

Commercial Property Owners Insurance Policy Summary

About this Summary of Cover

This summary provides key information only about insurers and the insurance cover available within Commercial Property Owners. **This summary does not contain the full Policy terms, conditions, exclusions and warranties applicable to and governing the insurance contract with you.** These are set out in the **Policy** wording which can be found in the Policy booklet. The **Policy** booklet is available on request. If you are in any doubt as to the suitability of the insurance cover that will be available to you, you should consult your insurance advisor before requesting insurance cover. **WE RESERVE THE RIGHT TO CHANGE OR LIMIT ANY COVER.**

About the Insurer

Commercial Property Owners is underwritten by AXIS Managing Agency Ltd. AXIS Managing Agency Ltd is the managing agent of AXIS Syndicate 1686 at Lloyd's and subject to the supervision of the Society of Lloyd's. AXIS Managing Agency Ltd is registered at Willkie, Farr & Gallagher (UK) LLP, Citypoint, 1 Ropemaker Street, London EC2Y 9AW (Company Number 08702952).

Duration of this Insurance

The **Period of Insurance** will be for 12 months unless otherwise agreed by us. The **Period of Insurance** will be shown in the Schedule.

The Law Applicable to this Insurance

The Parties are free to choose the law applicable to this Insurance Contract. Unless specifically agreed to the contrary this insurance shall be subject to English Law.

The Cover Available

We will insure only those sections of cover if the **Schedule** shows that it is included.

Buildings are defined as:

The **Buildings** situated at the **Premises** specified in the **Schedule** including:

- a) fixed glass in windows, doors and skylights but excluding any **Shop Front Windows** unless a **Sum Insured** is stated in the **Schedule**
- b) landlord's fixtures and fittings
- c) outbuildings, garages, greenhouses, terraces, patios, paths, drives, footpaths, walls, fences, hedges and gates

Landlords Contents are defined as:

Interior Decorations, fixed furniture, fitted carpets, domestic appliances, **Aerials** and **Your** household goods and furnishings in any residential part of the **premises** excluding **valuables** belonging to **You** or for which **You** are responsible whilst contained in the **Building**.

Key Benefits

Buildings and **Landlords Content's** (optional) maybe covered for loss or damage caused by the following **Insured Events**:

- Fire, explosion, lightning and earthquake
- Aircraft or other aerial devices or articles dropped from them
- Riot, civil commotion, strikes, locked out workers, persons taking part in labour disturbances or malicious persons
- Storm or flood
- Escape of Water or oil from any tank, apparatus or pipe
- Theft or attempted theft
- Impact by road vehicle (including goods falling from them) or animal not belonging to **You** or under **Your** control, falling trees, branches and falling **aerials** but excluding **Damage** arising from the weight of any vehicle
- Subsidence, landslip or heave

Buildings cover also includes:

- Metered Water - £2,500 any one claim and not exceeding £5,000 any one **Period of Insurance**
- Accidental damage to any cables or underground service pipes servicing the premises
- Unauthorised use of electricity gas or water - £5,000
- Trace & Access - £5,000 in any one **Period of Insurance**
- Loss of rent due to you up to 20% of the sum insured for buildings (or as stated in the schedule)
- Capital Additions – 10% of the **Building Sum Insured** or £250,000 whichever is lower
- Illegal Cultivation of Drugs - £5,000 in any one **Period of Insurance**
- Transfer of interest
- Professional fees and other Costs
- Index Linking
- Accidental Damage (optional for certain types of tenants)

Some of the extensions will be excluded if the **Buildings** are **Unoccupied**.

Definition of Unoccupied

When the **Premises** (or any part of the **Premises**) are closed for trade, untenanted or not resided at for a period in excess of thirty consecutive days.

Unoccupied Cover

This insurance will only cover:

- Fire, lightning, aircraft or other aerial devices or articles dropped from them, explosion, earthquake, storm or flood, impact by any road vehicle (including goods falling from them) or animal not belonging to **You** or under **Your** control, falling trees, branches and falling **aerials, Subsidence, Landslip, Heave,**
- Property Owner's Liability,

If **Buildings** are shown as included on **Your Schedule**, Section 1 Extensions of

- accidental damage to any cable or underground services pipes servicing the premises when the premises
- capital additions

Damage to Shop Front Windows will be excluded in respect of **Unoccupied Buildings**.

Other specific terms, conditions and exclusions apply in respect of **Unoccupied** properties.

Contents cover (which is optional) also includes:

Accidental Damage (optional for certain types of tenants)

Property Owner's Liability

We will pay all sums which you are legally liable to pay as compensation for accidental bodily injury to a person or loss or damage to third party property up to £2,000,000 or as stated in the **Policy** schedule. This can be extended to include occupier's liability on request

Excess

The amount **You** will have to pay towards each separate claim.

