



HOME
INSURANCE

A woman with curly hair, wearing a blue and white striped shirt and overalls, is smiling and painting a wall with a red-handled brush. The image is framed by a large, stylized blue letter 'L' that also serves as a background for the text.

POLICY BOOKLET

CONTENTS

Welcome to LFM Home Insurance	Page 2
Claims and Cancellations information	Page 3
Data Protection and Definitions	Page 4
Rules	Page 5
Legal Protection	Page 25

REVISED FROM OCTOBER 2025

Welcome to LFM Home Insurance

This is your Policy Booklet. We will insure you during the Period of Insurance in line with the terms set out in your Policy, in return for your payment of the premium and us accepting it.

Please read this policy and your schedule of cover carefully. You should pay particular attention to the Conditions and Exclusions. If they do not meet your needs, please tell us immediately and return them to us as soon as possible.

The contract has been based on the answers you gave us on your proposal form and the declaration you signed. You must tell us of any change in this information as soon as possible since failure to do so could invalidate your Policy. You should not wait until the next renewal date.

Cover will continue after the Renewal Date shown in the Master Schedule for any period for which we accept your renewal premium.

The Policy sets out all the circumstances in which you can make a claim - you cannot claim in any other circumstances. Whilst our cover is wide, it is not a maintenance contract and does not protect you or your household against every loss, e.g. where the only damage is wear, tear or deterioration - no insurance policy does.

This contract and the relationship between us and you shall be governed by, and interpreted in accordance with, the laws of the Bailiwick of Guernsey.

Brian Ayres

Chair, La Fraternelle Mutual Fire Insurance Society (branded as LFM Home Insurance)

Note: The issuing of a policy from us to you makes you a member of LFM Home Insurance on the terms of the LFM Home Insurance's Rules. These are included at the rear of this policy booklet.

Contact us

LFM Home Insurance
Esplanade House
29 Gategny Esplanade
St Peter Port
Guernsey
GY1 1WR

www.lfmhomeinsurance.co.uk
01481 728864
contact@lfmhomeinsurance.co.uk

Please note that if you are reading a printed copy of this document, the most up-to-date version can be found at our website.

Making a claim

Normal business hours:

Monday to Thursday: 9:00am – 12.30pm, 1:30pm – 5:00pm

Friday: 9:00am – 12.30pm, 1:30pm – 4:30pm

Before contacting us, please ensure you read the following information:

- The relevant sections of your which cover the loss;
- Our policy exclusions and conditions; and
- Your schedule of cover.

In order to ensure we can help you quickly and efficiently, we would kindly request that you have the following information available when calling:

- Your policy number;
- Your name & address;
- Details of the loss/incident including the date, circumstances and where possible an estimate of the costs; and
- Your contact details.

Legal expenses insurance

If you have Legal Protection applicable to your policy and you have a claim or need advice, please contact us using the details on page 2.

Cancellation Rights

If you do not wish to accept your new policy, you may cancel the cover by writing to or calling our offices within fourteen (14) days of receiving this policy. We may charge pro-rata for the cover provided.

Complaints

We take all complaints seriously and aim to resolve concerns promptly. If you have a complaint, please contact our offices in the first instance to allow us the chance to put things right if we are able.

If the matter cannot be resolved, it will be referred to our Board of Directors for further assessment.

If you remain dissatisfied with the outcome, depending on your circumstances, you may be able to refer your complaint to the Channel Islands Financial Ombudsman at:

Channel Islands Financial Ombudsman
P O Box 114
St Helier
Jersey
JE4 9QG

Complaints (continued)

For more information, visit www.ci-fo.org or call 01481 722218.

Please quote your policy number when contacting us as this will enable us to deal with your complaint efficiently.

Data protection

On 25 May 2018, The Data Protection (Bailiwick of Guernsey) Law, 2018 came into force. This legislation is Guernsey's equivalent to the European Union's General Data Protection Regulation (GDPR).

LFM Home Insurance is registered with the Office of the Data Protection Authority in Guernsey and seeks to comply fully with the Law. Our Privacy Policy, which explains how we process and protect your personal data, is available on our website or upon request.

We process your personal data on the basis of the contract between us and you – the contract being your policy with us – as evidenced by your completed proposal form. We will only use your data for the purposes for which it was provided. We retain only the information necessary for your policy, and that data is only retained for a fixed period of time after you cease to be a policyholder with us.

If you have any questions about how we handle your personal data, please feel free to contact us.

Definitions

Where the words listed below appear in your policy in capital letters the following definitions will apply.

BUILDINGS

The private house or self-contained flat at the address shown in the Schedule. The home, and its domestic outbuildings, garages, domestic greenhouses/glasshouses not exceeding 6.25 metres, swimming pools, tennis courts, patios, terraces, drives, footpaths, walls, gates, hedges and fences*, including landlords' fixtures and fittings, all on the same site.

EXCLUDING carpets, curtains, plants in the garden, aerials, satellite aerials and their fittings or masts. No cover for loss or damage to any building (including greenhouses) originally constructed for commercial purposes unless otherwise shown on the Schedule.

CONTENTS

Household goods and all other personal property, tenants' fixtures and fittings, all of which are owned by or are the legal responsibility of the Insured or of any permanent member of his or her household. **EXCLUDING** motor vehicles, caravans, trailers, or watercraft and accessories attached thereto, livestock, any part of the buildings, any property specifically insured against the perils covered under any other insurance, any part of the structure of the home, its ceilings, wallpaper and the like, plants in the garden and any domestic appliance which is integrated into fitted units.

