



Property Owners Insurance

Our Property Owners insurance policy has been designed to meet the demands and needs of those wishing to insure the risks associated with the ownership of buildings let to tenants.



Summary of Cover

This document provides a summary of the features and benefits of the Property Owners insurance policy, together with the exclusions, limitations and your obligations.

Full details of all benefits and terms are in the policy document and schedule.

A policy document is available from us or your broker.

Contents

The policy is made up of a number of sections of cover. Your quote or renewal documentation will show which sections of cover you have selected.

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Our support for Property Owners customers



Excellent rated claims service

www.baptist-insurance.co.uk/claims



Specialist risk management guidance

www.baptist-insurance.co.uk/risk-management



Helplines including business assistance, commercial legal advice and counselling

For further details, please refer to your policy document.

Please contact us or your broker if you would like this booklet in large print, braille or audio format; or if you would like to receive future literature in another format.

What you need to do

Your obligations

- ▶ You have a duty to present us with a fair presentation of the risks to be insured and must accurately disclose every material fact or circumstance which you know or ought to know about such risks.
- ▶ You must tell us as soon as reasonably possible if any of the details you have told us change.
- ▶ You must take reasonable steps to prevent or reduce loss or damage and maintain the property in a good state of repair.
- ▶ You must tell us as soon as you become aware of any event which may result in a claim.

Your cover

Please note this summary relates to our standard policy cover.

Please contact us or your broker if you have any specific needs or requirements, for example if the limits are insufficient to meet your needs.

Section 1 – Property damage

Cover is for damage to buildings and contents caused by the following events. Your schedule will show which events are insured.

- ▶ Fire, lightning and explosion
- ▶ Aircraft
- ▶ Riot
- ▶ Malicious persons
- ▶ Earthquake
- ▶ Subterranean fire
- ▶ Storm
- ▶ Flood
- ▶ Escape of water
- ▶ Impact
- ▶ Falling trees
- ▶ Falling aerials
- ▶ Escape of oil
- ▶ Sprinkler leakage
- ▶ Accidental damage
- ▶ Subsidence
- ▶ Forcible and violent theft or attempted theft

The buildings and contents of common parts will be covered up to the sums insured provided by you.

Sums insured must be set at the appropriate values to avoid underinsurance.

The sum insured is the amount for which you insure your buildings and contents of common parts.

- ▶ Buildings: the sum insured should reflect the cost to rebuild including any demolition costs, professional fees, removal of debris and, where applicable, VAT. Note the market value of a property does not reflect the cost of rebuilding the property and should not be used as a guide.
- ▶ Contents of common parts: where repairs cannot be carried out, it should reflect the cost for replacement as new.

Underinsurance occurs when a sum insured is less than the actual costs of rebuilding buildings or replacing contents of common parts.

If the sum insured for buildings or contents of common parts is underinsured at the time of loss, any payments by us in respect of that claim will be reduced by the proportion of the underinsurance. This is calculated by dividing the sum insured by the actual cost. The amount of the claim is multiplied by the result. Please see the illustrative example below:

$$\frac{\text{£100,000 (policy sum insured)}}{\text{£200,000 (actual value at risk)}} \times \text{£50,000 (claim amount)} = \text{£25,000 (claim payment)}$$

Cover	Standard wording
Basis of settlement	Reinstatement
Day one	Optional
Index linking	Included
Automatic reinstatement of the sum insured	Included

Please refer to your policy document for details of how the following limits apply, e.g. in total for the period of insurance or any one claim. Any sub-limits will also be detailed there.

Extension	Standard limit
Fees	Included
Removal of debris	Included
Reinstatement to match	Included

Extension	Standard limit
Temporary removal	10% of sum insured
Government and Public Authorities	15% of sum insured
Emergency services damage to landscaped grounds	£25,000
Emergency services concern for welfare	£25,000
Loss of oil, gas or water	£10,000
Loss minimisation expenses	£5,000
Sale of the building	Included
Theft of parts of the building	Included
Lock replacement following theft of keys	£5,000
Property in the open	£5,000
Trace and access	£25,000
Clearing of drains	£50,000
Extinguisher and alarm resetting expenses	Included
Sprinkler upgrade costs	20% of sum insured
Unauthorised use of utilities	£10,000
Fly tipping	£5,000
Contractors' interests clause	Included
Landscaping costs	£25,000
Trees	£2,500
Removal of wasp, bee or hornet nests	£1,000
Green clause	£100,000
Archaeological costs	£250,000
Capital additions	Alterations and additions - £500,000 Newly acquired property - £2,000,000
Private residences (loss of rent and temporary accommodation)	20% of sum insured
Inadvertent omission to insure	£2,000,000
Privity of contract	£1,000,000
Accidental omission of Value Added Tax	Included
Minor contract works	£100,000

Please refer to section 1 in your policy document for full details of the following exclusions.

