



R&Q Commercial Risk Services Limited

Commercial Property Owners Insurance Summary of Cover

January 2018

Property Owners Insurance Policy Overview

This Policy is designed to cover the assets, earnings and the legal liabilities of You owning the insured property. It is underwritten by by XL Catlin Syndicate 2003, Tokio Marine Kiln Syndicates Limited and ArgoGlobal with the Equipment Breakdown section underwritten by HSB Engineering Insurance Limited and the Legal Expenses Section is provided by ARAG plc and underwritten by Brit Syndicate 2987 at Lloyd's (written under unique market reference B0356KA233D12A000 or replacement thereof) managed by Brit Syndicates Limited.

About R&Q

This Insurance product has been arranged by R&Q Commercial Risk Services Limited on behalf of the under noted Insurers named herein:

R&Q Commercial Risk Services Limited is registered in England and Wales No: 07313009 (FRN: 530938), Registered Office: 71 Fenchurch Street London, EC3M 4BS.

R&Q Commercial Risk Services Limited is an Appointed Representative of R&Q MGA Limited which is authorised and regulated by the Financial Conduct Authority (FRN: 440543).

R&Q Commercial Risk Services Limited is wholly owned subsidiary of Randall & Quilter Investment Holdings Ltd. Randall & Quilter Investment Holdings Ltd. is a diverse insurance group, headquartered in Bermuda but with extensive operations in the UK, US, Canadian, Bermuda and Continental Europe Markets. The Group is a leading insurance service provider to the non-life insurance market. Its extensive service offering (ranging from full back office management to bespoke services) covers the live, run-off and captive market segments.

About Your Insurers

Sections 1 -4, 7- 9 and 12 - 14 are underwritten by:

XL Catlin Syndicate 2003

Proportion 40%

XL Catlin Syndicate 2003 is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. XL Catlin Syndicate 2003 is registered in England No.01815126. Registered office: 20 Gracechurch Street, London EC3V 0BG

Sections 1 -4, 7- 9 and 12 - 14 are underwritten by:

Tokio Marine Kiln Syndicates Limited

Proportion 30%

Tokio Marine Kiln Syndicates Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Tokio Marine Kiln Syndicates Limited is registered in England No. 729671. Registered office: 20 Fenchurch Street, London EC3M 3BY

Sections 1 - 9 and 12 - 14 are underwritten by:

**ArgoGlobal
Proportion 30%**

ArgoGlobal is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Arch Insurance Company (Europe) Ltd is registered in England No. 3768610. Registered office: Exchequer Court, 33 St Mary Axe, London EC3A 8AA.

Section 6 is underwritten by HSB Engineering Insurance Limited

This Section is underwritten by HSB Engineering Insurance Limited, registered in England and Wales: 02396114, New London House, 6 London Street, London EC3R 7LP. Registered as a branch in Ireland: 906020. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

HSB Engineering Insurance Limited can call upon over 140 years strength and expertise in the engineering and inspection industry.

Section 7 is underwritten by Brit Syndicate 2987 at Lloyd's

This Section is provided by ARAG plc and underwritten by the Insurer. ARAG plc and Brit Syndicate 2987 at Lloyd's are authorised and regulated by the Financial Conduct Authority, registration number 452369 and 204930 respectively. Registered Office: ARAG plc, 9 Whiteladies Road, Clifton, Bristol BS8 1NN.

About Your Insurance Broker

Your Insurance Broker is the organisation that You arranged this insurance with and should be Your first point of contact for any queries You may have on the Policy, other than claims. Claims contact numbers can be found under the Notifying a Claim Section of this document. See also Section 11 – **Claims Procedure** and Section 12 – **Enquiries and Complaints Procedure** of Your Policy Wording Document which is to be read in conjunction with this Policy Summary.