* Please see exclusion for fences on page 7.

RULES

On October 16th, 1822, a number of persons formed and constituted in this Island of Guernsey a Society called LA FRATERNELLE with the object of being a Mutual Insurance and guarantee against the danger of Fire and Lightning for their Houses, Buildings, Furniture, Cattle and gathered Crops (but excluding monies and documents), for the term of three years. The said Society was then renewed by terms of three and five years until 1 October 1912.

At the General Meeting of the Members held on 18 September 1912, it was resolved to renew the Society (now branded as LFM Home Insurance) for an unlimited term to begin on the 1 October 1912.

This Policy of Insurance witnesseth that

The Insured having paid to LFM Home Insurance, the amount payable as per Rule 9 of the Rules of LFM Home Insurance, for insuring the property specified in the schedule, against loss or damage to the buildings and/or contents caused by any of the insured perils defined herein for which a premium has been paid, LFM HOME INSURANCE HEREBY AGREES WITH THE INSURED that subject to the Rules of LFM Home Insurance which shall be deemed to form part of this Policy, LFM Home Insurance will indemnify the Insured by payment or at its option by reinstatement, replacement or repair, all such loss or damage, to an amount not exceeding the amount or amounts shown in the schedule.

This cover also includes:

- (i) architects, surveyors, and legal fees not exceeding those authorised by the respective professional institutes necessarily incurred in the reinstatement of the Buildings but not for preparing and submitting any claim, provided that LFM Home Insurance's liability does not exceed 10% of the Sum Insured on such Building.
- (ii) any amount agreed by LFM Home Insurance for the cost of removing debris and of dismantling, demolishing, shoring up or propping of the parts of the Buildings destroyed or damaged necessarily incurred with the consent of LFM Home Insurance.
- (iii) the additional cost necessarily incurred in reinstatement of the Buildings in compliance with building regulation or regulations, laws or ordinances of the States of Guernsey excluding costs incurred in complying with any of the aforesaid regulations with which the Insured had been required to comply prior to the happening of the loss or damage Insured hereby.
- (iv) The Insured, their spouse, named partner, family and domestic employees permanently living at your home and are deemed to be part of the insured's household.

RULE 1 MUTUAL OBLIGATIONS

All members of LFM Home Insurance are liable to make good any damage caused to the property insured with LFM Home Insurance belonging to any Member in accordance with the provisions of the rules – each Member contributing to the insured value of the property he or she is insuring with LFM Home Insurance.

It is a condition that the Sum Insured represents and will at all times be maintained by the Insured at not less than the full cost of reconstructing the building plus architects' and surveyors' fees and an amount in respect of debris removal and the total liability of LFM Home Insurance in respect of loss or damage during any period of insurance shall not exceed the amount stated against each item (plus inflation protection if indexed linked) respectively or in the aggregate the total Sum Insured.

RULE 2 POLICY COVER

BUILDINGS AND CONTENTS

DEFINITION OF BUILDINGS:

The private house or self-contained flat at the address shown in the Schedule. The home, and its domestic outbuildings, garages, domestic greenhouses/glasshouses not exceeding 6.25 metres, swimming pools, tennis courts, patios, terraces, drives, footpaths, walls, gates, hedges and fences, including landlords fixtures and fittings, all on the same site. **EXCLUDING** carpets, curtains, plants in the garden, aerals, satellite aerals and their fittings or masts. No cover for loss or damage to any building (including greenhouses) originally constructed for commercial purposes unless otherwise shown on the Schedule.

DEFINITION OF CONTENTS:

The word Contents means household goods and all other personal property, tenants' fixtures and fittings, all of which are owned by or are the legal responsibility of the Insured or of any permanent member of his or her household. **EXCLUDING** motor vehicles, caravans, trailers, or watercraft and accessories attached thereto, livestock, any part of the Buildings, any property specifically insured against the perils covered under any other insurance, any part of the structure of the home, its ceilings, wallpaper and the like, plants in the garden and any domestic appliance which is integrated into fitted units.

Subject to the provisions of these Rules, LFM Home Insurance will by payment, reinstatement or repair, indemnify the Insured against any loss or damage which may occur to or by reason of:

BUILDINGS AND CONTENTS (continued)

