

Aviva Touchstone Underwriting Hotel Insurance Facility
Cover guidance on closures due to COVID-19 as at 25th March 2020

We would like to update all of our brokers and clients with the current position regarding policy coverage whilst premises are closed due to COVID-19, whether forced closure or voluntary.

Your Aviva insurance policy includes an unoccupancy definition and condition, which reads as follows:

Unoccupied

Any building or portion of a building that is

- (1) not physically occupied by You or Your Employees during Your normal working hours, and/or*
- (2) not used for the purposes of The Business, and/or*
- (3) empty, vacant, disused, untenanted or unfurnished, and/or*
- (4) awaiting refurbishment, redevelopment, renovation or demolition for a period in excess of 45 consecutive days.*

Unoccupied Premises

If in relation to any claim for Damage while The Premises are Unoccupied, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (1) carry out internal and external inspections of the buildings at least every seven days and*
 - (a) maintain a weekly log of such inspections to be retained for a period of at least 12 months.*
 - (b) as soon as possible, repair, or arrange to repair, any damage or defects found including the removal of graffiti.*
 - (c) carry out a monthly management check of the weekly inspections log.*
 - (2) remove all loose combustible items, including furniture, pallets, mail/flyers, waste, refuse, stock and materials in trade, and gas bottles, either within or outside the buildings, from The Premises.*
 - (3) securely lock all external doors, close and secure all windows, and secure and seal all letter boxes and openings.*
 - (4) (a) turn off all sources of power, fuel and water at the mains and wherever possible, chain and padlock the isolation valves,*
 - (b) drain all water and fuel supply tanks, apparatus and pipes.*
- However, where the buildings are protected by*
- (i) an Intruder Alarm, CCTV or Fire Detection System You must provide sufficient power for their effective operation.*
 - (ii) a sprinkler installation, You must provide sufficient power or water supplies for its effective operation and sufficient heat to prevent it freezing.*
 - (5) alteration or conversion purposes or if the buildings are to become occupied or used*

We appreciate the difficulties for all businesses in this unprecedented landscape and so have extended the period above from 45 to 90 days.

The condition above therefore applies with the amendment of 90 days instead of 45 days and we will continue to review based on government guidance.

In the meantime and to clarify a query already raised on unoccupancy, should employees still remain in occupation at least during normal daily working hours, we would not deem the premises to be unoccupied at the current time.

During the period the premises is closed for business, including the 90 days under the unoccupancy condition and also if employees are attending during normal daily working hours, we would still expect clients to take all reasonable precautions to protect their business and property, including:

- Maintaining all security and fire protections in full effective working order and set as required when the premises are left unoccupied
- Removal of all combustible materials from the external of the property
- Carry out and log internal and external inspections of the buildings at least every seven days

We will provide a further update as and when the position changes.