

Let Property Owners Summary of Insurance

An annual insurance for your Let Property business, against legal liability to the public and to your employees, loss of or damage to buildings and their contents and loss of rent and legal expenses. The parties to the contract are entitled to choose the law applicable to it.

We propose to choose the law applicable to your place of residence (or in the case of a business to the place where the principal office is situated) in the United Kingdom, the Isle of Man or the Channel Islands.

Summary of Cover

Section 1 - Buildings Insurance

The following is only a summary of the cover available (see the note on the back page of this summary of insurance).

- **Loss of or damage to the Buildings** by fire, smoke, explosion, lightning, earthquake, riot, malicious persons, storm or flood (but not damage to fences, hedges and gates), escape of water or oil (including freezing of the fixed water or heating systems), falling trees or branches, theft, impact by road vehicles, aircraft or trains, breakage of aerials, subsidence or heave of the site, or landslip.
- **Accidental breakage of sanitary fixtures and glass in doors, windows and greenhouses.**
- **Accidental damage to the Buildings** by causes other than those above and other than by wear and tear or any gradually operating cause; weather conditions; vermin; wet or dry rot; mechanical or electrical failure; the failure of any computer hardware or software to recognise correctly any date as its true calendar date.
- **Accidental damage to underground services.**

The cover also includes architects', surveyors' and legal fees, costs of debris removal and of local authority requirements following an insured loss.

Important exclusions and limitations (please refer to the relevant pages of the Policy document, as detailed below, for full details).

The insurance does not cover loss of or damage to the Buildings by accidental damage, malicious persons, escape of water or oil, or theft for more than the first 45 consecutive days during which the home is left insufficiently furnished for full habitation (**please refer to page 4, Section 1, A & B**).

There is an **Excess** (which is the amount of any claim to be paid by you) of **£50** in respect of each and every claim, except for Accidental Damage to Buildings where the **Excess** is increased to **£250**, or for loss of damage caused by subsidence or heave of the site or landslip, where the **Excess** is increased to **£1,000 (please refer to page 4 & 5, Claims Settlement Provisions)**.

Section 2 - Contents Insurance

- **Loss of or damage to your Contents in the Let Property** by theft, fire, smoke, accidental damage, explosion, lightning, earthquake, riot, accidental damage, malicious persons, storm, escape of water or oil, falling trees or branches, impact with the Buildings by road vehicles, aircraft or trains, breakage of aerials, subsidence or heave of the site, or landslip.
- **Loss of or damage to Contents in the garden of your Let Property** if caused by the perils

Summary of Cover

specified under Loss of or damage to Contents in the Let Property (see above) – up to £750.

- **Loss of or damage to your Contents while temporarily outside the Let Property**, in store or during house removals, but the cover is subject to certain limitations, particularly in respect of theft.
- **Replacement locks following theft of external door keys.**
- **Loss of domestic oil and metered water** – up to £1,000.
- **Audio and video equipment** – up to £5,000.
- **Loss of food in any freezer in the Let Property where the compressor unit is less than 15 years old** caused by failure of the freezer or the power supply and accidental damage to the freezer – up to £1,000 BUT not loss or damage occasioned by the deliberate act of the electricity supply authority.

Important exclusions and limitations (please refer to pages 5 & 6 of the Policy document for full details):

1. The insurance does not cover property more specifically insured, animals, boats, aircraft, caravans, trailers and their accessories attached to them, mechanically propelled vehicles other than domestic gardening equipment.
2. Cover also excludes chewing, scratching, tearing or fouling by pets, wear and tear or any gradually operating cause, mechanical or electrical failure or the failure by any computer hardware or software to correctly recognise any date as its true calendar date.

There is an **Excess** (which is the amount of any claim to be paid by you) of **£50**, except for Accidental Damage to Contents where the excess is increased to £250. The **Excess** will not apply if the claim is for theft from your Let Property and the security precautions specified in the Policy have been breached by the thief.

Section 3 – Loss of rent insurance

Loss of rent if the Buildings cannot be lived in as a result of loss or damage insured under Section 1 – Buildings Insurance.

Section 4 – Employer's Liability Insurance

N.B. Employers' Liability insurance is compulsory by law for most employers.