Covers

- Property – provides All Risks cover for loss or damage to:
 - Buildings , landlords fixtures and fittings, boundary walls, gates and fences
 - Glass and sanitary fittings including breakage of fixed, plain and wired glass
- Loss of Rental Income - covers You for loss in rental income or rental value due to property damage by external hazard which therefore makes the premise unsuitable for habitation
- Terrorism – optional additional cover providing protection for Property and Rental Income against Terrorism
- Employers Liability – covers Your legal liability to employees if they are injured whilst working for You.
- Property Owners Public and Products Liability – covers Your legal liability for damages and legal costs in respect of accidental bodily injury, death, disease, illness or nervous shock to any person, damage to third party property, obstruction, trespass or nuisance, wrongful arrest or detention
- Equipment Breakdown Insurance – covers You for accidental damage to plant and adjacent property, including breakdown of plant
- Legal Expenses – provides Your business with protection for legal costs for Commercial Property Owners relating to;
 - Employment
 - Employment Compensation Awards
 - Employment Restrictive Covenants
 - Tax
 - Property
 - Legal Defence
 - Compliance & Regulation
 - Crisis Communication
 - Statutory Licence Appeals
 - Loss of Earnings
 - Employees' Extra Protection
 - Contract & Debt Recovery
 - Residential Landlord Legal Expenses (Optional cover)And also Helplines for:
 - Business Legal and Tax Advice
 - Counselling
 - Access to (i) Business Legal Services and (ii) Landlord Legal Service Website
 - Crisis Communication
 - Redundancy Approvals



Policy Summary

Property Owners Insurance

The information provided in this policy summary is key information You should read.

This Policy Summary does not contain the full terms and conditions of Your Property Owners Insurance. The full terms and conditions can be found in the policy document, a copy of which is available upon request.

This summary should be read in conjunction with Your policy schedule and wording.

Significant Features and Benefits	Significant and unusual Exclusions or Limitations
<p>Section 1 – Property Damage (if selected)</p> <p>Covers damage to Your buildings caused by any accidental loss destruction or damage not otherwise excluded.</p> <p>Inflation Protection (Day One basis of cover).</p> <p>Capital Additions up to 10% of buildings (up to maximum of £500,000) & new acquisitions up to £1,000,000.</p> <p>Damage to services extending to the public mains.</p> <p>Additional costs in complying with Public Authority requirements (up to maximum of £250,000).</p> <p>Inadvertent omission to insure – limit £500,000.</p> <p>Lessee failure to insure – limit £500,000.</p> <p>Rent of residential property – up to 20% of building sum insured.</p>	<p>The excess shown in the schedule.</p> <p>Damage caused by storm or flood to fences and gates unless caused by falling trees.</p> <p>Subsidence caused by new structures bedding down or made-up ground settling.</p> <p>Empty buildings condition applies.</p> <p>Damage caused by wear and tear, gradual deterioration, faulty or defective design.</p> <p>Damage caused by mechanical or electrical breakdown or derangement.</p> <p>Pollution or contamination other than caused by a sudden identifiable unintended and unexpected cause.</p>
<p>Section 2 – Loss of Rental Income (if selected)</p> <p>Financial compensation for loss of rent receivable following interruption to the business as a result of an insured loss under Section 1 caused by accidental loss destruction or damage not otherwise excluded.</p> <p>Automatic 100% uplift of the rent receivable sum insured to allow for mid-term rent reviews.</p> <p>Advance rent receivable in respect of new property developments.</p> <p>Inadvertent omission to insure – limit £250,000.</p> <p>Extensions for failure of supply, infectious diseases, legionellosis, prevention of access – limits £100,000.</p> <p>Extensions for loss of attraction – limits £100,000 (leased premises), £25,000 (unleased premises).</p> <p>Extensions for action of competent authorities, bomb scare or unlawful occupation – limits £10,000.</p>	<p>Losses excluded under the Property Damage section.</p> <p>Loss caused by the deliberate act of a utility supplier.</p>

