

HOTELS INSURANCE

Summary of Cover

June 2005 Edition

A business insurance package for hotels, motels, inns and guest houses.

Why choose AXA's Hotels Insurance Package?

AXA's Hotels Insurance Package offers you generous levels of standard cover plus many optional extras.

Tailor-made for Your Business – Hotel Insurance Package provides a combination of standard and optional covers to best meet your needs.

Keeping Your Business Running – We offer 'Business Interruption' cover as standard because we know that over 80% of businesses go bankrupt after a serious fire if they are not properly covered.

Someone to Help You When You Need It – We realise that accidents and incidents don't only happen between 9 and 5. That's why we have set up a FREE 24 hour Emergency and Legal helpline to ensure there's someone to help you when you need it most. A FREE Tax helpline is also available Monday to Friday between the hours of 9am to 5pm.

Glass Replacement Service – Broken glass? Not to worry, our 24 hour replacement service can fix windows, doors or partitions. Just call us and assistance can be provided.

Spreading your cost – You can take up the option to pay your annual premium by monthly direct debit - helping you to manage your cashflow. There may be a charge associated with this. Please speak to your Insurance Adviser for details.

Inflation Protection – We take away the burden of keeping your contents (and buildings, if they are included in this policy) sums insured in line with inflation – we use recognised independent price indices to amend your sums insured to reflect inflation.

Seasonal increases – We recognise that certain times of the year are particularly busy for you and you may need to gear up for the extra trade. To help you, we give you a free extra 25% on top of your trade contents sum insured during December and January and 8 days before and after all Bank Holidays.



Be Life Confident

Policy Summary

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This document is a summary of the insurance cover provided by the Hotels Insurance Package and, as such, it does not contain the full terms and conditions of your insurance. You can find the full terms and conditions of the product in the policy document. This summary is provided to you for information purposes only and does not form part of your insurance contract.

Type of Insurance Cover

The Hotels Insurance Package provides you with generous Contents, Business Interruption, Business Liability and Legal Expenses cover as standard. You have the option of including Buildings, Subsidence, Computer Breakdown and Employee Theft cover if required. This package gives you the flexibility of covers to help meet your needs.

Please refer to your policy schedule for your selected cover.

The maximum amount we will pay is the Sum Insured or Limit shown within your policy wording or on the policy schedule.

Policy Conditions

Correct values at risk must be advised to us. If the Sums Insured you request are not adequate this will result in the amount that we pay you in the event of a claim being reduced

Features and Benefits			
Cover applies to Great Britain, Northern Ireland, the Isle of Man and the Channel Islands and additionally in respect of Business Liability to temporary visits abroad excluding off-shore			
Buildings and Contents			
Cover Offered	Standard Cover	Optional Cover	Policy ref
'All Risks' cover being subject to certain exclusions	✓		Page 10 & 12
Automatic Reinstatement of Sum Insured following a loss	✓		Page 21
Contents			
Replacement value on Contents and Stock on market value basis	Up to amount nominated by the Insured		Page 19
Landlords fixtures and fittings	✓		Page 12
Household goods and personal effects belonging to the Insured or resident manager	✓		Page 12
Employees household goods and personal effects	£500 any employee or £1,000 if employee resides permanently in the hotel		Page 12
Stock including <ul style="list-style-type: none"> wines and spirits cigarettes and tobacco 	£1,000 £1,000	Extra amounts if required	Page 12
Guests personal effects	£1,000 personal effects £10,000 any one vehicle £50,000 any one claim		Page 17

Features and Benefits

If buildings are insured:

Cover Offered	Standard Cover	Optional Cover	Policy ref
Replacement value of Building (including Debris Removal, Architects and Surveyors' fees)	Up to amount nominated by the Insured	Increased inflation protection up to a nominated amount	Page 10 Page 52 (Inflation Protection)
Damage to cables, drains and underground pipes	✓		Page 11
Subsidence Cover		✓	Page 53
Cover for tracing and making good leaking underground pipes, drains and cables	£25,000 any one period of insurance		Page 11

Other covers available:

Theft by employees		£5,000 any one period of insurance	Page 55
'All Risks' on specified items (subject to certain exclusions) anywhere in Great Britain and up to 14 days worldwide		✓	Page 23
Terrorism cover		✓	Page 42

Employee Protection

Assault to your employees following robbery or attempted robbery			Page 16
<ul style="list-style-type: none"> • Death 	£10,000		
<ul style="list-style-type: none"> • Total loss or permanent and total loss of use of one or more limbs 	£10,000		
<ul style="list-style-type: none"> • Total and irrecoverable loss of all sight in one or both eyes 	£10,000		
<ul style="list-style-type: none"> • Temporary total disablement from engaging in usual occupation 	£100 per week for up to 104 weeks		
<ul style="list-style-type: none"> • Damage to clothing and personal effects 	£500		
<ul style="list-style-type: none"> • Maximum compensation for 1 incident 1 person 	£10,400		

