

COMMERCIAL PROPERTY OWNERS

Policy Summary



February 2008 Edition

This document is a summary of the insurance cover provided by the Commercial Property Owners package policy and, as such, it does not contain the full terms and conditions of your insurance Policy. 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.

You must provide a copy of this Policy Summary to all parties with an interest under the insurance and make them aware that a copy of the Policy document is available upon request.

The maximum amount Insurers will pay in the event of a claim is the Sum Insured or Limit shown within your Policy Wording or Policy Schedule.

Section 1 - Buildings			
Cover Features and Benefits	Standard Cover	Optional Cover	Significant Exclusions and Limitations
Replacement value of Buildings including debris removal (inc tenants contents), architects and surveyors fees and allowance for VAT	Up to amount nominated Declared Value by the insured		The property must be maintained in a good state of repair and reasonable precautions must be taken to avoid loss
Day One inflation provision	35%	Increased percentage available	Diminution of market value Acts of fraud by employees
All Risks cover – subject to certain exclusions	√		Unexplained shortages
Automatic reinstatement of Sum Insured following a loss	√		Theft or Malicious Damage by the Insured (or member of their family) or any resident or Employee
Landlords fixtures and fittings and communal contents	√		
Damage to cables, drains and underground pipes, car parks, pavements, signs and blinds	√		Gradually operating causes eg rust, rot, corrosion and gradual pollution
Accidental breakage of fixed glass and sanitaryware	√		Bursting of non domestic steam boilers
Cover for tracing and making good leaking underground pipes, drains, tanks and cables	√		Faulty or Defective Workmanship Mechanical or electrical breakdown of machinery
Alternative accommodation costs in respect of residential parts of the property following insured damage	20% of the sum insured		
Automatic cover for newly acquired properties	£2,000,000 (in total for buildings and rent)		Maximum 30 days cover
Automatic cover for newly built buildings and extensions/additions/improvements to existing properties	20% of the sum insured		£2,000,000 limit
Damage to landscaped gardens caused by Emergency Services	√		
Loss of oil, gas, electricity and other metered supplies as a result of damage covered by the Policy	£25,000		Remedial action must be taken within 30 days of the damage

Cover Features and Benefits	Standard Cover	Optional Cover	Significant Exclusions and Limitations
Replacement locks and keys following theft	£2,500		In any one period of insurance
Accidental Damage to closed circuit televisions aerials and alarm equipment	√		
Treefelling/lopping required as a result of damage covered by the Policy	£1,000		Limit £10,000 in any one period of insurance
Personal possessions of directors, partners, customers, visitors and employees	£500 per person		Motor vehicles
Unauthorised use of public utilities	√		
Contract Works	£25,000		Provided they are not otherwise insured
Removal of wasp or bees nests	£500		
Necessary sprinkler upgrade costs	√		Resulting from insured damage
Extinguisher refilling and alarm resetting expenses	√		Resulting from insured damage
Further investigation of damage expenses	√		
Interest of all interested parties (mortgagees, tenants etc) automatically noted	√		
Contractors interest noted when required by contract	√		Provided the contract value does not exceed 10% of the sum insured or £150,000 whichever is the less
Subsidence		√	
Terrorism		√	
Money held by the insured in connection with the business whilst in - transit - a locked safe		£5,000 £2,000	Money in transit limited to £3,000 per person Fraud or dishonesty not discovered within 14 days Loss from unattended motor vehicles
Assault to you or employees following robbery or attempted robbery: - Death - Total loss or permanent and total loss of use of one or more limbs or eyes - Other permanent total disablement - Temporary total disablement - Temporary partial disablement - Medical expenses - Professional counselling - Damaged clothing and personal effects		£25,000 £25,000 £25,000 £100 per week £25 per week £250 £1,000 £500	Age limits 16 – 70 Maximum compensation for one incident one person £26,500 Temporary disablement benefits payable for up to two years
Failure of other insurances where a third party is responsible for arranging insurance under the terms of a lease		20% of total sums insured in respect of Buildings and Rental Income	Limit £2,000,000

