

Arthur J. Gallagher Insurance Brokers Ltd
 (Chelmsford)
 1st Floor Eastwood House
 Glebe Road
 Chelmsford, Essex
 CM1 1QW

7th May 2024

COVER NOTE RL135524

In accordance with your instructions, we have effected the following Insurance, which is subject to all Terms, Conditions and Exclusions of the Policy. Please carefully examine this document together with the information you provided at the time of the placement. If the cover does not comply with your requirements or the information provided is materially inaccurate, please notify us immediately.

RISK DETAILS

TYPE:	Property Damage and Business Interruption	
INSURED:	Queens Cross Housing Association Limited and Queens Cross Factoring Limited and The Community Foundation	
	Risk Address	45 Firhill Road, Glasgow G20 7BE
	Business Description	Registered Provider of Social Housing
PERIOD:	From: 01 April 2024 To: 31 st March 2025 both days inclusive Local Standard Time at the address of the Insured.	
INTEREST:	Property Damage Section	Operative
	Business Interruption Section	Not Operative
	Terrorism Section	Not Operative
	Machinery Breakdown Section	Not Operative
	Specified Items All Risks Section	Not Operative
	Employers' Liability Section	Not Operative
	Public Liability Section	Operative
LIMIT OF LIABILITY:	<u>Property Damage</u>	<u>Sum Insured</u>
	Buildings – Rented	GBP 1,000,065,621
	Buildings – Shared Owners	GBP 7,075,122
	Buildings – Factored	GBP 588,531,634
	Buildings – Factored Commercial	GBP 22,396,709
	Buildings – Commercial Buildings	GBP 10,061,485
	Buildings – Commercial Shops	GBP 171,730
	Buildings – Garages	GBP 1,492,312
	Playgrounds	GBP 500,000
	Landbanks	GBP 225,000

Contents - Landlords Not Insured
Perils Operative - 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 other than stated in
endorsements

Public Liability

Limit of Indemnity GBP 5,000,000 any one occurrence

EXCESSES

Property Damage

Buildings - Commercial Buildings / Commercial Shops

General Losses	GBP 5,000 each and every loss per premises
Subsidence Losses	GBP 5,000 each and every loss per premises
Property Owners Liability - Property Damage	GBP Nil each and every loss
Property Owners Liability - Bodily Injury	GBP Nil each and every loss

Buildings - Factored Commercial Buildings

General Losses	GBP 500 each and every loss per unit
Subsidence Losses	GBP 1,000 each and every loss per unit
Property Owners Liability - Property Damage	GBP Nil each and every loss
Property Owners Liability - Bodily Injury	GBP Nil each and every loss

Buildings - Shared Owner / Factored

General Losses	GBP 100 each and every loss per unit
Escape of Water / Oil	GBP 350 each and every loss per unit
Subsidence Losses	GBP 1,000 each and every loss per unit
Property Owners Liability - Property Damage	GBP Nil each and every loss
Property Owners Liability - Bodily Injury	GBP Nil each and every loss

Buildings - Garages

General Losses	GBP 5,000 each and every loss per premises
Subsidence Losses	GBP 5,000 each and every loss per premises
Property Owners Liability - Property Damage	GBP Nil each and every loss
Property Owners Liability - Bodily Injury	GBP Nil each and every loss

Buildings - Playground Equipment

General Losses	GBP 5,000 each and every loss per premises
Subsidence Losses	GBP 5,000 each and every loss per premises
Property Owners Liability - Property Damage	GBP Nil each and every loss
Property Owners Liability - Bodily Injury	GBP Nil each and every loss

Buildings - Rented / Garages / Landbanks

General Losses	GBP 5,000 each and every loss per premises
Subsidence Losses	GBP 5,000 each and every loss per premises

Property Owners Liability – GBP Nil each and every loss
Property Damage
Property Owners Liability – Bodily Injury GBP Nil each and every loss

TERRITORIAL LIMITS: Worldwide excluding USA and Canada

CONDITIONS / WORDING: **Wording:** Property Owners Policy Wording - Ref No. AWUKCDPO0522

Conditions/Clauses as attached:

Special Cancellation Clause

- a) Non Standard - Condition of Average (Underinsurance) Amendment
- b) Non Standard – Perils Applicable Amendment
- c) Non Standard - Storm and Flood Damage to fences and gates
- d) Non Standard – Unoccupied Buildings Amendment
- e) Non Standard – Frozen Food in Care Homes
- f) Non Standard - Contents of Wardens’ Offices
- g) Non Standard – Advanced Loss of Rent
- h) Non Standard - Asbestos Extension
- i) Non Standard - Alternative Residential Accommodation Amended
- j) Non Standard – General Definitions Amendment
- k) Non Standard – Obsolete Building Material
- l) Non Standard – General Definitions Amendment
- m) Non Standard – Contract Works
- n) Non Standard – Additions and Acquisitions
- o) Non Standard – Long Term Undertaking – Claims Rebate

Notification of Claims to:

Arthur J Gallagher Insurance Brokers Ltd – Housing Team
First Floor, Eastwood House, Glebe Road, Chelmsford. CM1 1QW

NOTICES: Complaints Procedure Notice (Commercial) as attached.

CHOICE OF LAW AND JURISDICTION: This insurance shall be governed by and construed in accordance with the law of England and Wales and each party agrees to submit to the jurisdiction of the courts of United Kingdom.

PREMIUM: GBP 834,881.13 Plus UK Insurance Premium Tax (100%)

PREMIUM PAYMENT TERMS: Premium Payment Clause LSW3001 - 60 days from inception as attached.

TAX(ES) PAYABLE BY INSURED AND ADMINISTERED BY INSURER(S): 12% Insurance Premium Tax on 100%.

INSURER CONTRACT DOCUMENTATION: Lead Insurer to produce documentation

INSURER’S LIABILITY: *Insurers Liability Clause*

The liability of a insurer under this contract is several and not joint with other insurers party to this contract. A insurer is liable only for the proportion of liability it has underwritten. A insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is a insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning 'signing' below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite under this contract. The business address of each member is Lloyd's, One Lime Street, London, EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Proportion of liability

Unless there is 'signing' (see below) the proportion of liability under this contract underwritten by each insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its 'written line'.

Where this contract permits, written lines, or certain written lines, may be adjusted ('signed'). In that case, a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a 'signed line'. The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to 'this contract' in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

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COVERAGE HAS BEEN EFFECTED WITH

Signed Line:	Security:
100.0000%	Allied World Assurance Company (Europe) Ltd
<u>100.0000%</u>	Total placed hereon, in respect of the above order.

This Cover Note is our confirmation to you that a contract of Insurance has been effected with the Insurers listed hereon, using the information which you have provided and/or agreed. Please examine this Cover Note carefully to confirm that cover has been arranged in accordance with your requirements and that the Insurers are acceptable: please advise us immediately if this is not the case. This document is not your contract of Insurance, but is evidence of the terms and conditions of the contract.

DUTY OF FAIR PRESENTATION

If your policy is subject to English law you are required to make a fair presentation of the risk to Insurers which discloses every material circumstance which you know or ought to know relating to the risk to be insured. This includes information known by your senior management and those responsible for arranging your insurance as well as information which would reasonably have been revealed by a reasonable search of information available to you. A circumstance is material if it would influence the judgment of a prudent insurer in determining whether to provide insurance for the risk and, if so, on what terms.

Disclosure must be reasonably clear and accessible to a prudent insurer. Material representations of fact must be substantially correct and material representations of expectation/belief must be made in good faith.

Failure to comply with the duty of fair presentation could mean that the policy is void or that Insurers are not liable to pay all or part of your claim(s). If you are in any doubt as to what may constitute a fair presentation, please feel free to contact us and we will endeavour to assist you.

If your policy is not subject to English law you are expected to disclose risk information in accordance with the requirements of the applicable law. In such circumstances we expect you will disclose risk information at least equal to the standard required under English law and where the applicable law requires you to disclose information over and above the level required under English law you will provide such information in accordance with that law.

NOTES ON WARRANTIES

If any warranties are shown on this cover note or cover summary please make sure that you understand them and are able to follow their requirements exactly. If not, please advise us immediately, as a breach of warranty may enable the Insurers to terminate the policy from the date of that breach, and in some instances ab initio. This may be the position regardless of whether there is any connection between the warranty breached and the loss which leads to that breach becoming evident.