Business Interruption

Loss of Business Income resulting from damage covered under Contents	3 times the contents sum insured or £250,000 whichever is the greater - up to 12 months period	Up to 36 months period	Page 24
Cover for outstanding debts where business accounts are lost due to damage as defined above	£10,000		Page 27

Features and Benefits

Business Interruption

Cover Offered	Standard Cover	Optional Cover	Policy ref
Loss of Business Income as a result of damage at Suppliers premises	10% of Sum Insured or £50,000		Page 26
Loss of Business Income as a result of damage at Public Utility Suppliers premises	up to sum insured		Page 26
Loss of Business Income resulting from denial of access to premises as a result of damage to other premises in the vicinity	up to sum insured		Page 26
Loss of Business Income as a result of murder / suicide at the premises or a human notifiable disease (excluding AIDS) being manifested within a 25 mile radius of the premises	up to sum insured		Page 25
Automatic Reinstatement of Sum Insured following a loss	✓		Page 25

Loss of Licence

Loss of sales (less relative purchases) directly attributable to the loss of the liquor licence, and the reduction in the value of the licensed premises – subject to certain exclusions	£100,000		Page 29
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Business Liability

Employers Liability	£10m		Page 32
Public Liability	£2m	£5m	Page 33
Products Liability	£2m any one period of insurance	£5m any one period of insurance	Page 33
Legal liability for guests property (including motor vehicles in hotel's garage or car park which is securely locked overnight)	£10,000 property deposited for safekeeping and £25,000 in total		Page 36
Legal liability for loss or damage to property deposited in the cloakroom	£100 any one article or £1,000 any one cloakroom		Page 37
Cover for legal costs in respect of prosecutions under the Health and Safety at Work etc Act 1974/Part II Consumer Protection Act 1987	✓		Page 34
Legal Liability incurred under the Defective Premises Act	✓		Page 36
Personal Liability whilst abroad on business	✓		Page 37

Features and Benefits

Business Liability

Cover Offered	Standard Cover	Optional Cover	Policy ref
Legal liability incurred as tenants	✓		Page 36
Indemnity to principal	✓		Page 38
Compensation for required Court Attendance	£50 per day per employee £100 per day per Director / Partner		Page 38
Legal Expenses			
Claims made during Period of Insurance	£50,000 per claim & £500,000 per Period of Insurance		Page 44
Covers			
Contract disputes for amounts between £250 & £5,000	✓		Page 44
Employment disputes	✓		Page 44
Criminal Prosecution defence	✓		Page 45
Property disputes	✓		Page 45
Data protection/Tax protection	✓		Page 46
Statutory licence appeals	✓		Page 47

Significant or Unusual Exclusions and Limitations

Significant or Unusual Exclusions and Limitations	Applies to
Unless agreed otherwise the law applicable to this contract is the law of England and Wales	All covers
Reasonable precautions conditions apply including Deep Fat Frying and Waste Removal Conditions	Buildings & Contents and Business Interruption
Where applicable a Hotel Proprietors Act notice must be clearly displayed	Public Liability
Cloakroom to be securely locked when left unattended, numbered tickets issued and suitable disclaimer notices displayed	Public Liability
Special terms apply to empty buildings – you must advise AXA immediately any premises becomes unoccupied	All covers
Before any Legal Expenses are incurred the Insured must consult the Legal Advice Helpline to ensure that the expenses will be sanctioned	Legal Expenses
Money in transit limited to £2,500 per person	Contents
Stock shortages	Contents
Date Recognition Exclusion	All covers except Employers Liability
Computer or data processing equipment operator error, virus or hacking	All covers except Legal Expenses, Business Liability & Loss of Licence
Terrorism Exclusion (some cover available as an optional extra)	All covers
Theft by the Insured or resident manager (or member of their family). Theft by employees is an optional cover.	Buildings & Contents, All Risks and Business Interruption
Theft of goods while in transit unless the vehicle is securely locked (and is garaged in secure and enclosed premises at night)	Contents & All Risks
Freezer contents cover excludes 20% of any loss where the cabinet is over 10 years old	Contents
Bursting of non domestic steam boilers	Buildings & Contents and Business Interruption
Gradually operating causes eg. rust, rot, corrosion and gradual pollution	Buildings & Contents, Business Interruption and Public Liability