<i>What is covered</i>	<i>What is not covered</i>
• <i>Fire, lightning, explosion, storm, flood, aircraft or articles dropped there from and accidental or malicious damage to Buildings.</i> • <i>Accidental damage to Contents is optional and subject to additional premium.</i>	• The amount of excess shown on the Schedule of Insurance.
• <i>Escape of water or oil from any fixed water or heating appliance, water supply or sewage pipes.</i> • <i>If damage arises from the escape of water or domestic fuel oil, as covered under this Policy, LFM Home Insurance will pay the necessary and reasonable repair costs, up to £2,000 per occurrence and in total during any one period of insurance, provided the work is carried out by a suitably qualified professional.</i> • <i>Damage caused by the failure of flexible hoses is covered under this Policy, subject to a maximum limit of £5,000 per occurrence and in total during any one period of insurance. Cover applies regardless of the age or condition of the hose, provided the failure was sudden and unforeseen.</i> <i>Policyholders are encouraged to follow good practice, including:</i> - <i>Installing isolation valves where appropriate (e.g. for second homes or unoccupied properties);</i> - <i>Replacing hoses showing signs of wear such as rust, bulging, fraying, or discolouration; and</i> - <i>Considering alternative fittings such as solid copper pipes for enhanced resilience.</i>	• The amount of excess shown on the Schedule of Insurance. • Loss or damage caused by: - the failure or lack of sealant and/or grout; - the escape of water as a result of any taps being left on; - appliances or Sani-flo toilets and other mechanical or electrical equipment; - leaking or dripping tap that required a new washer or replacing; - the escape of water from a water cylinder over 15 years old; - insufficient lagging or maintenance neglect; - the bursting of an external pipe; • The replacement or repair of any tanks and cisterns shall be the liability of the policyholder;
• <i>Fixed glass including double/triple glazing, not exceeding a thickness of 1cm with plate fitted into exterior door panels and exterior window frames of domestic premises, maliciously broken by vandals or such like law-breaking persons.</i>	• Breakage or damage by civil riot, civil commotion or enemy action.

BUILDINGS AND CONTENTS (continued)

<i>What is covered</i>	<i>What is not covered</i>
<i>Subsidence, heave or landslip of the site beneath the Buildings</i>	The amount of excess shown on the Schedule of Insurance.
<i>Escape of water or oil from any fixed water or heating appliance, water supply or sewage pipes.</i>	- Policy excess of £2000 for each and every claim - Damage caused by bedding down of new structures. - Damage to solid floor slabs, or resulting from their movement, unless the foundations beneath the external walls of your home are damaged at the same time. - Damage caused by a natural or artificial water course. - Damage resulting from demolition or structural repairs or alterations to the buildings or faulty workmanship, defective design or the use of defective materials in the buildings. - Damage to properties built on reclaimed land. - Damage to properties built on clay areas. - Damage to outdoor swimming pools, tennis courts, patios, terraces, drives, footpaths, walls, gates, hedges, or fences unless your home is damaged at the same time.
<i>Claims for damage to a felt, ruberoid or fibreglass roof may be subject to a reduction or contribution dependent on the age of the roof as these types of roofs have a limited life span.</i>	Damage to or from a roof that has exceeded its life span according to a manufacturer advice

LOSS OF OIL AND METERED WATER

<i>What is covered</i>	<i>What is not covered</i>
<i>Additional metered water charges incurred by the Policyholder by any insured cause.</i> <i>The cost of oil lost from the domestic heating installation following Accidental Damage to any part of the domestic heating installation.</i> <i>The most we will pay under this section is GBP 1,000 during any one period of insurance.</i>	Loss occurring after your home has been unoccupied for 30 consecutive days.

THEFT OF CONTENTS

<i>What is covered</i>	<i>What is not covered</i>
• <i>Theft of Contents as defined in the schedule if cover is stipulated in the policy and additional premium paid.</i>	• Losses incurred whilst the Property is lent, let, sub-let or unoccupied for 30 consecutive days. • Losses not reported to the Police and in the case of charge or credit cards to the issuing company within 24 hours. • Items away from the home. • Losses incurred unless there is forcible and violent entry or exit.

ACCIDENTAL DAMAGE COVER

<i>What is covered</i>	<i>What is not covered</i>
<i>Provided this cover is stipulated and an additional premium paid.</i> • <i>Damage caused by accidental external means to the Contents, including while professional removers are moving the property to a new home within Guernsey and the policy is to be continued with LFM Home Insurance.</i>	• Damage arising from weather. • Damage to any power-driven machine while in use as a tool and arising directly out of such use. • Damage to television and radio apparatus and aerials, arising during the fitting, adjustment, repair or dismantling of any part of the apparatus or aerial. • Damage caused when the property is lent, let or sub-let or unoccupied for more than 30 consecutive days. • Goods in transit/storage unless packed by professional removers and all terms and conditions of the professional removers have been complied with.

CHRISTMAS GIFTS

<i>What is covered</i>	<i>What is not covered</i>
• <i>Loss or Damage to Christmas Gifts by an insured risk whilst in your home during the month of December. Up to 10% of and in addition to the Contents Sum Insured as shown in the Schedule.</i>	

WEDDING GIFTS

<i>What is covered</i>	<i>What is not covered</i>
Loss or Damage to Wedding Gifts by an insured risk whilst in your home during the period one month before and after the wedding day of any member of your household. Up to 10% of and in addition to the Contents Sum Insured as shown in the Schedule.	

SPECIFIC SUB-LIMITS

The cover by LFM Home Insurance in respect of each Private Home, and elsewhere as hereinafter defined, shall NOT EXCEED the following during the period of this insurance unless separately specified:

- GBP 1,500 in respect of property in the open but within the confines of the premises;
- GBP 1,000 in respect of cash, currency, bank notes, negotiable documents, (credit, telephone or charge cards £50 maximum), coins and stamps not forming a part of a coin collection;
- GBP 500 in respect of deeds, registered bonds and other personal documents;
- GBP 500 in respect of stamps or coins forming part of a collection.

