes and cables

Accidental **Damage** to underground pipes and cables servicing **Buildings** insured by this section or where **You** are liable for repairs as tenant

5. Removal of debris

Costs and expenses necessarily incurred by **You** with **Our** consent in

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

of the portion or portions of the property insured by the said items destroyed or damaged by any **Insured Event** it being understood that the amount payable for such **Damage** and costs incurred under (a) (b) and (c) shall not exceed in the aggregate the sum insured by each item

We will not pay for any costs or expenses

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

6. Clearing of drains

The reasonable costs incurred by **You** for clearing or repairing drains gutters sewers and the like for which **You** are responsible incurred as a direct result of **Damage** caused by an **Insured Event**

7. National and Local Government Regulations and Requirements Extension

The insurance provided for **Buildings** extends to include the additional cost of reinstating the damaged parts of the **Buildings** incurred solely by reason of the necessity to comply with the stipulations of Building or other Regulations under or framed in pursuance of any Act of Parliament or bye-laws of any Public Authority (hereinafter referred to as "the Stipulations")

Excluding

- (a) the cost incurred in complying with the Stipulations:
 - (i) in respect of **Damage** occurring prior to the granting of this extension
 - (ii) in respect of **Damage** excluded or otherwise not insured by this policy
 - (iii) under which notice has been served upon **You** prior to the happening of the **Damage**
 - (iv) for which there is an existing requirement which has to be implemented within a given period
 - (v) in respect of any undamaged property
- (b) the additional cost that would have been required to make good the property lost destroyed or damaged to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- (c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner of the property by reason of compliance with the Stipulations.

Special Conditions applicable to this extension

- 1) The work of reinstatement must be commenced and carried out without unreasonable delay and in any case must be completed within 12 months after the **Damage** or within such further time as **We** may allow (during the said 12 months) and may be carried out upon another site (if the Stipulations so necessitate) subject to **Our** liability under this extension not being increased.
- 2) If **Our** liability under the policy apart from this extension shall be reduced by the application of any of the terms and conditions of the policy then **Our** liability under this extension (in respect of any such item) shall be reduced in like proportion.
- 3) The total amount payable under any item of the policy shall not exceed its sum insured.
- 4) All the terms and conditions of the policy continue to apply except where they have been varied by this extension.

8. Extinguisher and alarm re-setting expenses

The reasonable costs incurred by **You** in refilling fire extinguishing appliances replacing sprinkler heads and resetting fire or intruder alarm systems solely in consequence of their activation following an **Insured Event**

9. Loss of oil gas or water (non-domestic)

We will pay for

- (a) loss of oil (other than covered by (c) below) gas or metered water from the water or heating system after accidental damage to that system
- (b) the cost of replacing liquid petroleum gas or oil following accidental discharge from the storage container at the **Farm**
- (c) theft of oil from any storage tank used for the heating system at **Your Farm** provided theft is an **Insured Event** under this policy

The most **We** will pay under (a) or (b) is £5,000 any one claim

The most **We** will pay under (c) is £5,000 any one period of insurance

10. Non-invalidation

The cover by this section shall not be invalidated by any act omission or alteration whereby the risk of **Damage** is increased unknown to **You** or beyond **Your** control

Provided that **You** immediately on becoming aware of this give notice to **Us** and pay an additional premium if required

11. Fees

If the **Buildings** are insured architects' surveyors' consulting engineers' and legal fees necessarily and reasonably incurred in the reinstatement of the property insured consequent upon its **Damage** by an **Insured Event** but not for preparing any claim it being understood that the amount payable for such **Damage** and fees shall not exceed in the aggregate the sum insured by each item

12. Temporary removal

Damage to Farm Produce Supplies and **Portable Machinery** caused by an **Insured Event** whilst temporarily removed from the **Farm**

- for alteration cleaning or repair or
- to a trade show exhibition or farmers market

within the **Geographical Limits**

Cover under this extension will apply for no more than 21 consecutive days following removal of the item from the **Farm**

We will not pay in respect of any one event more than 15% of the relevant sum insured shown in the schedule

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13. Sale of the building

If the **Buildings** are not insured elsewhere the purchaser will have the benefit of the insurance under this section for the period from the written offer and acceptance or exchange of contracts until the sale is completed

Provided that the purchaser complies with and is bound by the terms of the policy

14. Theft of keys - only applicable if Peril 7 (Theft or attempted theft) is operative

Reasonable costs incurred in gaining access to the **Farm Buildings** and/or replacing locks at the **Farm** including locks of safes or strongrooms in the **Farm** if keys are stolen

Limit

£2,500 any one period of insurance

15. Trace and access (non-domestic)

The costs and expenses reasonably incurred by **You** with **Our** consent in locating the source of a leakage of oil or water at the **Farm** and in subsequent repair of **Damage** caused by locating the source