Your legal liability arising in connection with your Let Property business for injury to your employees (including working directors and casual or sub-contracted labour), up to £10,000,000 costs and expenses in respect of all events arising from any one cause.

Cover extends to include the costs and expenses of defending actions under the Health and Safety at Work etc. Act 1974, up to £250,000 in any one period of insurance.

Important exclusions (please refer to page 7 of the Policy document)

liability arising from

- (a) injury to any employee working on, or travelling to or from, an offshore rig or platform and any event in respect of which liability is required to be insured under the compulsory motor insurance provisions of the Road Traffic Acts

Section 5 - Public Liability Insurance

This cover is automatically included in the Policy.

Your legal liability arising in connection with your Let Property business for injury to any

Summary of Cover

person (not an employee), loss of or damage to property or obstruction, trespass or nuisance, up to £2,000,000 plus costs and expenses in respect of all events. The Limit of Indemnity can be increased upon request.

- (i) arising from any one cause or
- (ii) occurring in any one period of insurance attributable to products sold or used by you, or to pollution or contamination.

Cover extends to include

- Your legal liability arising in connection with your Let Property business
 - (i) from an event occurring outside Great Britain, Northern Ireland, the Isle of Man and the Channel Islands, caused by you or your directors, partners or employees while temporarily outside those geographical limits, or by products supplied by you from within those limits
 - (ii) under Section 3 of the Defective Premises Act 1972
 - (iii) for damage to any building hired, let or rented to you or in your custody or control for the purposes of carrying out work.
- The costs and expenses of defending actions under the Health and Safety at Work etc. Act 1974, Part II of the Consumer Protection Act 1987, the Food Safety Act 1990 and the Corporate Manslaughter and Corporate Homicide Act 2007 up to £250,000 for each Act in any one period of insurance.

Important exclusions (please refer to page 8 & 9 of the Policy document for full details):

Liability arising from

- (a) gradual pollution
- (b) the use of any aircraft, hovercraft, train, watercraft or mechanically propelled vehicle used in circumstances to which the Road Traffic Acts apply
- (c) advice, design, specification or treatment provided for a fee
- (d) loss of or damage to material property owned by you or in your custody or control for alteration, cleaning, inspection, repair, servicing or storage
- (e) liquidated, punitive or exemplary damages, fines or penalties
- (f) the known export of any products supplied by you to the United States of America or Canada
- (g) any claim brought in a court of law in the United States of America or Canada
- (h) asbestos
- (i) production or supply of genetically modified products.
- (j) contract works

Section 6 – Let Property Owner’s and Holiday Home Owner’s Legal Expenses

Section 6 is provided by legal expenses specialist ARAG plc under a coverholder agreement with ARAG Allgemeine Versicherungs-AG Branch UK.

This cover is automatically included in the policy and is divided into two parts. Part A applies to property let to a tenant for residential or business purposes while Part B applies to holiday homes. Both parts cover you for legal costs to protect your legal rights (and the other sides legal costs where awarded against you) provided that the insurer has agreed to cover your claim for:

Summary of Cover

- **Property damage, nuisance and trespass** – cover to pursue claims against a party who has damaged your property or is causing a nuisance or trespass.
- **Recovery of rent arrears**
- **Prosecution defence** – where it is alleged you have committed an offence which relates to you letting out your property.

Part A covers legal costs arising from

- **Repossession of residential property** – from a tenant or ex tenant where you are seeking possession under mandatory grounds set out in the Housing Acts or have let your property under contractual tenancy agreement or to a business for residential purposes; and have correctly served the tenant with notice.
- **Commercial lease disputes** – provided that where a dispute relates to renewal of a lease you have served your business tenant with notice of termination.
- **Accommodation costs** are payable while repossession is being sought under the policy because you wish to live in it up to £75 per day and £2,250 in total.

Part B covers legal costs arising from

- **Contractual disputes** – arising from a holiday let contract of up to 2 months duration or a contract to buy goods or services up to £5,000 for the purpose of letting out the holiday home.

Section 6 also gives you access to a 24/7 legal and tax advice helpline and a website which provides legal documents for you to download (such as legal notices required under the Housing Acts).

Important exclusions and limitations (please refer to the relevant pages of the policy document for full details)

The insurance only covers legal costs which are incurred with the prior consent of ARAG plc. (Please refer to page 10).