Insurable events exclusions

Fire

- ▶ Heat process

Explosion

- ▶ Statutory inspection
- ▶ Steam pressure

Aircraft

- ▶ Pressure waves

Riot/Malicious persons

- ▶ Cessation of work
- ▶ Moveable property in the open (Malicious persons only)
- ▶ Confiscation by government
- ▶ Unoccupied buildings

Storm/Flood

- ▶ Water table level
- ▶ Frost or subsidence
- ▶ Fences, gates and hedges
- ▶ Moveable property in the open
- ▶ Inflatable structures (Storm only)
- ▶ Unoccupied buildings

Escape of water/Escape of oil/Sprinkler leakage

- ▶ Unoccupied buildings

Falling aerials

- ▶ Damage to equipment itself

Accidental damage

- ▶ Specifically insured
- ▶ Gradual causes, depreciation and defective design or workmanship
- ▶ Changes in environment
- ▶ Processing
- ▶ Atmospheric conditions
- ▶ Boilers
- ▶ Mechanical or electrical breakdown
- ▶ Fraud and disappearance
- ▶ Collapse or cracking
- ▶ Weather restriction
- ▶ Wind turbines and solar panels
- ▶ Unoccupied buildings
- ▶ Glass cover restriction

Subsidence

- ▶ Water table level
- ▶ External property
- ▶ Settlement and erosion
- ▶ Defective design or workmanship
- ▶ Existing damage
- ▶ Repairs, alterations and excavations

Forcible and violent theft or attempted theft

- ▶ Damage to buildings
- ▶ Unoccupied buildings

Section exclusions

1. Pollution or contamination
2. Consequential loss

3. Self-ignition

Section 2 – Equipment breakdown

The repair or replacement of equipment which breaks down. This includes lifts, central heating, air conditioning, office equipment, computer equipment and retail equipment such as credit card payment systems.

Equipment will be covered up to £5,000,000 in total.

Computer equipment at the premises is further limited to £500,000 for any one accident.

Please refer to your policy document for details of how the following limits apply, e.g. in total for the period of insurance or any one claim. Any sub-limits will also be detailed there.

Extension	Standard limit
Away from premises	£5,000 (portable computer equipment)
Reinstatement of data	£50,000
Computer increased costs of working	£50,000
Rental income	£100,000
Hazardous substances	£10,000
Expediting expenses	£20,000
Government and Public Authorities	15% of Property damage sum insured
Damage to own surrounding property	£2,000,000
Hire of substitute item	£10,000
Storage tanks and loss of contents	£10,000
Debris removal	£25,000
Repair costs investigation	£25,000
Public relations costs	Included
Additional access costs	£20,000
Energy efficiency improvements	£25,000

Please refer to section 2 in your policy document for full details of the following exclusions and condition.

Section exclusions

- | | |
|--|-------------------------------------|
| 1a. Equipment testing | 3. Correction by maintenance |
| 1b. Gradual developing cause | 4. Cyber |
| 2. Maintenance agreements warranty or guarantee | 5. Electronic risks |
| | 6. Cease trading |

Section condition

- ▶ Back-up records

Section 3 – Rental income

Provides insurance cover to protect your rental income following a property damage loss.

Cover	Standard cover/Limit
Rent receivable	200% of the sum insured you select

Sums insured must be set at the appropriate values to avoid underinsurance.

The sum insured is the amount of rent receivable provided by you. It should be an accurate reflection of the indemnity period selected.

Underinsurance occurs when the sum insured is less than the actual amount of rent receivable.

If the sum insured for rent receivable is underinsured at the time of loss, any payments by us in respect of that claim will be reduced by the proportion of the underinsurance. This is calculated by dividing the sum insured by the actual amount. The amount of the claim is multiplied by the result. Please see the illustrative example below:

$$\frac{£500,000 \text{ (policy sum insured)}}{£1,000,000 \text{ (appropriate amount)}} \times £250,000 \text{ (claim amount)} = £125,000 \text{ (claim payment)}$$

Please refer to your policy document for details of how the following limits apply, e.g. in total for the period of insurance or any one claim. Any sub-limits will also be detailed there.

