

Summary of Cover

COMMERCIAL PROPERTY INSURANCE

including Commercial and Residential Combined

An insurance package designed for Owners/Landlords of let commercial properties.

Our Commercial Property Insurance covers a wide range of customers, from individuals who own one or two commercial properties to large commercial organisations with extensive property investment portfolios.

Commercial Property Insurance is not suitable for farms or old buildings in multi-occupancy.

This policy is underwritten by Sterling Insurance Company Limited.

Inflation Protection - We take away the burden of keeping your buildings sums insured in line with inflation - we use recognised independent price indices to amend your sums insured to reflect inflation.

Expert Claims Management - Sterling Insurance take on the burden of negotiating with third parties on your behalf.

Spreading Your Cost - You can take up the option to pay your annual premium by monthly direct debit - helping you to manage your cashflow. This will normally be provided by an independent third-party Premium Finance Company there may be a charge associated with this. Please speak to your Insurance Adviser for details.

Certificate of Insurance - Individual tenants are often required to produce evidence of insurance. We can supply certificates to meet these requirements.

Policy Duration - This is an annually renewable Policy.

POLICY SUMMARY



This document is a summary of the insurance cover provided by the Commercial Property Insurance product 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.

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

| Cover Offered | Standard Cover | Policy ref |
|---|--|------------|
| Replacement value of Buildings (including Debris Removal, Architects and Surveyors Fees and allowance for VAT) - automatic allowance of 35% to cover inflation included | Sum Insured - declared value nominated by the Insured plus 35% inflation provision | Page 7 |
| "All Risks" cover being subject to certain exclusions | √ | Page 28 |
| Automatic Reinstatement of Sum Insured following a loss | √ | Page 10 |
| Interest of all interested parties (mortgagees, tenants etc) automatically noted | √ | Page 9 |
| Landlords fixtures and fittings | √ | Page 7 |
| Contractors Interest noted when required by contract-limitations apply | √ | Page 7 |
| Loss of metered water as a result of insured damage | £25,000 | Page 10 |
| Necessary sprinkler upgrade costs as a result of insured damage | √ | Page 10 |
| Alternative accommodation costs in respect of residential parts of the Property following insured damage | 20% of the Sum Insured | Page 10 |
| Automatic Cover for newly acquired properties | £2m (in total for Buildings and Rent) | Page 11 |
| Newly built/acquired properties/extensions to existing properties | £2m or 20% of the Sum Insured whichever is the lesser | Page 11 |

| | | |
|---|---|---------|
| Contract Works cover | £25,000 per premises | Page 11 |
| Damage to landscaped gardens caused by Emergency Services | √ | Page 11 |
| Accidental damage to underground pipes and cables | √ | Page 11 |
| Further investigation expenses | √ | Page 12 |
| Extinguisher refilling and alarm resetting expenses | √ | Page 12 |
| Accidental Glass Breakage for fixed glass | √ | Page 12 |
| Personal possessions cover for Directors, partners, customers, visitors and Employees | £500 per person | Page 12 |
| Replacement of locks and keys following theft | £1,000 per premises per Period of Insurance | Page 13 |
| Cover for tracing and making good leaking underground pipes, drains and cables | √ | Page 13 |

Rental Income

| Cover Offered | Standard Cover | Optional Cover | Policy ref |
|--|--|---------------------------------------|------------|
| Loss of Rental Income resulting from damage covered under Buildings including additional expenditure incurred to avoid/diminish the loss of Rental Income | 36 months rent based on the nominated Annual Rent of the Insured Property | Increased numbers of months available | Page 15 |
| Loss of Rental Income following bomb scare or unlawful occupation lasting more than 48 hours | √ | | Page 16 |
| Newly built/acquired properties/extensions to existing properties | £250,000 or 20% of the Sum Insured whichever is the lesser | | Page 17 |
| Loss of Rental Income resulting from denial of access to premises as a result of damage to other premises in the vicinity | √ | | Page 17 |
| Loss of Rental Income following damage at Public Utility Suppliers premises | √ | | Page 17 |
| Loss of Attraction following damage | £50,000 or the Sum Insured per premises whichever is less and £250,000 in total in any Period of Insurance | | Page 18 |
| Loss of Rental Income as a result of murder/suicide at the premises or a human notifiable disease (excluding AIDS) being manifested within 25 miles radius of the premises | √ | | Page 18 |
| Increases in Rent covered automatically until next renewal | √ | | Page 19 |
| Automatic Reinstatement of Sum Insured following a loss | √ | | Page 19 |