For and on behalf of
Arthur J. Gallagher Insurance Brokers Limited



Authorised Signatory

SPECIAL CANCELLATION CLAUSE

In the event that any Insurer hereon ceases underwriting whether entirely or in the class of business which includes this policy or ceases accepting new business or enters into a run-off arrangement or is subject to a scheme of arrangement, appointment of administrators, provisional liquidators or announces an intention to take any of the foregoing actions or if the Standard & Poor's security rating is lowered below BBB and/or A.M. Best security rating is lowered below B+ then the Assured is entitled at its option to cancel that Insurers participation in this policy as at any date thereafter. In that event, the premium due to such Insurer shall be the proportion of the premium allocated to the risk covered under the policy up to the date of cancellation and after deduction of claims under the policy.

The premium due shall be determined by the Slip Leader insofar as otherwise unaffected by this clause.

COMPLAINTS PROCEDURE NOTICE (COMMERCIAL)

We are dedicated to providing you with a high quality service and we want to ensure that we maintain this at all times. If you feel that we have not offered you a first class service please write and tell us and we will do our best to resolve the problem.

If you have any questions or concerns about your policy or the handling of a claim you should, in the first instance contact your account handler. In the event that you are not satisfied with the response you should contact:

The Managing Director
Arthur J. Gallagher Insurance Brokers Ltd
First Floor, Eastwood House
Glebe Road
Chelmsford
CM1 1QW

stating the risk reference, risk details and the nature of your question or concern.

In the event that you remain dissatisfied and wish to make a complaint it may be possible in certain circumstances for you to refer the matter to the Complaints Department at Allied World Assurance Co. (Europe) dac

Their address is:

22 Billiter St, London EC3M 2RY

In the event that the Complaints Department is unable to resolve your complaint, it may be possible for you to refer it to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaints process.

PREMIUM PAYMENT CLAUSE

Notwithstanding any provision to the contrary within this contract or any endorsement hereto, in respect of non payment of premium only the following clause will apply.

The (Re)Insured undertakes that premium will be paid in full to (Re)Insurers within 60 days of inception of this contract (or, in respect of instalment premiums, when due).

If the premium due under this contract has not been so paid to (Re)Insurers by the 60th day from the inception of this contract (and, in respect of instalment premiums, by the date they are due) (Re)Insurers shall have the right to cancel this contract by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to (Re)Insurers on a pro rata basis for the period that (Re)Insurers are on risk but the full contract premium shall be payable to (Re)Insurers in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this contract.

It is agreed that (Re)Insurers shall give not less than 15 days prior notice of cancellation to the (Re)Insured via the broker. If premium due is paid in full to (Re)Insurers before the notice period expires, notice of cancellation shall automatically be revoked. If not, the contract shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

30/09/08
LSW3001

The following condition is added to the Property Insurance Conditions:

AWPD/F05 First Loss Insurance

The liability of the Insurers under the Property Damage Section and the Business Interruption Section shall not exceed £40,000,000 in total in respect of the properties at Murano Street, Benview Street and Firhill Road, Glasgow

If at the commencement of any Damage in respect of

(1) Property Damage section, the sums insured by each item be less than the value of the Property covered within such sum the amount payable by the Insurers in respect of such Damage shall be proportionately reduced

(2) Business Interruption Section, if the Sum Insured by Gross Profit is less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced

ENDORSEMENTS

Non Standard - Condition of Average (Underinsurance) Amendment

The **Sum Insured** by each item of this Property Damage Section (other than those applying solely to fees, rent or Removal of Debris) is declared to be separately subject to Average.

Whenever a **Sum Insured in Excess of £1,000,000** is declared to be subject to Average if such sum will at the commencement of any **Damage** be less than the value of the property covered within such **Sum Insured**, the amount payable by the **Insurer** in respect of such **Damage** will be proportionately reduced

Non Standard - Perils Applicable Amendment

It is hereby noted and agreed that the "Perils Applicable Section 8. Storm and Flood" (page 19), is restated as follows:

8. Storm and Flood

Storm or flood excluding **Damage**

- a. attributable solely to a change in the water table level
- b. caused by frost, subsidence, ground heave or landslip
- c. to any fences and gates more than 10 years old and any other **Property Insured** in the open

Non Standard - Storm and Flood Damage to fences and gates

The following condition is added to the Property Insurance Conditions:

Storm and Flood Damage to fences and gates

The **Sum Insured** by each item of this Property Damage Section is limited to indemnity and 10% of the replacement cost will be deducted from each claim for each year of age of the Damaged item.