The following **Excesses** apply to each and every claim unless specified otherwise in **Your Schedule**.

	Occupied property built after 1800	Occupied Property built before 1800	Unoccupied Property days 0 - 60	Unoccupied Property days 61+
Subsidence, Landslip or Heave	£1000	£1000	£1000	£1000
Buildings	£250	£250	£500	£2500
Shop Front Windows	£100	£100	Cover not available	Cover not available
Landlords Contents	£250	£250	Cover not available	Cover not available
Loss of Rent	£250	£250	Cover not available	Cover not available
Property Owners Liability	£250	£500	£500	£2500

Policy Conditions

Alteration in Risk

You must notify Commercial Express Quotes Limited, via **Your** insurance advisor, without delay, if the risk has altered:

- a) by removal of any fire and security protections or building component designed to prevent **Damage** to the **Property Insured**, or
- b) whereby the risk of **Damage**, accident or liability is increased, or
- c) by the **Business** being wound up or carried on by a liquidator or receiver or permanently discontinued, or
- d) whereby the **Your** interest ceases except by will or operation of law, or
- e) by a change of type of tenant or use of the **Buildings**, or the **Buildings** becoming **Unoccupied**

otherwise **Underwriters** may refuse to pay **Your** claims or provide indemnity under this **Policy**.

Reasonable Precautions

You must;

- a) take all reasonable precautions to prevent occurrences which may give rise to **Damage** or accidents
- b) take all reasonable steps to comply with statutory requirements, obligations and regulations imposed by any authority
- c) take immediate steps to make good or remedy any defect or danger which becomes apparent or take such additional precautions as circumstances may require
- d) when undertaking **Renovations** to the **Property Insured** **You** must take all reasonable precautions to prevent **Damage**. **You** must not undertake **Building Works** without **Underwriters** express written agreement.

otherwise **Underwriters** may refuse to pay **Your** claims or provide indemnity under this **Policy**.

Maintenance and Safety

It is important that **You** comply with a) - d) below otherwise all **Damage** arising from or caused by the **Insured Events** of fire and explosion will be excluded and indemnity under Section 3 will not operate.

You must:

- a) if the **Buildings** or any part of the **Buildings** is let as residential accommodation **You** must comply with current gas safety regulations and laws and must be in possession of a current Gas Safety certificate issued by a Gas Safe registered engineer. Any necessary repairs and maintenance must be carried out promptly by a Gas Safe registered engineer
- b) If the **Buildings** are not let as residential accommodation **You** must ensure that annual Gas maintenance checks are undertaken and at the commencement of this insurance **You** must be in the possession of a valid gas safety certificate issued by a Gas Safe registered engineer,
- c) If **You** are responsible for the electrical installations at the **Premises**, at the commencement of this insurance and at all times throughout the currency of this insurance **You** must be in possession of an electrical installation condition report (EICR) that:
 - i) covers the whole of the electrical installation(s)
 - ii) is less than five years old and issued by a contractor approved and registered with one of the following:

National Inspection Council for Electrical Installation Contractors (NICEIC)
Electrical Contractors Association (ECA)
National Association of Professional Inspectors and Testers (NAPIT)

iii) documents that all C1 or C2 deficiencies or defects have been remedied and **You** must be in the possession of such certificates of inspection and evidence of maintenance.

d) in respect of any vessel, machinery or apparatus or its contents belonging to **You** or under **Your** control which is required to be examined to comply with any Statutory Regulations such vessel, machinery or apparatus shall be the subject of:

i) inspection(s) under contract, and

ii) regular maintenance schedules

and **You** must be in the possession of such certificates of inspection and evidence of maintenance

Roof Maintenance

You must ensure that:

i) any flat roof portion of the **Buildings** over ten years old have been inspected within the last two years by a qualified builder or property surveyor and any defects brought to light by that inspection are repaired, and

ii) at commencement and throughout the currency of **Period of Insurance**, **You** must have documentation evidencing that such inspections and repairs described above have taken place

otherwise all **Damage** arising from or caused by the **Insured Event** of storm will be excluded in respect of or as a result of the flat roof at the **Premises**.

This does not apply to concrete roofs.

Unoccupied Buildings

When the **Buildings** (or part of the **Buildings**) are **Unoccupied** **You** must comply with conditions 1-6 below otherwise all **Damage** arising from or caused by **Insured Events** (where the **Insured Event** is operative, as confirmed on **Your Schedule**) of Fire and Explosion will be excluded.