Section 2 - Rental Income

Cover Features and Benefits	Standard Cover	Optional Cover	Significant Exclusions and Limitations
Loss of Rental Income resulting from damage covered under Buildings including additional expenditure incurred to avoid/diminish the loss of Rental Income plus 5% of the sum insured up to £25,000	36 months rent based on the nominated annual rent of the insured property	Increased numbers of months available	The property must be maintained in a good state of repair and reasonable precautions must be taken to avoid loss
Increases in Rent covered automatically until next renewal	√		Gradually operating causes eg. rust, rot, corrosion
Automatic reinstatement of Sum Insured following a loss	√		Bursting of non domestic steam boilers
Advanced Rent for new property developments – reasonable evidence required	√		Faulty or Defective Workmanship
Loss of investment income due to late payment of Rent	√		
Loss of rental income resulting from prevention of access to the premises as a result of damage to other premises in the vicinity	√		
Loss of rental income as a result of damage at Managing Agents premises	√		
Loss of rental income as a result of damage at Public Utility Suppliers premises	√		
Loss of rental income as a result of accidental failure of Public Utility Supplies and Telecommunications to the premises	Up to sum insured		Failure must be for at least 180 minutes Limit of £5,000 in any period of insurance applies for failure of telecommunications Deliberate act of an authority
Loss of rental income following an actions of a public authority due to an emergency	10% of the sum insured in any one period of insurance		£50,000 Limit
Loss of Attraction following damage	£50,000 or the sum insured per premises whichever is the less		£250,000 Limit in any one period of insurance
Loss of income as a result of specified human disease being manifested within a 25 mile radius of the premises and murder, suicide, food poisoning, vermin or pests in the premises and closure of the premises due to defective sanitation	£25,000		
Loss of Rent due to unlawful occupation of the premises	√		Interruption of less than 48 hours 3 months maximum indemnity period Eviction costs
Newly built/acquired buildings and extensions/additions/improvements to existing properties	£500,000 or 20% of the sum insured whichever is the less		
Subsidence		√	
Terrorism		√	

Cover Features and Benefits	Standard Cover	Optional Cover	Significant Exclusions and Limitations
Failure of other insurances where a third party is responsible for arranging insurance under the terms of a lease		20% of total sums insured in respect of Buildings and Rental Income	Limit £250,000
Section 3 - Public Liability			
Cover Features and Benefits	Standard Cover	Optional Cover	Significant Exclusions and Limitations
Public Liability	£5,000,000	£10,000,000	<p>Fines and penalties</p> <p>Liability for which compulsory motor insurance is required</p> <p>Liability assumed by agreement</p> <p>Gradual pollution</p> <p>Damage to property in your custody</p> <p>Liability arising in connection with aircraft, watercraft and motorised vehicles except garden equipment</p> <p>Fear of exposure to asbestos</p> <p>Costs of rectifying property arising out of the presence of asbestos</p> <p>Damage to computers and data by operator error virus or hacking</p>
Personal Liability whilst abroad on business	√		
Contingent Liability arising out of work carried out by bona fide contractors	√		
Motor Contingent Liability	√		
Legal Liability incurred under the Data Protection Act	£1,000,000 in any one period of insurance		
Legal Liability incurred under the Defective Premises Act	√		
Legal costs in respect of prosecutions under the Health and Safety at Work etc Act 1974	√		
Indemnity to Principal	√		
Compensation for Court Attendance	£250 per day per employee £500 per day per partner/director		
Liability cover in respect of legionellosis		√	
Liability under the Landlord and Tenants Covenants Act 1995 (Privity of Contract)		√	

Section 4 – Employers Liability			
Cover Features and Benefits	Standard Cover	Optional Cover	Significant Exclusions and Limitations
Employers Liability		£10,000,000	Fines and penalties War/Terrorism limit £5,000,000 Liability for which compulsory motor insurance is required
Section 6 - Machinery Breakdown			
Cover Features and Benefits	Standard Cover	Optional Cover	Significant Exclusions and Limitations
Damage to Plant and Machinery caused by its own Breakdown included within the sum insured - additional costs/increased cost of working - temporary removal		£250,000 overall limit £5,000 limit £50,000 limit	Maintenance or faulty workmanship Wear and tear £25,000 limit for debris removal within overall limit
Damage to Computer Equipment and Electronic Office Equipment caused by its own Breakdown included within the sum insured - electronic office equipment - additional expenditure - temporary removal - computer records		£75,000 overall limit £25,000 limit £25,000 limit £10,000 limit £25,000 limit	£2,500 limit for preparation of claims costs within overall limit Installation or testing Pollution and contamination Unproven software & programming errors
Loss of profit following Breakdown of Plant and Machinery and Computer Equipment		£50,000	Value of data
Section 7 - Legal Expenses			
Cover Features and Benefits	Standard Cover	Optional Cover	Significant Exclusions and Limitations
Claims made during the Period of Insurance 24 hour, 365 days a year Legal Helpline providing support and initial advise on any legal problem whether covered by the Policy or not	£100,000		Maximum limit £1,000,000 per period of insurance Fines & penalties Before any legal expenses are incurred the insured must consult the Legal Helpline to ensure that the expenses will be sanctioned
Goods or Services Contract Disputes	£2,000 per period of insurance		Amount in dispute must be at least £1,000 up to £5,000 – excess £250 over £5,000 – excess £500
Employment Disputes	√		Disputes occurring within 90 days of the first period of insurance if a warning or dispute occurred within 6 months preceding such period