Significant or Unusual Exclusions and Limitations

Significant or Unusual Exclusions and Limitations	Applies to
Mechanical or electrical breakdown of machinery	Buildings & Contents and Business Interruption
Fines and penalties imposed	Business Liability covers
Liability assumed by agreement	Public Liability
Liability for which compulsory motor insurance is required	Employers' and Public Liability
Liability incurred while working away from insured premises other than when undertaking catering activities	Employers' and Public Liability
Damage to property in your custody/cost of remedying defects in products supplied	Public Liability
Products knowingly exported into USA and Canada	Public Liability
Punitive/exemplary/aggravated/additional/compensatory damages awarded in USA and Canada	Public Liability
Acts committed prior to commencement of cover	Theft by Employee optional cover
Loss or damage to property resulting from a process involving heat application	All covers

Excesses

Policy Excesses	
Buildings and Contents	
(i) Storm, Flood, Escape of Water, Riot, Civil Commotion, Theft and Accidental Damage	£500 (total any one loss)
(ii) All other losses	Nil
Glass	£100
Computer breakdown	£250
Business Equipment All Risks	£250
Subsidence minimum excess (optional cover)	£1,000
Theft by Employee (optional cover)	£250
Public Liability – property damage	£100
Tenants' liability	£100
Legal Expenses	£250

Policy Duration

This is an annually renewable policy

Sums Insured

Correct values at risk must be advised to us. If the Sums Insured you request are not adequate this will result in the amount that we pay you being reduced.

Law Applicable

You are free to choose the law applicable to this Policy. Your Policy will be governed by the law of England and Wales unless you and we have agreed otherwise.

Your Cancellation Rights

You may cancel this Policy during the 14 days after the Contract has been concluded by giving notice in writing to your Insurance Adviser at the address shown in their correspondence or to the AXA Insurance address shown on your Policy schedule.

Provided that there have been:

- no claims made under the Policy for which we have made a payment
- no claims made under the policy which are still under consideration
- no incident likely to give rise to a claim but is yet to be reported to us

during this 14 day period of insurance, we will give a refund for the proportionate part of the premium paid in respect of the unexpired term of this Policy.

If a claim has been submitted or there has been any incident likely to give rise to a claim during the current Period of Insurance, no refund for the unexpired portion of the premium will be given.

Claim Notification

Branch Administering Your Policy	Claims Telephone No.	Branch Administering Your Policy	Claims Telephone No.
Birmingham	0870-333-0936	London General	0870-900-0860
Bristol	0870-900-0860	London (Property Owners Unit)	0870-900-0867
Bolton (Spirit Unit)	0870-333-0936	Maidstone	0870-900-0860
Cardiff	0870-900-0860	Manchester	0870-333-0936
Carlisle	0870-333-0936	Newcastle	0870-333-0936
Glasgow	0870-333-0936	Reading	0870-900-0860
Ipswich	0870-900-0860	Redhill	0870-900-0860
Leeds	0870-333-0936	Sheffield	0870-333-0936
Leicester	0870-900-0860	Southampton	0870-900-0860

In the event that you need to make a claim under your policy, you should contact your insurance advisor or alternatively, you can contact AXA Insurance 24 hrs a day using the appropriate telephone numbers from the table above. The branch through which your policy is administered will be shown on your policy schedule.

Making Yourself Heard

Any complaint you may have should in the first instance be addressed to your Insurance Adviser, then claim office or helpline as applicable. If you are not satisfied with the way in which your complaint has been dealt with, you should write to the Customer Care Department of AXA Insurance.

If the complaint is still not resolved, you can approach the Financial Ombudsman Service. The Ombudsman will only consider complaints if:

- We have provided you with written confirmation that our internal complaints procedure has been exhausted
- Your business has a turnover of less than £1,000,000

Referral to the Financial Ombudsman will not affect your right to take legal action.

Full details of addresses and contact numbers can be found within the Policy Wording.

Financial Services Compensation Scheme (FSCS)

AXA Insurance is covered by the FSCS, which is triggered when an authorised firm goes out of business. In this unlikely event you may be entitled to compensation from the scheme.

Compensation under the scheme for:

- Compulsory insurance is covered in full.
- Non compulsory insurance is protected in full for the first £2,000 and 90% of any amount above the threshold.

Full details are available at www.fscs.org.uk

Financial Services Authority Regulation

AXA Insurance UK plc is authorised and regulated by the Financial Services Authority. This can be checked on the FSA's website at www.fsa.gov.uk/register or by contacting them on 0845 606 1234.



AXA Insurance UK plc

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In order to maintain a quality service, telephone calls may be monitored or recorded.

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