PEDAL CYCLES

<i>What is covered</i>	<i>What is not covered</i>
<i>Provided this cover is stipulated and the cycles are clearly specified including make and model.</i> <i>Pedal cycles with a value below GBP 1,000 including electric battery powered cycles.</i>	- Pedal or electrical cycles valued at GBP 1,000 and over. These however can be covered separately under All Risk (Specified) Items. - Theft of the cycle or parts of the cycle unless the cycle is in a locked building or has been immobilised by a security device. - Loss or damage to the accessories or parts unless the cycle is stolen or damaged at the same time. - Loss or damage while the cycle is being used for racing. - Loss or damage if not reported to the nearest Police authority within 24 hours of discovery.

DEEP FREEZER CONTENTS

<i>What is covered</i>	<i>What is not covered</i>
• <i>GBP 250 Sum Insured, which can be increased if requested.</i> • <i>This extension covers the contents of the Insureds frozen food cabinet(s) or domestic refrigerator(s) if they are under TEN YEARS OLD against deterioration of foods up to the policy limit of GBP 250 or the combined amount of this limit together with the additional sum insured requested, due to the following causes:</i> - <i>Breakdown of refrigeration machinery.</i> - <i>Failure of public electricity or gas supply.</i> - <i>The action of refrigerant fumes escaping from the equipment.</i> - <i>The blowing of domestic fuses.</i>	• The deliberate act of any electricity or gas supply authority or the exercise by any such authority of its power to withhold or restrict supply. • Failure of the electricity or gas supply due to strikes or any other withdrawal of labour by employees of any electricity or gas authority.

ALTERNATIVE ACCOMMODATION / LOSS OF RENT

<i>What is covered</i>	<i>What is not covered</i>
• <i>The cost of alternative accommodation or loss of rent if the insured premises are deemed by the officers of LFM Home Insurance to be uninhabitable due to damage caused by any of the insured perils.</i>	• Any amount exceeding the sum insured as stipulated on the policy schedule.

TENANTS LIABILITY

<i>What is covered</i>	<i>What is not covered</i>
• <i>The Insured's legal liability as tenant up to 10% of his or her contents sum insured for accidental damage caused to the landlord's fixtures, fittings and contents.</i>	• Loss or damage caused by fire, storm, water or other perils in respect of the landlord's property. • Loss or damage whilst the Insured property is unoccupied.

PERSONAL LIABILITY

<i>What is covered</i>	<i>What is not covered</i>
Personal Liability up to GBP 2,000,000 (two million pounds) or any other sum stipulated on the Schedule of Insurance, any one accident or series of accidents arising out of any one event.	- Loss or damage to property owned, occupied or in the custody or control of the Insured or any member of the Insured's family permanently residing with the insured. - Loss or damage to property owned, occupied or in the custody or control of the Insured or any member of the Insured's family. - Any liability directly or indirectly arising from: - any employment, business or profession. - the use of lifts or mechanically or electrically propelled vehicles other than gardening equipment and mobility scooters and invalid carriages. - injury, death or disease of any member of the Insured's household.

COURT ATTENDANCE WITNESS EXPENSES

<i>What is covered</i>	<i>What is not covered</i>
We will pay up to GBP 100 per day for each day or part of a day that you are called as a witness for criminal proceedings in a court up to a maximum of GBP 1,000 in any one period of insurance.	- Any court attendance costs where you have not been a material witness to a crime. - Where the criminal proceedings have been brought against you. - Any court attendance for civil court proceedings.

BOVINE ANIMALS (Not available on New Business from 2003)

<i>What is covered</i>	<i>What is not covered</i>
Provided this cover is stipulated and an additional premium paid: each animal may be insured up to a maximum value of BP £1000 per named animal.	- Death due to foreseen circumstances. - No Cover for illness or death from illness or old age.

ALL RISKS COVER

<i>What is covered</i>	<i>What is not covered</i>
<i>Provided this cover is stipulated and an additional premium paid:</i> <i>LFM Home Insurance will indemnify the Insured or members of the Insured's family permanently residing with the Insured by payment, reinstatement, replacement or repair against loss or damage by any cause not hereinafter excluded to their property as defined below or in the attached 'All Risks' Schedule occurring anywhere within the geographical limits. All such property must be kept and used solely for private, social and domestic purposes.</i> <i>Unspecified and personal effects:</i> <i>Items with a value under GBP 3,000 for each item do not need to be listed. This includes jewellery, watches, hearing aids, mobile phones, spectacles, sports equipment, diving equipment, fishing rods and equipment, golf clubs, musical instruments, laptops, iPads, wheelchairs, photographic equipment, clothing, documents and securities.</i> <i>Specified items as above</i> <i>Each item above GBP 3,000 is to be specified individually on the policy and a written valuation required for jewellery/watches with a value of GBP 5,000 and above. Cycles and invalid carriages with a value of GBP 1,000 and above are also to be specified individually on the policy.</i> <i>Geographical limits</i> <i>The Channel Islands and elsewhere in the British Isles and for the purposes of travel only, elsewhere in the world.</i>	- Furniture, furnishings, household goods, business goods and equipment. - Livestock, motor vehicles, boats, and any equipment or accessories relating thereto. - Musical and sports equipment excludes damage that occurred whilst being used for the purpose intended. - Any loss or damage which is recoverable under a basic Householders or similar Policy. - Confiscation or detention by Customs or other officials. - Electrical or mechanical breakdown. - Consequential loss. - Loss or damage occurring anywhere outside the limits of the British Isles occasioned by or happening through riot, strikes, civil commotion, subterranean fire, earthquake or volcanic eruption. - Breakage of drum skins, reeds or strings in respect of musical instruments. - Breakage or damage to watches or clocks due to over winding. - Business or professional use in respect of musical instruments, photographic, video and sporting equipment and accessories. - Loss or damage in respect of unset precious stones. - Loss or damage to films, tapes, cassettes, cartridges or discs other than for their value as unused material, unless purchased pre-recorded when settlement will be based on the maker's latest price list. - Depreciation in value. - Theft from an unlocked and unattended vehicle (items stolen from a locked vehicle would be subject to a policy limit of GBP 1,500 for any one claim). - Theft from property/temporary accommodation unless accompanied by forceful and violent entry or exit. - Loss or damage to any item sent by post or any means of transport or in transit unless accompanied by the Insured.