Extension	Standard limit
Prevention of access – Damage	Included
Utilities	Included
Food poisoning, defective sanitation, vermin, murder or suicide	£100,000
Loss of attraction	£250,000
Additional increase in cost of working	£25,000
Reinstatement of data	£25,000
Computers - Increased cost of working	£25,000
Book debts	£50,000
Capital additions	£500,000
Loss of investment income	Included
Managing agents' premises	£50,000

Section exclusions

Exclusions under the Property damage section apply (please refer to section 1 for full details).

Please refer to section 3 in your policy document for full details of the following conditions.

Section conditions

1. Premium adjustment clause
2. Back-up records

Section 4 - Terrorism

Provides cover for damage to your property and, if you choose, resultant loss of income that is insured under other sections of this policy following an Act of Terrorism.

Cover applies in England, Wales and Scotland but not the territorial seas adjacent as defined by the Territorial Sea Act 1987. Cover is provided up to the relevant sum insured under the Property damage or Rental income section.

Optional cover

- ▶ Non-damage Rental income

Please refer to section 4 in your policy document for full details of the following exclusions and condition.

Section exclusions

- ▶ Riot, civil commotion or war
- ▶ Computer virus, hacking or phishing

Section condition

- ▶ Burden of proof

Section 5 - Liabilities

Employers' liability

Employers' liability cover provides an indemnity to you for your legal liability to pay damages to your employees following injury in the workplace.

The standard limit is £10,000,000 (£5,000,000 if terrorism related) for any one event.

Extension	Standard limit
Unsatisfied court judgements	Included
Compensation for court attendance	Directors/trustees/partners – £500 per day Employees – £250 per day

Please refer to section 5, cover 1 in your policy document for full details of the following exclusions.

Employers' liability exclusions

1. Road traffic legislation
2. Fines or penalties

Public liability

Public liability cover provides an indemnity to you for your legal liability to pay damages to third parties (not employees) for injury or damage to their property.

The standard limit is £5,000,000.

For claims arising from your activities, the standard limit applies to any one event. For claims arising from pollution or contamination, the standard limit applies to any one period of insurance.

Extension	Standard limit
Cross liabilities	Included
Contingent motor liability	Included
Data protection	Damages – £1,000,000 any one period of insurance Costs – £100,000 any one period of insurance
Defective Premises Act	Included
Overseas personal liability	Up to £5,000,000 any one event
Legionellosis	£1,000,000 any one period of insurance
Clean-up costs	£1,000,000 any one period of insurance
Financial loss	£250,000 any one period of insurance
Compensation for court attendance	Directors/trustees/partners – £500 per day Employees – £250 per day

Please refer to section 5, cover 2 in your policy document for full details of the following exclusions.

Public liability exclusions

- | | |
|-------------------------------|-----------------------------------|
| 1. Professional services | 6. Sale or supply of products |
| 2. Injury to employees | 7. Defect in premises disposed of |
| 3. Property in your custody | 8. Fines or penalties |
| 4. Vehicles and crafts | 9. Overseas work |
| 5. Pollution or contamination | 10. Asbestos |

Prosecution defence costs

Provides you with cover for legal costs and expenses and costs awarded against you resulting from a breach of:

- ▶ the Health & Safety at Work etc. Act 1974
- ▶ Part II of the Consumer Protection Act 1987
- ▶ the Food Safety Act 1990

The limit is £500,000 for any one claim.

Please refer to section 5, cover 3 in your policy document for full details of the exclusions that apply to this cover.

Please refer to section 5 in your policy document for full details of the following exclusion.

Liabilities section exclusion

- ▶ Cyber

Section 6 - Legal expenses

To ensure an expert service, the cover under this section has been arranged through ARAG Legal Expenses Insurance Company Ltd (ARAG). We are responsible for paying any claims under this section, but ARAG manage all claim matters and correspondence on our behalf.

Access to telephone legal advice, alongside legal expenses cover for a range of legal issues that may arise, up to the limit you choose for legal costs and expenses and employment compensation awards (the compensation award is further limited to a £1,000,000 limit in total for all such awards in any one period of insurance).

In civil cases, cover is subject to a “reasonable prospects of success” clause. Reasonable prospects is a 51% or greater chance of success, as assessed by a law firm or tax expert chosen by ARAG.

In certain circumstances (with ARAG’s prior agreement) you may appoint your own legal representative when legal proceedings start or if there is a conflict of interest, who will be subject to ARAG’s standard terms of appointment. This includes an hourly rate not exceeding £100 per hour. Any costs that fall outside the standard terms will not be paid by us.