Your claim must have reasonable prospects of a successful outcome for you. (Please refer to page 10).

ARAG will choose a solicitor to represent you unless it becomes necessary to start legal proceedings or there is a conflict of interest in which case you may choose. (Please refer to page 10).

An excess of £250 applies for nuisance and trespass claims (except for claims against squatters). (Please refer to page 11).

Legal costs are insured up to £100,000 for Part A and £50,000 for Part B. (Please refer to page 13).

Disputes about service charges and rent reviews are not covered and cover does not apply to Houses of Multiple Occupation. (Please refer to page 15).

The insurance is suitable for properties located in the UK.

Claims Settlement Provisions

Excess: Where an **Excess** applies it will be deducted from the amount payable in respect of any claim after the application of any relevant monetary limits specified in the Policy.

Buildings Insurance

Claims settlement: Claims are settled on the basis of the cost of repair or replacement provided

Claims Settlement Provisions

that such cost has been incurred. No deduction will be made for depreciation and wear and tear unless at the time of the loss or damage the damaged property is not in a good state of repair or the sum insured on Buildings is less than the cost, including fees, of rebuilding them.

Matching suites and sets: We will not pay for any undamaged items forming part of a matching suite or set. (please refer to page 4 to 5 Claims Settlement Provisions of the Policy document)

Contents Insurance

Claims are settled on the basis of the cost of repair or replacement as new at the current prices if the item is totally lost or destroyed. No deduction will be made for depreciation and wear and tear except for clothing and household linen or unless the sum insured is insufficient to replace all the Contents as new.

Matching carpets, suites and sets: We will not pay for any undamaged items forming part of a matching suite or set or for any undamaged carpet, simply because it matches a damaged carpet in another room. (please refer to page 6, Claims Settlement Provisions of the Policy document)

Sum Insured

Buildings Insurance

Choosing your Sum Insured: The Sum Insured is the maximum sum which we will pay in respect of loss of or damage to the Buildings. You should therefore make sure that the Sum Insured which you choose is sufficient to meet the cost of debris removal, architects' and surveyors' fees and local authority requirements. The Sum Insured will be index-linked to protect it against the effects of inflation.

Contents Insurance

Choosing your Sum Insured: The Sum Insured is the maximum sum which we will pay in respect of loss of or damage to the Contents in your Let Property.

You should choose a Sum Insured that represents the full cost of replacing all the Contents as new at current prices with no allowance for wear and tear except for clothing and household linen. The Sum Insured is index-linked to help protect it against the effects of inflation.

Loss of Rent Insurance

The Sum Insured is the maximum amount we will pay.

Commencement of Insurance

Insurance will normally commence only from the date when the premium or a deposit premium is received by Cornish Mutual or its representatives, or on any later date requested by you. Cover is subject to Cornish Mutual acceptance of the proposal form. We reserve the right to decline the proposal. Confirmation of cover will be issued to you in writing.

Cancelling the policy

There is a 14 day cooling off period from the date you receive your documents. If you decide to cancel the policy during this time or at any stage during your policy year, we will only charge you

Canceling the policy

for the time on cover unless a claim has been made in which case we will keep the full premium. We may cancel your policy by sending at least seven days' notice in writing by recorded delivery to your last known address. We will only charge you for the time on cover unless a claim has been made in which case we will keep the full premium.

Making a claim under your Policy

If you would like to make a claim under your policy please contact us.

Cornish Mutual

CMA House

Newham Road

Newham

Truro TR1 2SU

Tel: 01872 277151

Email: claims@cornishmutual.co.uk

For legal expenses claims (Section 6) please refer to 'Section 6 - Making A Claim' on page 15.

When you need to make a legal expenses claim please call 01872 270 159

When corresponding with us by email please note that proof of sending an email does not mean we have received it. Please ensure we have acknowledged receipt of your email.

The Financial Services Compensation Scheme (FSCS)

This scheme was set up under the terms of the Financial Services and Markets Act 2000.

Its aim is to protect private and small business/charity customers should an insurer go out of business and be unable to meet its liabilities or pay claims. You may be entitled to compensation depending upon your income and the number of people you employ.