Cover Features and Benefits	Standard Cover	Optional Cover	Significant Exclusions and Limitations
Criminal Prosecution Defence	√		Deliberate actions of the insured Where the insured has pleaded guilty
Legal Costs of Debt Recovery	√		Amount due must be at least £250
Jury Service and Attendance Allowance	Up to £1,000 per claim		Excluding the first 5 days Maximum £50 per person per day
Tax VAT PAYE and NIC Investigations	√		Aspect enquiries must be between £200 and £2,000 Disputes where prospect of success is remote £200 Excess
Protection of Statutory Licences	√		
Disputes with Landlords	√		An event arising in the first 3 months of the first period of insurance
Non Motor Personal Benefits - Personal Injury - Consumer Disputes - Home Rights - Taxation Investigations - Criminal Prosecution Defence	£25,000		If entitled to Legal Aid Dispute amounts less than £100 Planning, tenancy agreements Incident prior to any cover £25 Excess
Motor Personal Benefits - Recovery of Damages following Accident - Criminal Prosecution Defence - Sale Purchase, Hire, Lease of Vehicle - Testing Service or Repair	£25,000		If no valid licence or certificate of insurance £5,000 Limit £25 excess for testing service or repair
Policy Significant or Unusual Exclusions and Limitations			
Significant or Unusual Exclusions and Limitations		Applies to	
Terrorism Exclusion (available as optional extra)		All covers	
Date Recognition Exclusion		All covers except Employers Liability	
Computer or data processing equipment operator error, virus or hacking		All covers except Employers Liability and Legal Expenses	
Special terms apply to empty buildings (you must advise your insurance advisor immediately any premises become unoccupied)		Buildings, Rental Income and Public Liability	
All changes in tenancy/alterations in risk must be advised to your insurance advisor		All covers	

Policy Excesses	
Buildings and Contents: - Fire Lightning Explosion Aircraft Riot Civil Commotion Strikers Locked out Workers Labour Disturbances or Earthquake - Subsidence (optional cover) - All Other Losses	Nil £1,000 (minimum) £250
Contract Works	£250
Legal Expenses	£500 (maximum)
Machinery Breakdown (optional cover)	£200

Policy Duration

This is an annually renewable Policy

Insurance Providers

This insurance is administered by COBRA Underwriting Agencies Ltd on behalf of:

In respect of sections 1 – 5:

AXA Insurance UK plc. Registered office: 5 Old Broad Street, London EC2N 1AD

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Aviva Insurance Limited (trading as Norwich Union). Registered Office: Pitheavlis, Perth, Scotland PH2 0NH

In respect of section 6:

Allianz Insurance plc. Registered office: 57 Ladymead, Guildford GU1 1DB

In respect of section 7:

Groupama Insurance Company Ltd. Registered Office: Groupama House, 24-26 Minories, London EC3N 1DE

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 your Insurers pay you in the event of a claim being reduced.

The Law Applicable

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

How to Make a Claim

In the first instance utilise the Assistance Helplines or claim notification phone numbers detailed in the policy schedule or contact your insurance advisor

Your Right to Cancel

You may cancel this Policy in the first year of insurance during the 14 days after the Contract has been concluded by giving notice in writing to Your Insurance Advisor at the address shown in their correspondence

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 incidents likely to give rise to a claim but are yet to be reported to Us

during this 14 day period your Insurers will give a refund for the proportionate part of the premium paid in respect of the unexpired term of this Policy subject to a minimum premium of £50

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

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 contact COBRA Underwriting Agencies Ltd at Canterbury House, 2-6 Sydenham Road, Croydon CR0 9XE, telephone number: 020 8256 1930. If the complaint is still not resolved by COBRA/your Insurer, you can approach the Financial Ombudsman Service.

The Ombudsman will only consider complaints if:

- Your Insurers have provided you with written confirmation that their 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)

Your Insurers are 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. For non-compulsory insurance you are covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit. For compulsory classes of insurance, you are covered for 100% of the claim, without any upper limit. Information can be obtained on request from the Financial Services Compensation Scheme at 7th floor Lloyds Chambers, Portsoken Street, London E1 8BN or by visiting their website at www.fscs.org.uk

Financial Services Authority Regulation

AXA Insurance UK plc and COBRA Underwriting Agencies Ltd are 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