1. **You** or **Your** nominee must inspect the **Buildings** every 14 days keeping a written record noting any damage or breaches in security. If measures taken to prevent further damage or breaches in security have proved inadequate, improvements must be made and documented. **You** must notify Commercial Express Quotes Limited, via **Your** insurance advisor, without delay if any unauthorised entry or attempted entry is detected.
2. all gas, water and electricity mains supplies are kept disconnected and water systems drained (except those supplies required to maintain automatic sprinkler installations, lighting or alarm systems which are to remain in operation for security or fire protection purposes) however a fixed central heating system may remain in operation provided the heating system is connected to a frost-stat and set to operate continuously for 24 hours each day at not less than 4 degrees Celsius
3. The following minimum protections are in operation:
 - a. all doors and windows must be securely locked and fastened
 - b. all security and alarm protections must be set in operation and be fully maintained.
4. all loose or moveable combustible items or materials other than **Landlord's Contents**, and fixtures and fittings must be removed from the **Buildings** and cleared from the **Premises**
5. All waste or refuse must be removed from the **Buildings** and cleared at least once a week from the **Premises**
6. Tanks containing fuel or other flammable liquids must be drained and purged within 14 days of the **Buildings** becoming **Unoccupied** (not applicable if property is in Northern Ireland)

Cancellation

Your Cancellation Rights

You may cancel this insurance within 14 days of the day **You** purchase this insurance or the day on which **You** receive the **Policy** wording, whichever is the later by contacting Commercial Express Quotes Limited via **Your** insurance advisor.

If this insurance is cancelled then, provided **You** have not made a claim, **you** will be entitled to a refund of any premium paid, subject to a deduction for any time for which **You** have been covered. This will be calculated on a proportional basis. For example, if **You** have been covered for six (6) months, the deduction for the time **You** have been covered will be half the annual premium.

If **You** cancel this insurance outside the 14 day cooling off period, there will be an additional charge, as stated in the **Schedule**, to cover the administrative cost of providing the insurance.

If **We** pay any claim, in whole or in part, then no refund of premium will be allowed. Notice of cancellation should be provided to Commercial Express Quotes Limited via **Your** Insurance advisor.

Our Cancellation Rights

We can cancel this insurance by giving **You** 30 days' notice in writing where there is a valid reason for doing so. **We** will refund the part of **Your** premium which applies to the remaining **Period of Insurance** providing **You** have not made a claim. Commercial Express Quotes Limited will send **Our** cancellation letter to the address shown on the **Schedule** and will set out the reason for cancellation in this letter. Valid reasons may include but are not limited to:

- Where **We** have been unable to collect a premium payment and this has not been rectified by **You** within the time period given.
- Where **You** are required in accordance with the terms of this policy to co-operate with **Us**, or send **Us** information or documentation and **You** fail to do so in a way that materially affects **Our** ability to process a claim, or **Our** ability to defend **Our** interests. In this case **We** may issue a cancellation letter and will cancel **Your** policy if **You** fail to co-operate with **us** or provide the required information or documentation by the end of the cancellation notice period.
- Where **We** reasonably suspect fraud.
- Due to the use of threatening or abusive behaviour or language, or intimidation or bullying of staff or suppliers.

General Exclusions

The following is a summary of the liability which is excluded under the **Policy** (please refer to **Policy** wording for all specific and general exclusions):

- Existing **Damage**
- **Damage** caused during or as a result of **building work(s)** falling outside **Policy** definition of **Renovation**
- **Damage** caused by **Portable Heating**
- Costs for keeping to any requirements or regulations you knew of before the loss or damage occurred
- Loss of market and Consequential Loss
- **Damage** caused by wear and tear or any gradually operating cause
- **Damage** caused by domestic pets or by insects or vermin
- Pairs and sets (The cost of replacing or altering any undamaged part or item forming part of a set).
- Property not covered - living creatures, motor vehicles, property insured more specifically insured by another policy, plants, trees and shrubs in the garden.
- Radioactive contamination
- Property being confiscated or detained by any government or public or local authority
- We will not cover loss or damage to fronted glass windows unless otherwise stated on your property schedule Sonic Bangs
- War and Civil War
- Diminution in value
- Terrorism
- Sanctions

How we settle your claim

Buildings

We will pay

- (i) **Cost of Reinstatement** of the **Buildings** provided that reinstatement or replacement takes place in accordance with the "Reinstatement Conditions" as detailed within this **Policy** section, or if the **Buildings** is an individual flat, forming part of a block, **We** will pay the amount to reinstate the damaged **Buildings** belonging to **You** in accordance with the reinstatement conditions but **We** will not pay for any **Damage** to common parts other than those parts owned by **You** or for which **You** are individually legally responsible.

- (ii) Where reinstatement or replacement of the **Buildings** does not take place in accordance with (i) above for any reason the “Alternative Basis of Settlement Condition” as detailed within this **Policy** section, will apply.