<p>Loss of investment income for late payment of rent as a result of damage.</p> <p>Loss of rent due to damage at managing agents' premises – limit 10% or £100,000 whichever is less.</p>	
<p>Section 3 – Terrorism (if selected)</p> <p>Extension of cover for Sections 1 and 2.</p> <p>Damage or loss to items insured under Sections 1 and 2 caused by acts of Terrorism in Great Britain.</p>	<p>Terms, conditions and exclusions of Section 1 and 2 will apply.</p> <p>Terrorism cover can not be purchased selectively. If Terrorism cover is required it must apply to all insured property.</p>
<p>Section 4 – Employers' Liability (if selected)</p> <p>Your legal liability for damages and legal costs in respect of bodily injury, death, disease, illness or nervous shock to employees during their employment.</p> <p>Standard Limit of Indemnity of £10,000,000.</p> <p>Covers employees temporarily working overseas.</p> <p>Legal costs for defending prosecutions under health and safety legislation.</p>	<p>Work undertaken offshore.</p> <p>Cover where compulsory insurance is required under Road Traffic Acts legislation.</p> <p>Cover for acts of Terrorism limited to £5,000,000.</p> <p>Limit of £5,000,000 in respect of claims arising from asbestos.</p> <p>Compensation under the Corporate Manslaughter and Corporate Homicide Act limited to £5,000,000.</p>
<p>Section 5 – Property Owners' Public and Products Liability (if selected)</p> <p>Your legal liability for damages and legal costs in respect of accidental bodily injury, death, disease, illness or nervous shock to any person, damage to third party property, obstruction, trespass or nuisance, wrongful arrest or detention.</p> <p>Legal costs for defending prosecutions under health and safety legislation.</p> <p>Liability incurred in connection with the Defective Premises Act, Data Protection Act (limit of £250,000), Consumer Protection Act and Food Safety Act legislation.</p> <p>Libel and Slander extension – limit £250,000.</p> <p>Legionellosis liability extension – limit £1,000,000.</p> <p>Contingent Motor Liability cover.</p>	<p>Work undertaken offshore.</p> <p>Public Liability arising from professional advice given.</p> <p>Pollution or contamination unless caused by a sudden and identifiable incident.</p> <p>Loss arising from asbestos.</p> <p>Liability for injury to employees.</p> <p>Punitive damages awarded by any Court of Law.</p> <p>First £250 for each claim for Property Damage.</p> <p>Libel and Slander extension applies solely to in-house and trade publications.</p> <p>Compensation under the Corporate Manslaughter and Corporate Homicide Act limited to £5,000,000.</p>
<p>Section 6 – Equipment Breakdown (if selected)</p> <p>Covers Accidents to Covered Equipment arising out of Breakdown, Electrical arcing, steam explosion or collapse and Operator Errors. (£5,000,000)</p> <p>Hazardous substances and contamination costs (£10,000)</p> <p>Accidental breakdown of computer equipment (£250,000) Reinstatement of data (£25,000) Increased Cost Of Working (£25,000)</p> <p>Business Interruption following breakdown of covered</p>	<p>Any covered equipment shown as not included in the description of covered equipment</p> <p>Production and process equipment (this is available upon request and is not included in the standard cover)</p> <p>Any defect virus loss of data (other than as specifically insured under Reinstatement of Data) or other situation within media</p> <p>Depletion, deterioration, corrosion, erosion, wear &</p>