Non Standard - Unoccupied Buildings Amendment

It is hereby noted and agreed that the "Property Damage Condition - Unoccupied Buildings" (page 37), is restated as follows:

It is a condition precedent to **Insurer's** liability under this Property Damage Section that whenever **Buildings** or portions of such **Buildings** are **Unoccupied** for a period in excess of 6 months

1. the **Insured** shall notify the **Insurer** immediately they become aware
 - a. that such **Buildings**, or portions of such **Buildings**, are **Unoccupied**
 - b. of any **Damage** to the **Unoccupied Buildings**, or portions of such **Buildings**, whether such **Damage** is insured or not with all **Damage** rectified immediately
2. the **Unoccupied Buildings**, or portions of such **Buildings**, are inspected externally and internally at least once during each week by or on behalf of the **Insured**
3. all trade refuse and waste materials are removed from the interior of the **Unoccupied Buildings**, or portions of such **Buildings**, and no accumulation of refuse and waste be allowed in the adjoining yards or spaces owned by the **Insured**

Non Standard – Frozen Food in Care Homes

The following extension to cover is added to the Property Damage Extensions:

Frozen Food in Care Homes

The insurance by this Property Damage Section where **Contents** is insured on the schedule extends to include replacement of frozen food caused by a loss insured under this Section or caused by mechanical breakdown of the refrigeration equipment.

The **Insurer** will not indemnify the **Insured**

1. where a more specific insurance policy is in force
2. in respect of **Damage** by power failure or deliberate cut in power supply

The **Limit of Indemnity** under this Extension shall not exceed GBP 500 any one claim

Non Standard - Contents of Wardens' Offices

The following extension to cover is added to the Property Damage Extensions:

The insurance by this Property Damage Section where **Contents** is insured on the schedule extends to include Damage to the contents of wardens offices including Money in their care custody and control

The **Insurer** will not indemnify the **Insured**

1. where a more specific insurance policy is in force
2. for any loss arising from fraud or dishonesty of an Insured person, Employee or any resident
3. for any shortage due to mistakes or neglect
4. for any loss in value of Money

The **Limit of Indemnity** under this Extension shall not exceed GBP 10,000 for contents and GBP 250 for Money subject to a maximum single item limit of GBP 1,000.

Non Standard – Advanced Loss of Rent

The following extension to cover is added to the Property Damage Extensions:

Advanced Loss of Rent

The insurance by this Property Damage Section where **Buildings** is insured on the schedule extends to include rent and service charge which but for the Damage would have been receivable in respect of buildings in the course of erection redevelopment refurbishment or fitting out for future occupation.

The **Limit of Indemnity** under this Extension shall not exceed GBP 150,000 any one claim

Non Standard - Asbestos Extension

It is hereby noted and agreed that any Asbestos removal from the Premises will be subject to a Maximum of GBP 100,000

Non Standard - Alternative Residential Accommodation Amended

It is hereby noted and agreed that the 'Property Damage Extensions - Alternative Residential Accommodation' is restated as follows.

If as a result of **Damage** insured by this Property Damage Section, the Residential and non-Residential **Buildings** are unfit to live in, use or access is denied the **Insurer** will pay insofar as they are not otherwise insured

1. loss of rent and management charges you should have received but have lost
2. the costs of reasonable alternative accommodation and temporary storage of residents furniture
3. the cost of reasonable accommodation in kennels or catteries for residents dogs and cats

Provided the liability of the **Insurer** under this Extension shall not exceed 25% of the **Sum Insured** on the **Buildings** which have been damaged

Non Standard - General Definitions Amendment

It is hereby noted and agreed that the "General Definitions - Buildings" (page 7), is restated as follows:

Buildings means the buildings at the **Premises** and including:

1. landlords' fixtures and fittings
2. outbuildings, garages, extensions, annexes, canopies, fixed signs, gangways, conveniences, statues, fountains, lamp posts and street furniture
3. walls, hedges, gates and fences
4. drains, sewers, cesspits, septic tanks, oil tanks, piping, ducting, cables, wires and associated control gear and accessories on the **Premises** and extending to the public mains but only to the extent of the **Insured's** responsibility
5. yards, car-parks, roads, pavements, patios, forecourts, pedestrian access bridges, all constructed of solid materials
6. windows, fanlights, rooflights, skylights and glazing
7. telecommunications aerials, aerial fittings and masts, satellite dishes, CCTV equipment
8. solar heating panels
9. lifts, boilers, central heating plant
10. fixed floor coverings
11. statues, fountains

Non Standard - Obsolete Building Materials

The following extension to cover is added to the Property Damage Extensions:

Obsolete Building Materials

The insurance by this Property Damage Section where **Buildings** is insured on the schedule 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 **Limit of Indemnity** under this Extension shall not exceed 5% of the Declared Value

Endorsement 12

Non Standard - General Definitions Amendment

It is hereby noted and agreed that the "General Definitions - Insured" (page 8), is restated as follows:

Insured means the person or persons or corporate body with an insurable interest in the Premises plus any shared owner or leaseholder or factor in Scotland

Endorsement 13

Non Standard - Contract Works

It is hereby noted and agreed that the Property Damage Extension - Contract Works (page 29), is restated as follows:

Contract Works

Where the **Insured** has entered into a contract or agreement for the extension, alteration or refurbishment of any of the

Premises the insurance by each item of **Buildings** is extended to include contract works (including unfixed materials on site)

to the extent required by contract conditions. The **Insurer** will note the interest of the contractor and sub-contractor as

specified in the contract where such interests are required

Provided that the **Insured**

1. gives the **Insurer** prior notification of any contract

- a. with a contract price in excess of £250,000 or
- b. on a **Premises** with a rebuild value in excess of £5,000,000

including details of the works to be carried out together with contract conditions, contract period and contract price

2. pays the additional premium required in respect of each individual contract to which this clause applies

The **Insurer** will not indemnify the **Insured**

1. where a more specific insurance policy is in force
2. in respect of **Damage** by theft or by malicious persons (not acting on behalf of or in connection with any political organisation) the first £500 in respect of each separate contract

For the purposes of this extension contract works include temporary or permanent works completed or to be completed by or on behalf of the **Insured** at the **Premises**

Endorsement 14

Non Standard - Additions and Acquisitions

It is hereby noted and agreed that the Property Damage Extension - Additions and Acquisitions (page 28), is restated as follows:

Additions and Acquisitions

This Property Damage Section shall subject to its terms and conditions and in so far as the same are not otherwise

insured include

1. any newly built or newly acquired **Buildings** within the **Territorial Limits**

2. alterations, additions and improvements to insured **Buildings**

where such acquisition or construction occurs during the current **Period of Insurance**

The liability of the **Insurer** at any one location under this clause shall be

1. in respect of any newly built or newly acquired **Building**
 - a. £5,000,000 where the **Buildings** are solely occupied for office or retail use
 - b. £1,000,000 where the **Buildings** are **Unoccupied**
 - c. £2,000,000 where the **Buildings** are occupied for other purposes
2. in respect of alterations, additions and improvements to insured **Buildings** 20% of the **Sum Insured** or £500,000 whichever is lesser

Provided that the **Insured** undertakes to effect specific insurance thereon retrospectively to the date of the commencement of the **Insurer's** liability.

Endorsement 15

Non Standard - Long Term Undertaking - Claims Rebate

The following extension to cover is added to the Property Damage Extensions:

In consideration of the Insurer agreeing to allow a discount of 5 per cent in arriving at the net premium hereunder, the Insured has undertaken to offer the renewal of this insurance at the same terms and conditions for a period of 3 years and to pay the premium annually in advance, provided however, that:

1. The undertaking shall be held to apply to any Policy or Policies issued in substitution thereof
2. The premium shall be subject to revision at any time following alteration in physical hazard and/or increase in the risk of DAMAGE occurring
3. At any renewal date the Insurers may require revised terms or conditions and if the Insured does not accept such terms and conditions, the agreement set out in this Clause shall lapse
4. The Insurers shall be under no obligation to accept an offer made under the agreement

In consideration of this undertaking the Insurers agree to allow a rebate from the previous year's total premium (renewal premium and any mid-term or end of year adjustments) paid if the claims ratio (as defined) over the period since inception of the Agreement be less than the percentage specified below:

	1 Year	2 Years	3 Years
Less than 10% Claims Ratio	10.0%	12.5%	15.0%
Less than 25% Claims Ratio	5.0%	7.5%	10.0%
Less than 35% Claims Ratio	2.5%	5.0%	7.5%

Claims ratio means the percentage which the total of losses actually paid or outstanding and occurring during the Period of Insurance bears to the total premium for the period.

No rebate will be allowed if the policy is not renewed.

It is further agreed that:

- any imposition of or increase in tax on premiums will be borne by the Insured
- the terms of this Agreement do not apply to rates charged for Terrorism cover.

Subject otherwise to the terms conditions and exclusions of this Policy.