

## 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

#### keyfacts

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 RGA Insurance Services	All Covers
Maintenance, Security and Reasonable Precautions conditions apply	All Covers
Special terms apply to empty buildings – you must advise RGA Insurance Services 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 RGA Insurance Services 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 RGA Insurance Services, 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)

RGA Group 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](http://www.fscs.org.uk)

#### FINANCIAL SERVICES AUTHORITY REGULATION

RGA Insurance Services 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](http://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 contact the Quoteline on **0800 2944 546** and quote "City Landlord". Alternatively, you can buy-on-line at [www.citylandlord.co.uk](http://www.citylandlord.co.uk)