



SME PROPERTIES REFRESH



NEWS ABOUT IMPROVEMENTS TO OUR SME PROPERTIES PRODUCT

We first launched our eTraded Properties "All Under One Roof" policy for SME landlords and property owners in 2010. Since then we've made regular changes and this notice is to tell you about the latest. The refresh includes changes and updates to stay ahead of your needs.

SUMMARY OF CHANGES

The Insurance Act 2015

Over the last year we've improved our policy wording, schedule and statement of fact, to ensure we and our customers were fully prepared for the changing obligations when The Insurance Act 2015 came into force on 12 August 2016.

Fair Presentation of Risk Guarantee

One of the Act's key changes is to pre-contractual disclosure. Provided our online questions are completed accurately and in good faith, and any assumptions on the Statement of Fact are checked, we will accept this as a fair presentation of the risk.

Competitiveness

We continue to monitor our competitiveness on price, as we're aware the Buy to Let sector has seen taxation and other changes push up ownership costs. This shows our commitment to be the partner of choice for landlords and property owners.

Other policy changes and enhancements

The full detail of these changes is covered on the following pages. Don't forget that RSA supports all the leading software houses*, as well as our own extranet, RSA Online.

* Acturis, Applied Systems, Open GI/Powerplace SME and SSP





POLICY WORDING CHANGES/ COVER ENHANCEMENTS

PROPERTY DAMAGE

Buildings

Subsidence, Ground Heave or Landslip damage

This cover is extended to include outbuildings.

Concern for Welfare Costs

This is a new cover for damage caused when the police force entry to the property out of concern for the occupants.

Contractors Interest

Where required under contract to include appointed contractors as a joint policyholder, this new extension will include the interest of those contractors automatically, provided that the original contract price does not exceed £100,000.

Cover During Sale of Flats

This new extension gives the new purchaser the benefit of cover where a flat is damaged between exchange and completion of contracts. This is in addition to the loss of rent and loss of interest cover provided when settling rent claims.

Eviction of Squatters Expenses

This is a new extension that provides up to £10,000 for all claims during the period of insurance for the legal costs of evicting squatters.

Fire Extinguishment and Alarm Setting Expenses

This extension still provides up to £50,000 and is now amended to also include accidental gas discharge expenses within that amount.

Loss of Gas, Oil and Metered Water Expenses

This extension provides up to £25,000 and is now amended to also include loss of oil used for domestic purposes within that amount.

Non-Invalidation Extension

This extension is amended to give the same benefits to the policyholder and to their assignees in addition to freeholders, mortgagees, lessees, underlessees and lessors.

Loss of Rent

Book Debt Extension

This new extension provides up to £25,000 to cover the costs incurred in tracing records to pursue a customer's outstanding debts after their loss in an insured event.

Other Property Damage Changes

Illegal Activities Exclusion

The exclusion will not apply to losses relating to the cultivation of controlled substances if our requirements are complied with.

Changes to How We Settle Claims

The costs of removing debris now includes fallen trees.

LIABILITIES

Compensation for Court Attendance

The daily amount for this extension is increased from £500 to £750 for directors and from £250 to £500 for other employees.

Advertising Injury

This new extension covers your liability for oral or written publication of materials that slanders, libels or infringes copyright in the course of advertising your business.

Clean Up Costs

This new extension provides cover for liability up to £250,000 for cleaning up after a pollution or contamination incident for which the policyholder is responsible.

OTHER CHANGES TO THE POLICY WORDING

Changes to Definitions - Words with Special Meanings

Buildings

This definition now includes foundations in the definition of buildings. In addition, the interpretation of standard construction will allow up to 10% for other materials, including combustible, before it is deemed not to be standard construction.

Business

The owner occupancy restriction of 50% is removed for property not occupied for residential purposes.

Person Employed

The definition is amended to include volunteers, prospective employees and those on community service.



ENHANCEMENTS/CHANGES PROVIDED BY ENDORSEMENTS

PROPERTY DAMAGE

Malicious Damage or Theft by Residential Tenants

The existing malicious damage extension is now provided to all residential tenants and a new theft by tenant extension has been added for residential tenants. Both of these extensions are subject to a contribution of £250 each and every loss.

Sub-Lets and Holiday Lets

The original exclusion of sub-lets and holiday lets has been removed. Sub-lets are no longer excluded but the holiday lets exclusion has been incorporated into the other residential tenancy types exclusion.

Interested Parties

In order to satisfy the requests from banks and lenders for their interest to be included on documents, where available, if their details are included in the submission to us, we'll add them to the schedule as a clause.

IEE Certification and Inspections

The addition by us of automatic requirements for compliance with IEE guidelines was out of step with our competitors and created additional work. From now on, our requirements will only be applied where we know there is a breach of the general duty and we have agreed a reasonable period to comply.





AND DON'T FORGET THE VALUE THAT'S ALWAYS BEEN THERE

eTrading

- 24/7 access to quote, bind, renew or make mid-term alterations
- Provide customers with electronic versions of all their documents.

All Under One Roof

SME Properties can insure up to 20 premises on one policy, depending on the software house

- These can include:
 - Commercial and mixed occupancy
 - Individual and blocks of flats
 - Private dwelling houses or any combination of those up to our cover limits:
 - £1,000,000 BDV (Buildings Declared Value) for individual flats and private dwelling houses
 - £2,500,000 BDV for blocks of flats and commercial or mixed premises.

Loss of Rent and Alternative Accommodation for residential premises

This is automatically included for 30% of the Building Sum Insured.

Express 5 Claims Commitment

For claims less than £2,500 where five simple pieces of information are provided, we commit to settle same day or within 24 hours of receipt if after midday.

Access to experts

- Risk Management support and advice via rsabroker.com and our teams of Risk Consultants
- UK-based underwriting support and web chat, where available
- All of this is backed by over 300 years of insurance expertise and knowledge.

Appetite for business

Nearly 90% of all tenant types in the industry standards will get a quote from us.



Unlock the door to our latest SME Properties product.
Visit www.rsabroker.com/properties to find out more.