<p>equipment. (£50,000)</p> <p>Temporary repair expenses in respect of covered equipment (£20,000)</p> <p>Hire of substitute equipment following a loss (£5,000)</p> <p>Storage tanks and loss of contents (£7,500)</p> <p>Loss avoidance measures (£5,000)</p> <p>Damage to own surrounding property following explosion or collapse of any steam boiler, steam generator, economiser, superheater, steam pipework or steam vessel. (£1,000,000)</p>	<p>tear or other gradually developing condition</p> <p>Solidification or biological activity or spontaneous chemical reaction in the contents of tanks or materials being processed</p> <p>Any amount recoverable under maintenance agreements, warranties or guarantees including any amount which would be recoverable but for breach of Your obligations under the agreement</p> <p>Delay in resuming operations due to the need to reconstruct data, reinput data or programs onto media where backup conditions have not been fully met</p> <p>Policy excess - As per the underlying Material Damage or Business Interruption excess Min £250</p>
<p>Section 7 – Legal Expenses (if selected)</p> <p>The Insurer will pay legal costs & expenses (and compensation awards and employment compensation awards up to) up to £100,000 including the cost of appeals for the following:</p> <p>Employment A dispute with a past, present, or prospective employee, arising from a contract of service and/ or breach of employment laws.</p> <p>Employment Compensation Awards A basic and compensatory award made against You by a tribunal, or an amount agreed by us to settle a dispute, where We have accepted Your claim under Employment.</p> <p>Employment Restrictive Covenants A dispute with</p> <ul style="list-style-type: none"> • Your employee or ex-employee which arises from a restrictive covenant in a contract of service with You • another party who alleges that You have breached their legal rights protected by a restrictive covenant. <p>Tax Protection An HMRC compliance check, formal aspect or full enquiry into Your business' tax or dispute about VAT, including an appeal.</p>	<p>It must always be more likely than not that Your claim will be successful.</p> <p>You must report Your claim during the period of insurance and as soon as You become aware of the circumstances that could lead to a claim.</p> <p>Unless there is a conflict of interest We will choose an appointed advisor until proceedings need to be issued or in any claim dealt with by an Employment Tribunal or the small claims court.</p> <p>Legal costs, expenses, and compensation awards incurred before We accept a claim.</p> <p>Pursuing an action other than an appeal.</p> <p>Any redundancy-related claim within 180 days of You taking out this policy.</p> <p>Legal costs to prepare for or represent You in internal grievance or disciplinary matters.</p> <p>Money due to an employee under a contract of service.</p> <p>The restrictive covenant must not</p> <ul style="list-style-type: none"> • extend further than is reasonably necessary to protect the business interests or • contain restrictions in excess of 12 months <p>Any claim where You have been negligent or have not met legal timescales.</p> <p>An investigation by the Specialist Investigations Branch of HM Revenue and Customs.</p>