Limit

£5,000 any one claim

16. Reinstatement of sum insured

Not applicable to any limits in the extensions to this section

In consideration of **Your** agreement to pay such additional premium as may be required **We** will automatically reinstate the sum insured in full after **Damage** has occurred

Provided that

- (a) **We** have not given **You** notice within 30 days of **You** reporting the **Damage** to **Us** that **We** will not reinstate the sum insured
- (b) in respect of **Damage** by theft or attempted theft reinstatement will only apply subject to **You** completing any improvements to the security precautions at the **Farm** that **We** may require and in any event reinstatement following theft or attempted theft will apply only once during each period of insurance

17. Spontaneous heating

Damage to coal coke or wood blocks by its own spontaneous fermentation heating or combustion

18. Emergency services damage to the grounds

Damage caused by the emergency services at any part of the **Farm** or to insured property or the grounds for which **You** are responsible excluding Police raids

19. Enforced Sale of Produce

If as a direct result of **Damage** to material property at the **Farm** (for which a claim has been accepted by **Us**) **You** have to dispose of undamaged **Farm Produce** **We** will pay

- (a) the difference between the price **You** obtain for the **Farm Produce** and the cost at which the **Farm Produce** can be replaced or
- (b) for **Farm Produce** intended for sale the difference between the price **You** obtain for the **Farm Produce** and the market price it would have obtained at the date(s) selected by **You** when such produce would have been sold had the **Damage** not occurred less the amount of any storage harvesting or similar costs which due to the disposal are not incurred

You must inform **Us** at least 48 hours in advance of the selected dates and

- (c) Reasonable and necessary additional expenses that **You** incur to reduce the amount lost under (a) and (b) above provided that the additional expenses incurred are not more than the reduction which the expenditure avoids

We will not pay for losses or expenditure incurred more than 12 months after the **Damage** by an **Insured event**

20. Forward Price

At **Your** option the value of **Farm Produce** grown for sale by **You** will be the value at the date(s) selected by **You** when such **Farm Produce** would have been sold had **Damage** by an **Insured event** not occurred

Provided that

- (a) **You** inform **Us** at least 48 hours in advance of the selected date(s) and
- (b) no claim will be payable until the value of the **Farm Produce** on the selected date(s) has been ascertained

21. Personal belongings and documents

Damage to

- (a) deeds documents manuscripts business books computer systems records patterns models moulds plans drawings and designs but only for their value as materials and the cost of labour expended in reproducing them
- (b) **Personal Belongings** not otherwise insured of **Your** directors partners employees and visitors (up to £500 in respect of any one person)

caused by Perils 1 to 4 and 7 (unless excluded in the schedule) of this section whilst at the **Farm** Limit

£1,000 any one claim

22. Tenants liability – Agricultural Holdings Legislation

Damage to landlords

- (a) farm **Buildings**
- (b) fences gates and growing hedges

caused by Perils 1 to 5 (unless excluded in the schedule) of this section but only where liability exists under the Tenancy Agreement for such **Damage**

The most **We** will pay under (a) is the relevant sum insured shown in the schedule any one claim

The most **We** will pay under (b) is £1,000 any one claim

23. Dumping and Fly Tipping

We will pay the cost of cleaning up and removing any materials arising out of and due to dumping or tipping on **Your Farm** caused by a sudden specific event outside **Your** control

Limit

£2,500 any one claim

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Memoranda

1 Reinstatement of property

We shall not be bound to reinstate exactly or completely any property that is the subject of a claim but only as circumstances permit and in reasonably sufficient manner

We shall not pay out in respect of any one of the items insured more than the sum insured

2 Reinstatement basis of settlement – Buildings and Fixed Machinery

Claims for **Damage** to **Buildings** or **Fixed Machinery** will be settled on the basis of the cost of reinstatement

For this purpose “reinstatement” means

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

In the case of (a) or (b) to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new and without any allowance for depreciation of wear and tear provided that

- (i) the **Buildings** or **Fixed Machinery** were in a good state of repair at the time of the **Damage**
- (ii) reinstatement commences and proceeds without unreasonable delay
- (iii) the cost of reinstatement shall have been actually incurred
- (iv) **Our** liability for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed
- (v) if the property insured at the time of its **Damage** shall be insured by any other insurance effected by **You** or on **Your** behalf which is not upon the same basis of reinstatement

3 Special Condition of Underinsurance

If at the time of any **Damage** the Sum Insured for **Farm Produce** and **Supplies** is less than 75% of its value **Our** liability for **Your** claim will be proportionately reduced

Exclusions

We shall not be liable in respect of

- 1 **Damage** caused by pollution or contamination other than provided for under the Loss of oil gas or water extension of this section
- 2 consequential loss of any kind
- 3 **Damage to Money**
- 4 **Damage** to any electrical plant or apparatus caused by self-ignition but this exclusion shall apply only to that part of the electrical plant or apparatus in which self-ignition occurs
- 5 any **Damage** not traceable to a specific event

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