SPECIAL CONDITIONS

The liability of LFM Home Insurance under the policy is limited in respect of the Sum Insured thereon.

LFM Home Insurance will not pay for the cost of replacing any undamaged item, parts of items or forming part of a set, suite or other articles of a uniform nature, colour or design, when the remaining item or items are still usable and the loss or damage occurs within a clearly identifiable area to a specific part and replacement cannot be matched. This includes settee and bathroom suites, worktops, kitchen units and tiles.

Where damage to floorings and carpets is in a specific area, LFM Home Insurance is responsible for repair or equivalent replacement up to the door threshold of the room where the damage occurred.

Items of jewellery/clothing forming a pair such as earrings or boots where the remaining item could not be matched, thereby making the pair unusable, would be covered in full for the pair, the original remaining item becoming the salvage of LFM Home Insurance if requested.

All sums which may from time to time be paid to the Insured under this Section in any one year of Insurance shall be accounted in diminution of the Total Sum Insured by the Section so that in the case of subsequent loss or damage during the same year the total amount payable by the Society shall not in any case exceed the Total Sum Insured.

Any loss or theft occurring anywhere in the world must be reported at the nearest Police Station at the time of discovery and a report/confirmation obtained for production to the Society. No claim will be accepted without production by the Insured of a Police Report.

RULE 3**ADDITIONAL EXCEPTIONS AND LIMITATIONS, WHICH APPLY TO THE WHOLE POLICY**

1. No compensation shall be payable in respect of:

- (a) damage caused by domestic pets;
- (b) damage to buildings not maintained in a good and substantial state of repair;
- (c) damage to hay by the overheating thereof;
- (d) damage to internal pipes, external pipes, tanks or water pumps, Saniflo or labour incurred for repair;
- (e) loss or damage as a direct result occasioned by frost (except for damage resulting from the escape of water from any fixed water installation);
- (f) damage to oil burners occasioned by frost or extremes of temperature;

- (g) by the escape of oil from any fixed domestic oil installation;
 - (h) loss, destruction or damage occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
 - (i) property left unoccupied for more than 30 consecutive days unless notified to LFM Home Insurance;
 - (j) whilst the home is occupied by more than six paying guests/tenants. Family members permanently residing with policyholders would not form part of this limit.
 - (k) storm damage to hedges, fences, gates or tennis courts;
 - (l) damage caused solely by mechanical or electrical fault or breakdown;
 - (m) liability arising from an agreement entered into by the Insured unless the liability would have existed without the agreement;
 - (n) water damage caused by the escape of water from guttering, rainwater downpipes, roof valleys, gullies and overflows;
 - (o) the cost to repair or replace any domestic appliance including fixed water installations and fixed domestic oil installations;
 - (p) damage to or caused by model aircraft and drones;
 - (q) water or storm damage to rooms below the ground or in areas with a high-water table.
- 2.** LFM Home Insurance shall make no payment in respect of the policy excesses shown in the schedule and any voluntary or compulsory excess that may apply for any loss ascertained after the application of any condition of Average (underinsurance).
 - 3.** Claim settlement will be on a replacement new for old basis but if you do not intend to repair or replace, a deduction may be made for wear and tear on all items lost, damaged or stolen. Cash/Indemnity settlements to be considered by the Board.
 - 4.** In the case of malicious damage to plate glass, no claim shall be accepted by LFM Home Insurance until the event has been reported to the Island Police, and no claim shall be accepted in respect of an uninhabited or condemned dwelling.
 - 5.** Claims for damage to a felt, ruberoid or fibreglass roof may be subject to a reduction or contribution dependent on the age of the roof as these types of roofs have a limited life span, no payment will be made if the roof has exceeded its life span.
 - 6.** The sum insured by each item of each section of this policy which applies to loss or damage to the property thereby insured, is hereby declared to be separately but similarly subject to average in accordance with the following clause:

Whenever a sum insured is declared to be subject to average, if the property thereby insured shall at the breaking out of any fire, or at the commencement of any other loss, destruction of, or damage to such property by any other peril hereby insured against be collectively of greater value than such sum insured, then the Insured shall be considered as being his or her own Insurer for the difference, and shall bear a rateable share of the loss accordingly.

It being the responsibility of the Insured to ensure the sum insured is at current rebuilding or replacement cost plus architects' and surveyors' fees and an amount in respect of debris removal.