Public Liability

| Cover Offered | Standard Cover | Optional Cover | Policy ref |
|---|----------------|----------------|------------|
| Public Liability | £2m | £5m/£10m | Page 20 |
| Cover for legal costs in respect of prosecutions under the Health and Safety at Work etc Act 1974 | √ | | Page 20 |

| | | |
|---|--|---------|
| Legal Liability incurred under the Defective Premises Act | ✓ | Page 23 |
| Personal Liability whilst abroad on business | ✓ | Page 23 |
| Compensation for required Court Attendance | £50 per day per employee and £100 per day per Director/Partner | Page 21 |

Optional Covers Available

| Cover Offered | Standard Cover | Policy ref |
|--|---|------------|
| Subsidence cover | ✓ | Page 34 |
| Employers Liability | £10m | Page 24 |
| Terrorism | Policy Sums Insured | Page 27 |
| Failure of other insurance where a third party is responsible for arranging insurance under the terms of a lease | 20% of total Sums Insured in respect of Buildings/Rental Income or £2m/ £250,000 respectively whichever is less | Page 35 |

SIGNIFICANT OR UNUSUAL EXCLUSIONS AND LIMITATIONS

| Significant or Unusual Exclusions and Limitations | Applies to |
|--|---|
| All changes in tenancy/alterations in risk must be advised to Rentguard | All Covers |
| Maintenance, Security and Reasonable Precautions conditions apply | All Covers |
| Special terms apply to empty buildings – you must advise Rentguard immediately any premises becomes unoccupied | Buildings, Rental Income & Public Liability |
| The maximum amount payable under the Buildings Cover including all the automatic covers is the Buildings Sum Insured | Buildings |
| Date Recognition Exclusion | All covers except Employers Liability |
| Computer or data processing equipment – operator error, virus or hacking | Buildings, Rental Income & Terrorism |
| Terrorism Exclusion (some cover available as an optional extra) | All covers |
| Bursting of non domestic steam boilers | Buildings & Rental Income |
| Gradually operating causes e.g. rust, rot, corrosion, change in water table and gradual pollution | Buildings, Rental Income & Public Liability |
| Losses involving faulty/defective workmanship | Buildings & Rental Income |
| Mechanical or electrical breakdown of machinery | Buildings & Rental Income |
| Subsidence or collapse (Subsidence cover available as an optional extra) | Buildings & Rental Income |
| Acts of fraud by Employees | Buildings & Rental Income |
| Fines and penalties imposed | Liability covers |
| Unexplained shortages | Buildings & Rental Income |
| Liability for loss in respect of property belonging to the Insured | Public Liability |
| Liability arising in connection with aircraft, watercraft & motorised vehicles except garden equipment | Public Liability |

EXCESSES

| Policy Excesses | Minimum Excess (refer to Policy Certificate) |
|---------------------------|--|
| Buildings | £250 |
| Contract Works Extension | £250 |
| Subsidence minimum excess | £1,000 |

UNOCCUPANCY CLAUSE

It is agreed that once the property described in the Certificate has been unoccupied for 14 days, or more, the following conditions apply:

- The Premises are inspected at least once in every 14 day period by the Insured or his appointed representative
- The water, gas and electricity supplies are turned off at the main and the water system drained except where required to be maintained for central heating.
- If the central heating system is left in operation, it should be set for a minimum continual temperature of 13°C.
- External door locks of a reasonable standard for the protection of the premises are fitted and in use at all times.
- The insurer must be informed immediately the property becomes unoccupied.

Other terms and conditions may apply, dependent on circumstance.

LAW APPLICABLE

You and We are free to choose the laws applicable to this policy. As We are based in England, We propose to apply the laws of England and Wales and by purchasing this Policy You have agreed to this

YOUR CANCELLATION RIGHTS

You are entitled to cancel your insurance policy at any stage during the policy term. You are entitled to a period of 14 days in which to consider the content of your insurance policy, and the extent of the cover therein. Cancellation of your policy within 14 days is therefore subject to a full refund

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

Cancellation after 14 days will be subject to the normal terms and conditions of the policy wording, and will be refunded pro-rata, less 15% of the total cost of the insurance cover.

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

In the event that you need to make a claim under your Policy, you should telephone the Rentguard claims line on 0208 587 1060. Claims must be submitted within 30 days of the incident.

MAKING YOURSELF HEARD

Any complaint you may have should in the first instance be addressed to Rentguard, 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 Sterling 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)

Rentguard 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

Rentguard is a trading style of RGA Group Ltd, authorised and regulated by the Financial Services Authority (FSA). This can be checked on the FSA's website at www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

This policy is underwritten by **Sterling Insurance Company Limited** whose registered address is: Ambassador House, Paradise Road, Richmond upon Thames, Surrey TW9 1SQ. Registered in England and Wales No. 498605. Sterling Insurance Company Limited is authorised and regulated by the Financial Services Authority.

For further details about this cover, please refer to your agent, or contact the Quoteline on **0208 587 1060**, giving agent name and/or number