Reinstatement Conditions

- i) **Underwriters'** liability for the repair or replacement of **Buildings Damaged** in part only will not exceed the amount which would have been payable had such property been wholly lost or destroyed.
- ii) No payment will be made under this condition: -
- a. unless reinstatement commences within 12 months of **Damage** occurring unless otherwise agreed by **Underwriters**;
 - b. until the **Cost of Reinstatement** has actually been incurred;
 - c. if the **Buildings** at the time of the **Damage** are insured by any other insurance effected by **You** or on **Your** behalf which is not upon the same basis of reinstatement.

Subject always to **Underwriters** liability not exceeding the limits and **Sum Insured** stated in the **Schedule**.

Alternative Basis of Settlement Condition

Where **Cost of Reinstatement** is not applied **Underwriters** agree that if, during the **Period of Insurance**, an item of **Property Insured** at the **Premises** sustains **Damage** arising from an **Insured Event** which results in a valid claim under this **Policy** then **Underwriters** will pay **You**, whichever is the lesser of:

- i) the cost to reinstate, repair or replace such property or any part of it less an appropriate deduction for depreciation wear and tear, or
- ii) the reduction in value of the **Property Insured**, or
- iii) if i) or ii) above is not applied, the basis of settlement that both **You** and **Underwriters** agree upon

Subject always to **Underwriters** liability not exceeding the limits and **Sum Insured** stated in the **Schedule**.

Landlord's Contents

If **You** claim for **Damage** to the **Landlord's Contents** **We** will at **Our** option repair, replace or pay for any article covered under section 2.

For total loss or destruction of any article **We** will pay **You** the cost of replacing the article as new, as long as:

- the new article is as close as possible to but not an improvement on the original article when it was new; and
- **We** have authorised the cost of replacement.

Where **We** can repair or replace an item of **Landlord's Contents** but **We** agree to **Your** request for a cash settlement **We** will only pay what it would cost **Us** to repair or replace the item using **Our** own network of suppliers.

How to make a claim under this Insurance

To make a claim simply call our 24 hours claims help line telephone number: 01732 520288 without delay, but in any event within 30 days.

At the time of making a claim, you will be asked:

The **Policy** number stated on **Your Schedule** and full details of the claim.

Complaints Procedure

If **You** wish to make a complaint about the sales process or suitability of **Your Policy**, **You** should contact the Insurance advisor who arranged this **Policy** for **You**.

If **Your** complaint relates to any other matter including claims, **You** should contact:

The Complaints Manager
Commercial Express
B1 Custom House
The Waterfront
Level Street
Brierley Hill
DY5 1XH
Phone 0800 978 8007
Email complaints@commercialexpress.co.uk

Alternatively, **you** can refer **your** complaint to the Complaints team at Lloyd's at any time:

Complaints
Lloyd's
One Lime Street
London
EC3M 7HA
Tel: 020 7327 5693
Fax: 020 7327 5225
E-mail: complaints@lloyds.com
Website: www.lloyds.com/complaints

Details of Lloyd's complaints procedures are set out in a leaflet "Your Complaint - How We Can Help", which is available from www.lloyds.com/complaints. You can also ask Lloyd's for a copy of this leaflet using the contact details shown above.

If **you** are dissatisfied with the outcome of **your** complaint, **you** may have the right to refer **your** complaint to an alternative dispute resolution body.

If **you** live in the United Kingdom or the Isle of Man, the contact information is:

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Tel: 0800 023 4567 (calls to this number are free from "fixed lines" in the UK)
Tel: 0300 123 9123 (calls to this number cost the same as 01 and 02 numbers on mobile phone tariffs in the UK)
Email: complaint.info@financial-ombudsman.org.uk

If **you** live in the Channel Islands, the contact information is:

Channel Islands Financial Ombudsman
PO Box 114
Jersey
Channel Islands
JE4 9QG.

Tel: Jersey +44 (0)1534 748610; Guernsey +44 (0)1481 722218; International +44 1534 748610.
Fax +44 1534 747629
Email: enquiries@ci-fo.org
Website: www.ci-fo.org

If **you** purchased this insurance online **you** can also make a complaint via the EU's online dispute resolution (ODR) platform. The website for the ODR platform is: <http://ec.europa.eu/odr>

This complaints procedure does not affect **your** right to take legal action.

Financial Services Compensation Scheme (FSCS)

Certain Underwriters at Lloyd's (AXIS Managing Agency Limited – Syndicate 1686) is covered by the FSCS. This means that **You** may be entitled to compensation from the scheme in the unlikely event that AXIS Managing Agency Limited cannot meet its obligations to **You** under this insurance. Further details about the scheme can be obtained from FSCS, 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU Tel: 0207 741 4100 Fax: 0207 741 4101 or www.fscs.org.uk

Authorisation and Regulation.

AXIS Managing Agency Ltd is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm Reference Number 754962).