7. The maximum amount incurred under any one policy shall be decided by the Annual General Meeting from time to time.
8. This Policy does not cover loss or damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power of confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.
9. This Policy does not cover loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss, any legal liability of whatever nature directly or indirectly caused or contributed by or arising from ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or the radioactive, ionic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
10. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto, it is agreed that this Policy excludes loss, damage, cost, or expense directly or indirectly caused by, contributed to by, resulting from, or arising out of or in conjunction with any act of terrorism, as defined herein, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

An act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in conjunction with any organisation(s) or government(s) de jure or de facto, and which:

- (a) involves violence against one or more persons; or
- (b) involves damage to property; or
- (c) endangers life other than that of the person committing the action; or
- (d) creates a risk to health or safety of the public or a section of the public; or
- (e) is designed to interfere with or to disrupt an electronic system.

This Policy also excludes loss, damage, cost, or expense directly or indirectly caused by controlling, preventing, suppressing, retaliating against, or responding to any act of terrorism.

Notwithstanding the above and subject otherwise to the terms, conditions, and limitations of this Policy in respect only of personal lines this Policy will pay actual loss or damage (but not related cost or expense) caused by any act of terrorism provided such act is not directly or indirectly caused by, contributed to by, resulting from, or arising out of or in conjunction with biological, chemical, or nuclear pollution or contamination.

- 11.** The Insured must take all reasonable precautions to prevent/minimise loss or damage.
- 12.** This Policy does not cover the cost of replacing any undamaged items or parts of items forming part of a set or pair, suite, carpet or other articles of a uniform nature, colour or design when damage occurs within a clearly identifiable area or to a specific part and replacements cannot be matched.
- 13.** This Policy does not cover:
 - (a) Loss or damage directly occasioned by wear, tear, depreciation, inherent defect, damp, wet and dry rot and losses arising from the process of cleaning, repairing, dyeing or restoring any article nor the action of light or atmospheric conditions, moth, vermin, rodents or any other gradually operating cause.
 - (b) Loss or damage resulting from theft, malicious or any other deliberate act by the Insured or his/her spouse/partner or member of the Insured household.
 - (c) Damage caused by demolition, structural repairs or alterations to the building.
 - (d) Damage due to faulty workmanship, defective design, the use of defective materials or any pre-existing damage prior to policy inception.
 - (e) Loss, damage or liability caused directly or indirectly by computer viruses or other attacks by electronic means including hacking, by malfunction or by user error.
- 14.** Storm is defined as a period of violent weather of
 - (a) Strong winds with gusts of at least 55mph, sometimes accompanied by rain; or
 - (b) Hail or Snow of such intensity or weight that it causes damage to hard surfaces or breaks glass.
 - (c) Rain alone is not classified as a storm.

The condition of your home will be taken into consideration when assessing a claim. A storm can highlight damage rather than cause it and damage that happens gradually through wear and tear or due to lack of maintenance is not covered.

RULE 4 ADMINISTRATION

- 1.** LFM Home Insurance shall be administered by a minimum of five directors, collectively referred to as the Board of Directors, The board shall consist of at least:
 - (a) A Chair;
 - (b) A Vice-Chair;
 - (c) A minimum of two Independent Non-Executive Directors (in accordance with the Insurance Business Rules and Guidance, 2021)
- 2.** Should both the Chair and Vice-Chair not be in attendance, the directors shall elect a Chair from those present. This Acting Chair role shall not at any time be held by the Secretary.
- 3.** LFM Home Insurance may, at its discretion, bestow the title of Honorary President on any current Member who has demonstrated significant or long-term service to LFM Home Insurance.

Any Honorary President of LFM Home Insurance may be invited by the Directors to attend Board meetings. An attending Honorary President may contribute to discussions but shall have no vote on propositions.

- 4.** Prior to the consideration of electing or co-opting a new Board Member, the applicant or nominee must meet the following eligibility requirements. These requirements must also be maintained by all Directors for the duration of their term:
 - (a) Must be over 18 years of age;
 - (b) Must be acceptable to the Guernsey Financial Services Commission as a "Fit and Proper" person; and
 - (c) Must be an appropriate person to be appointed as a Director in the opinion of the Board.
- 5.** All members of the Board shall be elected at the Annual General Meeting of LFM Home Insurance to hold office until the next such meeting and shall be eligible for re-election. Casual vacancies occurring during the year may be filled by appointment by the Board, officers so appointed holding office until the next Annual General Meeting.
- 6.** The Secretary shall be appointed by the Directors, subject to ratification at the next Annual General Meeting, and will serve at the pleasure of LFM Home Insurance. The Secretary shall be remunerated for his or her services as shall be voted by LFM Home Insurance in a General Meeting. All other members of the Board shall receive remuneration, an amount as agreed at the Annual General Meeting.
- 7.** Three members of the Board present at an ordinary board meeting shall constitute a quorum.
- 8.** The decision of the majority of the members of the Board present shall be a decision of the Board and in the event of equality of votes, the Chair or Vice-Chair or other person presiding at the meeting shall have a second and casting vote.

9. The Directors shall be, individually and collectively, liable to the members in negligence in respect of their administration of LFM Home Insurance.
10. A Member of the Board shall cease to hold office if:
 - (a) he resigns his office by notice in writing to the Secretary;
 - (b) he takes up permanent residence outside the Bailiwick of Guernsey;
 - (c) he has been absent from two consecutive meetings and the board resolves that he has vacated office;
 - (d) he comes bankrupt or is subject to sequestration;
 - (e) he is, or might be, suffering from mental disorder or insanity;
 - (f) he is suspended or forbidden to hold the position of a Director by a regulatory body or by Court ruling;
 - (g) he is requested by all other Board Members for the time being to resign and a resolution that he has vacated office is thereafter passed at a Board Meeting by at least 75% of all of the Board Members in attendance;
 - (h) it is resolved at a General Meeting by at least 75% of the Members in attendance.

