

Commercial Property Owners Insurance Policy Summary

About this document

This document provides a summary of the Faraday Commercial Property Owners Insurance Policy, and its additional Employers Liability, Property Owners Liability and Environmental Impairment Liability policies. It is a basic summary only and does not contain the full terms and conditions of the cover, which can be found in the policy document. It is important that you read the policy, schedule and any endorsements carefully.

Name of the Insurer: Faraday Underwriting Limited on behalf of Syndicate 435 at Lloyd's.
Duration of Policy: The policy will remain in force for 12 months or as otherwise shown on your policy schedule.

Material Damage (section 1)

What is covered

Damage to the property which includes landlord's contents insured at the premises.

What you are covered for (if specified in your policy schedule): Loss or damage resulting from

- Fire, lightning, earthquake or explosion;
- Aircraft or other aerial devices or articles dropped therefrom;
- Riot, civil commotion, strikers, locked out workers, or persons taking part in labour disturbances;
- Malicious persons (other than those lawfully on the premises);
- Storm, flood or escape of water from any tank apparatus or pipe or sprinkler system;
- Impact or falling trees;
- Escape of fuel from any fixed oil installation;
- Theft or attempted theft.

Additional cover included as standard

- Professional Fees incurred in reinstating or repairing the Property;
- Removal of debris / dismantling and shoring up costs;
- Damage in respect of underground pipes and cables up to 10% of the sum insured;
- Accidental discharge of water from the water metered system up to £2,500 in the policy period
- Additional costs in complying with legislation up to full Sum Insured figure or a limit of 15% for undamaged portions;
- Costs in respect of clearing and cleaning of drains, gutters and sewers;
- Costs for changing locks up to £1,000 any one claim;
- Costs of repair following damage caused by the emergency services up to a maximum of £2,500 in the policy period;
- Costs and expenses reasonably incurred in locating the source of damage at the premises caused by escape of water or escape of fuel up to a maximum of £5,000 any one policy period.

Special Extensions to cover (by request)

- Accidental Damage
- Glass
- Subsidence
- Day One (Non-adjustable) basis of settlement
- Malicious damage by tenant extension

Summary of key exclusions and conditions

- No cover for damage to gates, fences or moveable property in the open caused by wind, rain, hail, sleet snow or flood;
- No cover for damage or theft whilst the building is unoccupied for more than 30 days unless otherwise agreed;
- No cover for damage caused by building works unless otherwise agreed;
- No theft cover for moveable property in the open or in open sided buildings;
- Maximum of £1,000 each and every claim for theft or damage to landlords contents in garages and outbuildings;
- No cover for malicious damage by tenant having deliberately tampered with the electrical installations and / or the fixed water tanks apparatus or pipes at the premises.

Loss of Rental Income (section 2)

What is covered

- Loss of rent receivable as a result of damage to the property up to a maximum of 20% of the Buildings sum insured.

Summary of key exclusions and conditions

- No cover where there has not been a valid claim under Section 1 Material Damage.

Section 3 Employers Liability (Section 3)

What is covered

- **Employers liability cover** and associated costs and expenses up to the limit of liability stated in your policy schedule.

Summary of key exclusions and conditions

- No cover in respect of compulsory insurance which is required to be arranged by You under the Road Traffic Act 1998 or the Road Traffic (Northern Ireland) Order 1981 or subsequent legislation.

Property Owners Liability (section 4)

What is covered

- All sums in connection with the business during the policy period which you shall become legally liable to pay as damage in respect of:
 - ✓ Accidental injury to one person.
 - ✓ Accidental physical loss of or damage to third party property.
 - ✓ Obstruction, trespass, nuisance or interference with any right of way, air, light, water or other easement.
 - ✓ Wrongful arrest, wrongful detention, false imprisonment or malicious prosecution.
- All costs and expenses incurred by you covered under this section.
- The payment of legal and other defence fees up to £50,000 any one occurrence.

Summary of key exclusions

- Injury, loss, damage, cost of expense of any kind caused by, resulting from or in connection with, any component building material that must be removed, encapsulated or otherwise abated because its presence or release is a hazard to human health.
- Liability resulting from or as a consequence of any buildings works other than general maintenance.
- Liability for loss or damage to the premises insured or the cost of remedying any defect in the premises.
- Loss or damage to property belonging to you or under your care custody or control
- Liability arising out of goods.
- Injury sustained by an employee.
- Injury or damage to third party property caused by the straying of animals

Environmental Impairment liability (Section 5)

What is covered

- **Environmental impairment liability** cover and all associated costs and expenses up to the limit stated in your policy schedule and in respect of any one claim made against you in the policy period stated in your policy schedule.