<p>Property An event which causes damage to Your property, a public or private nuisance or trespass, and recovery or repossession of property from an employee or ex-employee.</p> <p>We will cover a dispute with Your business tenant under the terms of a written lease agreement in relation to Your property let under the Landlords & Tenants Act 1954 or where You have correctly contracted out of the 1954 Act.</p> <p>Legal Defence We will defend the insured</p> <ul style="list-style-type: none"> • in an investigation that could lead to prosecution • if criminal proceedings are brought <p>Directors and/or partners are covered to defend a motor prosecution which does not relate to the business.</p> <p>Compliance & Regulation Appeal against a statutory notice issued against Your business, or defence of a civil action brought under the Data Protection Act.</p> <p>Statutory Licence Appeal An appeal against a decision to alter, suspend, revoke or refuse to renew a statutory licence or registration.</p> <p>Loss of Earnings The insurer will pay loss of earnings if an insured has to attend court or tribunal for a claim under this policy or because they are called for Jury Service.</p> <p>Employees' Extra Protection Cover to:</p> <ul style="list-style-type: none"> • defend <ul style="list-style-type: none"> – an employee in civil proceedings brought for unlawful discrimination, or – a trustee of the company pension fund; • pursue a personal injury claim by an employee or a member of their family, or • represent Your directors and/or partners who have fallen victim of identity theft. <p>Crisis Communication Access to professional public relations support and crisis communication services to manage adverse media publicity and reputational exposure.</p> <p>Contract & Debt Recovery Cover for contract disputes and debt recovery actions relating to the purchase, hire, hire purchase, lease, servicing, maintenance, testing, sale or provision of goods or services, providing the amount in dispute exceed £200.</p>	<p>Tax avoidance.</p> <p>Any claim where a contract exists between You and the third party.</p> <p>Any dispute that arises from a disagreement with Your tenant over payment or non-payment of rent and or service charges.</p> <p>You must demonstrate that You have served the correct legal notice(s)</p> <p>A parking offence.</p> <p>Pursing an action other than an appeal.</p> <p>A Health and Safety Fee for Intervention.</p> <p>A condition, illness or disease that gradually develops over time.</p> <p>The maximum the insurer will pay is £10,000.</p> <p>Matters that should be dealt with through Your normal complaints procedures.</p> <p>The sale or purchase of any land or buildings.</p> <p>Computer systems which have been supplied by You or tailored to Your requirements.</p> <p>Breach of professional duty.</p>
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<p><u>Optional Cover</u></p> <p>Residential Landlord Legal Expenses A) Pursuing repossession under mandatory grounds of the 1988 Housing Acts, or on expiry of the tenancy in respect of residential property You have let</p> <ul style="list-style-type: none"> • under an assured shorthold, shorthold or assured tenancy; • in N. Ireland as a Private Tenancy or • to a business for residential purposes of its employees <p>B) Pursuing rent arrears.</p> <p>C) Pursuing claims for damage where Your tenant is responsible for dilapidations.</p> <p>Business Legal Services website Register today at www.araglegal.co.uk and enter the voucher code X1232KC79BB5 for Business matters and EC426C378CB8 for Landlord matters to access the law guide and download legal documents to help with Business or Landlord legal matters. Access our online law guide. Many documents offer legal review services.</p> <p>Legal & Tax Advice The insured can use the legal advice service 24/7 and the tax advice service between 9am - 5pm weekdays.</p> <p>Crisis Communication helpline The insured can use this helpline at any time for advice about negative publicity or media attention</p> <p>Counselling Assistance The insured can use this telephone assistance service 24 hours a day, 365 days of the year.</p> <p>Redundancy Approval We can arrange for specialist advice if You are planning redundancies.</p> <p>Territorial Limit</p>	<p>Arbitration or adjudication.</p> <p>A disagreement with an existing tenant during the first 90 days of cover starting.</p> <p>Registering assessing or reviewing rent or service charges.</p> <p>Some documents apply to England and Wales only. Many documents are free while others attract a modest charge.</p> <p>Legal review services are subject to a fee.</p> <p>We will not put any advice in writing. Legal advice will be restricted to business matters within EU law.</p> <p>Tax advice is restricted to UK tax regulations.</p> <p>You have to pay the cost of this service.</p> <p>This service is available between 9am and 5pm on weekdays (except bank holidays)</p> <p>The UK Channel Islands and the Isle of Man, except for Legal Defence, Compliance & Regulation and Contract & Debt Recovery where cover extends to Norway, Switzerland and the European Union.</p>
<p>For full details of the coverage You must read Your policy.</p>	<p>For full details of all exclusions You must read Your policy document.</p> <p>Limits may apply to Your policy – these are shown in Your policy document and schedule.</p> <p>You may have to pay the first amount of any claim - the amount is shown in the schedule as the excess.</p>

The Policy is a complex document and contains a large number of specific terms relevant in specific circumstances, depending on the nature of the risks being insured and those extensions requested. The policy may also contain warranties describing actions that You must take or avoid for any cover to operate.

If the value declared or the sum insured selected is less than the full insurable amount, then any claim may not be payable in full.



Notifying a Claim

Sections 1-5

Your claims will be dealt with by Broadspire, By Crawford & Company.