RULE 5 ACCOUNTS

1. The Secretary shall be responsible for keeping all records and accounts of LFM Home Insurance.
2. LFM Home Insurance's accounts shall be audited annually by an auditor appointed at the Annual General Meeting who shall be a member of either the Institute of Chartered Accountants in England, Wales, Scotland or Ireland or the Association of Chartered Certified Accountants.

RULE 6 GENERAL MEETINGS

1. The Annual General Meeting shall be held no later than the 31st day of March in each year.
2. Notice of a General Meeting shall be given by publication in the Guernsey Evening Press on at least two occasions and with at least two clear days before the day on which the meeting is to be held.
3. Four members present at a General Meeting shall constitute a quorum.
4. Only matters of which notice was included in the published Agenda may be decided at a General Meeting.
5. Voting shall be by show of hands unless the Chairman rules or all remaining members present request by a two thirds majority that there is a secret ballot. In the case of equality of votes, the Chairman of the meeting shall have a second and casting vote.

RULE 7 MEMBERSHIP

- 1.** Any person deciding to become a Member may apply to LFM Home Insurance. A Policy will then be issued, which will constitute acceptance of the application for membership.
- 2.** No increase or decrease in the value insured shall have effect until an updated policy has been issued.

RULE 8 CESSATION OF MEMBERSHIP

- 1.** On the death of a Member, insurance of his or her property will continue until membership has been discontinued by his or her heirs or legal personal representatives in accordance with paragraph (2) of this Rule.
- 2.** A Member may cancel the Policy by giving us written instructions and will receive a refund of the premium for any unexpired period of cover unless notification of a claim has been received by LFM Home Insurance since renewal date.
- 3.** We may also cancel the Policy by sending 7 days' notice by letter to your last known address. If we cancel the Policy we will make a full refund of the premium for any unexpired period of cover unless notification of a claim has been received since renewal date.

RULE 9 PREMIUMS AND CALLS

- 1.** The annual rates shall be decided by LFM Home Insurance in the Annual General Meeting in advance for the year, but these may be increased on individual policies, at the discretion of LFM Home Insurance.
- 2.** Should there be insufficient funds to meet a claim, the Board shall convene an Extraordinary General Meeting to authorise an additional call to be paid by all members.
- 3.** A call shall be deemed to have been made by the passing of this resolution of the General Meeting authorising the call.
- 4.** All liability of LFM Home Insurance towards a Member shall immediately cease if the Member has not paid the amount of any call within fifteen days of the call being made.
- 5.** To help maintain adequate cover in the face of inflation, the sums insured under the Buildings, Contents, and Personal Possessions sections of the Policy may be reviewed and adjusted periodically. Any adjustment is determined by the Board following consideration of the Index of Retail Prices as issued by The States of Guernsey and/or the Association of British Insurers, alongside current rebuilding costs and other relevant factors.

RULE 10 CLAIMS

- 1.** A Member wishing to make a claim against LFM Home Insurance under his or her policy shall give notice thereof to the registered office within three working days of the event causing the damage or loss being discovered. The Board may decide to reject a claim not so made.
- 2.** Settlement will be on a new for old basis provided the sum insured is adequate to replace the contents as new. If items lost or damaged are not to be replaced, a deduction may be made at the discretion of LFM Home Insurance if agreeing to make a cash settlement.
- 3.** If there has been theft, attempted theft, vandalism or any malicious act a Member must also tell the Police immediately.
- 4.** A Member must at their own expense provide us with all details and evidence we request, including written estimates and proof of ownership or value. Any writ, summons or other legal document served on a Member or any member of your household in connection with a possible claim must be sent immediately. A Member must not answer any correspondence without our consent.
- 5.** A Member must give whatever information or assistance we request and must not admit, deny or negotiate any claim without our written consent.
- 6.** No property may be abandoned to us however we have the right to request the salvage item if it has been replaced in the settlement of a claim or cash settlement made as policyholder does not wish to replace item.

RULE 11 COMPENSATION

- 1.** The Board shall in every case have power to replace or repair any loss or damage in lieu of paying compensation.
- 2.** Compensation will be assessed by two or more members of the Board at the Board's discretion.
- 3.** The assessment of compensation in accordance with this Rule shall be final and binding as between the Member and LFM Home Insurance.
- 4.** Any compensation assessed is subject to an average clause. If a Member is under insured, he or she will be considered their own insurer for that percentage by which they are under insured. It being the responsibility of the Member to ensure the sum insured is at current rebuilding or replacement cost plus architects' and surveyors fees and an amount in respect of debris removal.

RULE 12 EXPERTS

The Chair Person, Vice-Chair Person and Secretary may authorise that an expert be engaged at the cost of LFM Home Insurance to advise on any matter affecting LFM Home Insurance.

RULE 13 RE-INSURANCE

LFM Home Insurance will Re-insure with another insurer or insurers not less than ninety (90) percent of the risks it undertakes.