Additional cover included on request

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- Extended discovery period if requested prior to cancellation or non-renewal of your policy.
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Significant conditions /exclusions applicable to whole policy

There are a number of conditions and exclusions applying to the whole policy. These are included within the General Conditions and General Exclusions sections of the Policy:

- **Excess.** Details of the excess under each section are provided in your policy Schedule.
- **Maintenance and safety.** You must comply with current gas safety regulations and laws as well as being in possession of a current electrical installation condition report unless otherwise agreed.
- **Building works.** You must inform us prior to the commencement of any building works.
- **Application of heat condition.** There are a number of requirements you must meet where there is the use of or application of heat during any buildings works.
- **Unoccupied Premises.** You must notify us as soon as you become aware that the buildings are due to become unoccupied for a period in excess of 30 days. You must also meet a number of other related security requirements when leaving the premises unoccupied for longer than 30 days.
- **Previous owner records.** You must use best endeavours to locate, record and maintain records of previous owners and occupiers of the premises.
- **Sprinkler installation clause.** You must take all reasonable steps to prevent frost and other damage to the automatic sprinkler installation and inform us if there are any changes, repairs or alterations to the sprinkler installation.
- **Right of recovery** (applicable to Section 3). You shall repay to us all sums paid by us which we would not have been liable to pay but for the provisions of compulsory Employers' Liability law.
- **Communicable Disease Exclusion (Sections 1 and 2 only).** There is no cover for any loss, damage, liability, expense, fines or penalties or any other amount directly or indirectly caused by or arising from infectious disease or human contagious disease.
- **Communicable Disease Exclusion (applicable to Section 4 and 5 only).** There is no cover for any liability for injury, loss or damage or any associated costs or expenses, or any fines or penalties or any other amount directly or indirectly caused by or arising from: 1) Coronavirus (COVID-19) (the disease caused by SARS-CoV-2); 2) Other disease caused by any mutation or variant of SARS-CoV-2; 3) Any novel infectious disease caused by a newly identified agent; or, 4) A threat, fear or likelihood of infection from any of the above or measures taken to prevent the spread of any of the above. This includes claims involving quarantine, whether self-imposed, recommended by a medical professional or imposed by government or public authority.

Claims control

We are entitled to take over and conduct in your name the defence or settlement of any claim. You must give all information and assistance required. If you do not do so we may reject or be unable to deal with your claim, or be unable to pay your claim in full. No admission of liability or offer, promise or payment shall be made without our written consent.

Cancellation rights

You can cancel this policy which can take effect immediately or from a later date, although it cannot be backdated to an earlier date. You will be entitled to a refund of any premium paid, subject to a deduction for any time for which You have been covered and a deduction for any commission paid to Your insurance broker. This will be calculated on a proportional basis. If **You** have made a claim, or one has been made against **You** or an incident has occurred which may result in a claim, **You** must pay the full annual premium and **You** will not be entitled to any refund.

If this Policy is cancelled by Us You will be entitled to a refund of any premium paid, subject to a deduction for any time for which You have been covered and a deduction for any commission paid to Your insurance broker. This will be calculated on a proportional basis.

How to make a claim

If **You** need to report a claim or an incident that may result in a claim please contact Choice Insurance Agency, whose contact details are shown in Your policy schedule.

Complaints

If you have any questions or concerns about your policy or the handling of a claim You should, in the first instance, contact Choice Insurance Agency, whose contact details are shown in Your policy schedule. In the event that you remain dissatisfied and wish to make a complaint, You can do so at any time by referring the matter either to us at:

Complaints Manager, Faraday Underwriting Limited, Corn Exchange, 55 Mark Lane, London EC3R 7NE

Email: faraday.complaints@faraday.com

Or the Complaints Team at Lloyd's at:

Complaints, Lloyd's, One Lime Street, London EC3M 7HA. Telephone: 0207 327 5693 Fax: 0207 327 5225

E-mail: complaints@lloyds.com Website: www.lloyds.com/complaints

If You remain dissatisfied after Lloyd's has considered Your complaint, You may have the right to refer Your complaint to the Financial Ombudsman Service.

If you have bought your insurance online, you can also register your complaint with the Online Dispute Resolution website, which has been set up by the European Commission:

<https://webgate.ec.europa.eu/odr/main/index.cfm?event=main.home.chooseLanguage>

Financial Services Compensation Scheme

Lloyd's insurers are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if a Lloyd's insurer is unable to meet its obligations to you under this policy. If you are entitled to compensation under the scheme, how much compensation you would receive would depend on the nature of this policy. You can get more information about the scheme from the Financial Services Compensation Scheme (10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU) and on their website at www.fscs.org.uk.