Your claims should be reported via the dedicated R&Q phone line 0121 200 0354 or via the dedicated email R&Q.SME@broadspiretpa.co.uk

Please provide Your policy number and as much information as possible about the claim

Claims for Section 6 – Equipment Breakdown

In the first instance claims should be notified to Davies Managed Systems, 2nd Floor, East Court, Riverside Park, Stoke-on-Trent ST4 4DA. Tel: 0344 856 2338 Fax: 0344 856 2005

Claims for Section 11 – Legal Expenses

If You are considering carrying out a redundancy, You must notify us as soon as possible. You must never instruct Your own lawyer or accountant as We will not pay their costs and it could invalidate Your cover.

You can request a claim form between 9am and 5pm Monday to Friday (except bank holidays) by telephoning 0117 917 1698 or online at www.arag.co.uk/newclaims

Additional Information

Policy Limits

Higher Limits may be available on request. Please ask Your Insurance Broker for details.

Please Read the Policy

Please read the policy and the policy schedule carefully and make sure that it meets Your needs and that You understand its terms, conditions, limits and exclusions.

If You wish to change anything or if there is anything You do not understand please notify Your Insurance Broker.

If You fail to notify us of any changes You require, Your policy may not operate fully.

Cancellation of this policy

You may cancel the policy at any time, although We reserve our rights on refunding any premium depending on how long the policy has been in force and if You have made a claim on this policy. To exercise Your right to cancel, contact the Broker who arranged this cover for You.

Complaints Procedure

Any complaint that You may have should in the first instance be addressed to the Broker who arranged this cover for You.

Please quote Your policy number in all correspondence so that Your complaint may be dealt with speedily.

If You remain unhappy with the way in which Your complaint has been handled or its outcome then You may refer Your complaint to

The Commercial Manager
R&Q Commercial Risk Services Limited
71 Fenchurch Street
London
EC3M 4BS
Phone: + 44 (0) 20 7780 5850

If You still remain unhappy with the way in which Your complaint has been handled or its outcome then You may refer Your complaint to:

If Your complaint relates to Sections 1-5 You should contact:

Complaints
Lloyd's
One Lime Street
London EC3M 7HA

Email: complaints@lloyds.com
Telephone: +44 (0)20 7327 5693
Fax: +44 (0)20 7327 5225
Website: www.lloyds.com/complaints

If Your complaint relates to Section 6 – Equipment Breakdown You should contact:

Group Operations Manager, HSB Engineering Insurance Limited, Chancery Place, 50 Brown Street, Manchester, M2 2JT Phone: 0835 345 5510 Fax : 0835 345 5610 Email: complaints@hsbeil.com

If Your complaint relates to Section 7 – Legal Expenses You should contact:

Step1

Customer Relations Department, ARAG plc, 9 Whiteladies Road, Clifton, Bristol, BS8 1NN Tel: 0117 917 1561

Email: customerrelations@arag.co.uk

Step2

Should You remain dissatisfied You can pursue Your complaint further with Lloyd's. They can be reached as follows; Lloyd's, One Lime Street, London, EC3M 7HA, Tel: 0207 327 5693

Email: complaints@lloyds.com, Website: www.lloyds.com/complaints

If You are still dissatisfied then You may be able to refer Your complaint to The Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR Tel: 08000 234 567. Further information is available from them.

Financial Services Compensation Scheme (FSCS)

XL Catlin Syndicate 2003, Tokio Marine Kiln Syndicates Limited, ArgoGlobal, Faraday Underwriting Limited for and on behalf of Syndicate 435 at Lloyd's, HSB Engineering Insurance Limited, ARAG plc and Brit Syndicate 2987 at Lloyd's are all covered by the Financial Services Compensation Scheme (FSCS). This means that You may be entitled to compensation from the scheme in the unlikely event that they cannot meet their obligations. Further details 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

Policy Duration

The policy has a 12 month period of insurance (unless shown differently on Your Policy Schedule), and is annually renewable.

Financial Register

The Financial Services Register can be checked by visiting their Website on www.fsa.gov.uk or by calling 0845 6061234