For further information on the scheme you can visit the website at:

www.fscs.org.uk or write to:

Financial Services Compensation Scheme

10th Floor

Beaufort House

15 St Botolph Street

London EC3A 7QU

Tel: 0800 678 1100 or 0207 741 4100

E-mail: enquiries@fscs.org.uk

Data Protection - Information Uses

For the purposes of the Data Protection Act 1998, the Data Controller in relation to any personal data you supply is The Cornish Mutual Assurance Company Ltd.

Insurance Administration

Information you supply may be used for the purposes of insurance administration by Cornish Mutual, our agents and reinsurers. It may be disclosed to regulatory bodies for the purposes of monitoring and/or enforcing our compliance with any regulatory rules/codes. Your information may also be used for offering renewal, research and statistical purposes and crime prevention.

In assessing any claims made, Cornish Mutual or its agents may undertake checks against publicly available information (such as electoral roll, county court judgments, bankruptcy orders or repossessions). Information may also be shared with other insurers either directly or via those acting for the insurer (such as loss adjusters or investigators). In the case of personal data, with limited exceptions, and on payment of the appropriate fee, you have the right to access and if necessary rectify information held about you.

Sensitive Data

In order to assess the terms of the insurance contract or administer claims which arise, the insurer may need to collect data which the Data Protection Act defines as sensitive (such as medical history or criminal convictions). By proceeding with this application you signify your consent to such information being processed by the insurer or its agents.

Marketing

Cornish Mutual will use your personal information to process any insurances you may place with us. We may also get in touch with you by email, SMS, telephone or post with news and information we feel would be of interest to you like our products, special offers or events. If you provide Cornish Mutual with an email address, it will automatically be entered into our regular email update service. If you do not wish to receive updates or marketing information please contact us at Cornish Mutual, CMA House, Newham Road, Truro, TR1 2SU Tel: 01872 277151 or email enq@cornishmutual.co.uk.

Claims and Underwriting Exchange Register

Insurers pass information to the Claims and Underwriting Exchange Register, run by Insurance Database Services Ltd. (IDS Ltd) and the Motor Insurance Anti-Fraud and Theft Register, run by the Association of British Insurers (ABI).

The aim is to help us check information provided and also to prevent fraudulent claims. When we deal with your request for insurance, we may search these Registers. Under the conditions of your Policy, you must tell us about any incident (such as an accident, fire, theft or malicious damage) which may or may not give rise to a claim. When you tell us about an incident, we may pass information relating to it to the Registers.

Our service to you

As a Mutual organisation we are Member-centred and want to ensure that we treat all our Members fairly and honestly. We seek to give a high level of service at all times.

Making a complaint to Cornish Mutual Assurance Company Ltd.

If there are occasions when we do not meet your standards please contact us at the address below.

The Cornish Mutual Assurance Company Limited

CMA House, Newham Road, Newham, TRURO TR1 2SU

Tel: 01872 277151 Fax: 01872 223053

Email: enq@cornishmutual.co.uk

We will handle your complaint in the following way:

- We will acknowledge your complaint within five working days and give you the name and title of the person who is handling your complaint
- We will deal with your complaint as quickly as possible and aim to provide you with a formal response within twenty working days from receipt of the complaint. If compensation or redress is appropriate we will provide these details with our response. If we feel your complaint is not justified full reasons for our decision will be provided to you.
- If we are unable to resolve your complaint within twenty working days we will write to you and explain why we have been unable to resolve the issue. We will also advise you of when you can expect to receive our final response.
- If we are unable to resolve your complaint within eight weeks or you remain dissatisfied you have the option of contacting The Financial Ombudsman Service.

Their contact details are:

Exchange Tower, London E14 9SR

Tel: 0300 123 9123 or 0800 023 4567 Email: complaint.info@financial-ombudsman.org.uk

Our response to your complaint will always provide you with a leaflet explaining The Financial Ombudsman Service.

For complaints about the Legal Expenses section please contact ARAG plc

Registered Office: 9 Whiteladies Road, Clifton, Bristol BS8 1NN

Tel: 0117 917 1561

Email: customerrelations@arag.co.uk

Should you remain dissatisfied you may be entitled to pursue your complaint further with The Financial Ombudsman Service.