Cover is provided for the following legal issues:

Employment disputes and compensation awards
Legal defence
Statutory licence appeal
Property protection and personal injury
Tax protection
Leased or let property (including removal of squatters)
Contract disputes - Optional
Debt recovery - Optional

Please refer to section 6 in your policy document for full details of the following exclusions and conditions.

Section exclusions

- | | |
|---|---|
| 1. Costs ARAG have not agreed | 8. Judicial review, coroner’s inquest or fatal accident inquiry |
| 2. Court awards and fines | 9. Legal action ARAG have not agreed |
| 3. Intellectual property rights | 10. Bankruptcy |
| 4. Franchise or agency agreements | 11. Libel and slander |
| 5. Deliberate acts | 12. Litigant in person |
| 6. A dispute with us or ARAG | |
| 7. Shareholding or partnership disputes | |

Section conditions

1. Your representation
2. Your responsibilities
3. Offers to settle a claim
4. Assessing and recovering costs
5. Cancelling an appointed representative's appointment
6. Withdrawing cover
7. Expert opinion
8. Arbitration
9. Keeping to the policy terms
10. Governing and Equivalent laws

General exclusions

The following exclusions apply to the policy (please refer to the individual sections of cover regarding exclusions/limitations that apply to each section).

Please refer to your policy document for full details of the following exclusions.

- ▶ Excess
- ▶ Other insurances
- ▶ Radioactive contamination
- ▶ War risks
- ▶ Terrorism
- ▶ Date recognition
- ▶ Cyber (Property)
- ▶ Infectious or communicable disease
- ▶ Territorial exclusion (Property)

General conditions

The following conditions apply to the policy (please refer to the individual sections of cover regarding conditions/limitations that apply to each section).

Please refer to your policy document for full details of the following conditions.

- ▶ Policy voidable
- ▶ Reasonable care
- ▶ Alteration of risk
- ▶ Multiple insurances
- ▶ Fraudulent claims
- ▶ Unoccupied buildings
- ▶ Security
- ▶ Fire extinguishing appliances
- ▶ Fire alarm installations
- ▶ Intruder alarms
- ▶ Arbitration
- ▶ Cancellation
- ▶ Sanctions
- ▶ Assignment
- ▶ Law applicable
- ▶ Rights of third parties

Important questions answered

Who is the policy underwritten by?

Baptist Insurance Company plc. The legal expenses section is arranged through ARAG Legal Expenses Insurance Company Ltd (ARAG).

How long will the policy run for?

Generally 12 months from the start date shown on your policy schedule.

What are the payment options?

You can either pay for your policy in full or by instalments. If you pay by instalments, you must make regular payments as detailed in your credit agreement.

Where am I covered?

In England, Scotland, Wales, Northern Ireland, the Channel Islands and the Isle of Man or elsewhere as agreed and shown in your policy schedule and policy document.

How can the policy be cancelled?

- ▶ We have the right to cancel your policy by sending seven days' notice and a refund of the proportionate premium for the unexpired cover will be given.
- ▶ You may request to cancel the policy at any time. There is no refund of premium if you do.

There are certain circumstances, for example in the Alteration of risk, Policy voidable, Fraudulent claims and Sanctions conditions, where this may vary.

What happens at renewal?

We will send notice that your policy is approaching renewal before it is due. Your requirements may change over time, therefore please contact us or your broker if you wish to discuss your needs or any additional insurance requirements.

How do I make a claim?

New claims can be reported **24 hours a day, 7 days a week**.

For enquiries about existing claims, services are available from **Monday to Friday 8am to 6pm**.

For claims (other than Legal expenses) call:

 **0345 070 2223**

For Legal expenses claims call:

ARAG Legal Expenses Insurance Company Ltd

 **0345 601 2792**

Full details of our claims conditions can be found in the policy documentation.

How do I make a complaint?

If you are unhappy with our products or service, please let us know as soon as possible.

For all complaints (other than Legal expenses complaints)

You can contact us on:

 **0345 070 2223**

or email us at:

 **enquiries@baptist-ins.com**

For Legal expenses complaints

You can contact ARAG on:

 **0344 893 9013**

Or email ARAG at:

 **customer-relations@arag.co.uk**

Full details of our complaints procedure can be found in the policy document.

What happens if Baptist Insurance can't meet its obligations?

Baptist Insurance Company plc contributes to the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS if Baptist Insurance Company plc is unable to meet its obligations.

Further information about the compensation scheme is available at:

 **www.fscs.org.uk**

Or you can contact the FSCS by email at:

 **enquiries@fscs.org.uk**

or by calling:

 **0800 678 1100** (+44 207 741 4100 from abroad)

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