RULE 14 CONDITIONS WHICH APPLY TO THE WHOLE POLICY

- 1. POLICY TERMS AND CONDITIONS:** A Member and members of your household covered under this Policy must comply with its terms and conditions.
- 2. PRECAUTIONS:** A Member must take all reasonable steps to prevent or minimise loss, damage or accident and maintain the insured property in a sound condition and good repair.
- 3. OTHER INSURANCE:** If any loss, damage or legal liability covered under this Policy is also covered by any more specific other insurance, we will not pay more than our rateable proportion of any claim.
- 4. SUBROGATION:** Before or after we pay your claim under this Policy a Member must, if we ask, take or allow us to take in your name, all the steps needed to enforce your rights against any other person. We will pay any costs and expenses involved.
- 5. FRAUD:** If any claim is in any respect fraudulent or if any fraudulent means or devices are used by the Insured or anyone acting on their behalf to obtain any benefit under this Policy or if any damage be occasioned by the wilful act or with the connivance of the Policyholder, all benefits under the Policy shall be forfeited.
- 6. ALTERATIONS TO RISK:** LFM Home Insurance must be notified of any alterations in the risk which materially affect this Policy.
- 7. NO CLAIMS DISCOUNT:** If you make a claim under your Policy, your no claims discount will be removed for the next two renewals.
- 8. AVERAGE / UNDER-INSURANCE:** Strict Average is to be applied, without exception, to loss payments where the property values declared are below 90% of their actual value at the time of loss.

Under-insurance occurs when the amount for which the property is insured, is less than the value of such property.

Remember to insure your property for its replacement value and NOT for the purchase amount.

When loss/damage occurs, there are two insurers, namely:

1. The insurance company; and
2. The Insured as his/her own insurer.

EXAMPLE:

Value of property	GBP 250,000
Sum insured	GBP 200,000
Difference (as his/her own insurer)	GBP 50,000

In the event of a net loss or damage of GBP 10,000 (after the excess has been applied), each of the "Insurers" contributions are as follows:

1. INSURANCE COMPANY

$$\text{GBP } 200,000 / \text{GBP } 250,000 \times \text{GBP } 10,000 = \text{GBP } 8,000$$

2. INSURED

$$\text{GBP } 50,000 / \text{GBP } 250,000 \times \text{GBP } 10,000 = \text{GBP } 2,000$$

RULE 15 DISSOLUTION

LFM Home Insurance may be dissolved:

1. By a resolution of the Board if the number of Members is less than 10 for a period of not less than six (6) months;
2. By a resolution of the Members carried by not less than three-fourths of the votes cast in a postal ballot PROVIDING THAT no ballot shall be held unless the following formalities have been observed:
 - (a) Not less than three-fourths of the Members voting at a General Meeting have resolved to hold a ballot;
 - (b) The number of votes cast at the General Meeting for and against a ballot have been minuted;
 - (c) Each Member has been sent to their last recorded address and within one month of the General Meeting a voting slip in a form approved by the Board;

- (d) The votes cast shall be counted by an officer appointed by the Board on the fourteenth day after voting slips have been sent to the Members and no votes shall be received after that day.
3. The dissolution shall take effect from the day when the resolution is passed and the Board shall be responsible for the winding up of the assets and liabilities of LFM Home Insurance.
 4. If any property remains after the discharge of all debts and liabilities of LFM Home Insurance it shall be distributed amongst the Members of LFM Home Insurance at the date of dissolution in proportion to the value of the premiums paid by each Member during the year ending with the date of dissolution.
 5. This rule may not be altered except by resolution of three-fourths of the Members ascertained by postal ballot conducted in the manner set out in point 2 above.

RULE 16

ADDITIONAL POWERS

1. The Board may purchase, hire, take on, or otherwise acquire, any real or personal property and any rights or privileges.
2. The Board may let out, construct, maintain, restore, replace, furnish, equip and alter, any such property.
3. The Board may maintain and manage and assist in, or contract for, the maintenance and management of land and premises for the purposes of LFM Home Insurance.
4. The Board may pay and discharge all expenses properly incurred in connection with LFM Home Insurance in the due exercise of any of their powers.
5. The Board may pay and discharge any rent, taxes, costs of insurance, improvements, repairs or other outgoings, payable from time to time in respect of any property.
6. The Board may permit any real or personal property acquired on behalf of LFM Home Insurance to be held in the name of nominees, or anybody corporate as nominee instead of in the names of the Directors, on such terms as the Board think proper and with power to incorporate a company for such purposes.
7. The Board may at any time, or times, borrow from any persons any monies required for the purposes of LFM Home Insurance on such reasonable terms as to repayment of principal and payment of interest and on such security as they think fit.

RULE 17 AMENDMENTS OF RULES

These Rules may only be amended at a General Meeting.

RULE 18 INTERPRETATIONS

In these Rules the expression "Member" shall mean any person who for the time being has property insured with LFM Home Insurance.

"Register" shall mean the Register to be kept by the Secretary.

LEGAL PROTECTION

Legal Protection can be added to a buildings or contents policy at an additional cost on the onset of a new policy or at the policy renewal. This option can only be included if the property is owner occupied. A tenant can add this cover to their own contents policy.

Legal Protection premium is paid in full on the onset of a policy whether annual or in the first month of direct debit as payment.



HOME
INSURANCE

www.lfmhomeinsurance.co.uk