

QUOTATION SUMMARY

Assured Name: Lacuna Estate Management Company Limited
Business: Property Owner
Period of Insurance: 12 months with effect from 00:01 on a date to be advised

Policy Type	Insurer	Premium (including IPT at 6%)
Property Owners	National Insurance and Guarantee Corporation Limited	£26,489.40
Broker Fee	Not Applicable	£3,500
Total:		£29,989.40

Details of the cover provided can be found in the attached summary.

PROPERTY OWNERS INSURANCE

MATERIAL DAMAGE

Risks Insured

All Risk of Physical Loss or Damage including theft damage to buildings and Subsidence. Excluding Terrorism

Locations

Lacuna Estate, Kings Hill, as logged with Insurers

Property Insured

Risk Insured	Declared Value	'Day One' maximum sum insured
Buildings	£42,000,000	£48,3000,000

Basis of Settlement

When providing values for properties to be insured, your values need to be based on the full cost of reconstruction of the property, including debris removal, site clearance, architects fees and rebuilding costs, and including VAT if you are unable to obtain recovery on building construction. If you are in any doubt as to the full reconstruction costs of any property insured, you are recommended to take appropriate professional advice, for example from an independent chartered surveyor

Excess

Your insurer will make a deduction from each and every claim made under this policy as follows:

- Nil each and every loss in respect of fire, lightning, aircraft and explosion increasing to;
- £1,000 each and every loss in respect of Subsidence;
- £300 each and every loss in respect of all other losses

Additional Cover

- Adjacent Property Damage –up to £150,000
- Contractors Interest
- Contract Works up to £100,000
- Diminution of Value – up to £100,000
- Exhibitions & Models – up to £10,000
- Fly Tipping – up to £1000
- Frustrated Legal Costs – up to £10,000
- Further Investigation Expenses
- Garden Squares included in

- Buildings item – up to £10,000
- Insurance Premium and Technical Agents Fees
- Land Not Otherwise Insured
- Landscaping
- Loss of Keys – up to £15,000
- Metered Water Electricity &
- Gas charges – up to £25,000
- Professional Fees – reasonably incurred in the repair or rebuilding of the Buildings
- Reinstatement to Match
- Removal of Debris – Buildings
- Removal of Tenants' Debris – up to £25,000
- Removal of Insect Nests – up to £500
- Removal of Vermin – up to £500
- Trace and access – up to £25,000
- Unauthorised use of Electricity
- Gas water or Oil – up to £10,000
- Otherwise as detailed in the policy

Main Policy Terms

There are a number of policy terms and conditions that apply to you and these are fully listed in your policy document. However we would like to bring those listed below to your attention but please note that this list is not exhaustive:

- 'Day One Average' applies – maximum uplift – 15%
- Terrorism Exclusion
- Alterations and Additions
- Automatic Reinstatement of Sum Insured
- Contracting Purchasers Interest
- Otherwise as detailed in the policy

Conditions

- Reasonable Precautions – You must take all reasonable precautions to prevent or minimise damage, accident or injury. You must maintain the Locations in a good state of repair
- Change of Risk and Interest – You must notify us immediately if any material changes to your risk occur. This includes any occupancy details, details of any works at the property etc. Please see page 4 of the policy wording for full details

Main Exclusions

The following are not covered by your policy:

- Losses caused by any act of 'Terrorism' are completely excluded unless extra cover is purchased
- Deterioration and other gradually operating causes

- Bursting of a boiler due to steam pressure other than in respect of engineering Damage
- Change in the water table level
- Damage caused by frost
- Storm or Flood Damage to fences and gates
- Storm or Flood Damage to trees, plants, shrubs and turf
- Settlement or movement of made up ground, coastal or river erosion
- Damage to property resulting from any production or repair process
- Pollution or contamination
- Disappearance or unexplained loss
- Damage to a building arising from its own collapse or cracking
- Faulty or defective workmanship
- Inherent vice, latent defects, gradual deterioration, wear and tear
- Mechanical or electrical fault or breakdown
- Otherwise as detailed in the policy

LOSS OF RENT SECTION

Risks Insured

As per Material Damage Section

Locations

As per Material Damage Section

Sum Insured

20% of building sum insured

Additional Cover

- Buildings Awaiting Letting – up to £250,000 per annum for a Maximum Indemnity Period of 24 months
- Contingency Rent – up to £500,000
- Denial of Access – Public Emergency
- Disease, Vermin, Murder and Suicide
- Failure of Utilities
- Loss of Attraction – up to £500,000
- Loss of Investment Income on late payment of Rent
- Prevention of Access – up to £1,000,000
- Otherwise as detailed in the policy

Conditions

- Reasonable Precautions – You must take all reasonable precautions to prevent or minimise damage, accident or injury. You must maintain the Locations in a good state of repair
- Change of Risk and Interest – You must notify us immediately if any material changes to your risk occur. This includes any occupancy details, details of any works at the property etc. Please see page 4 of the policy wording for full details

Main Exclusions

The following are not covered by your policy:

- As detailed in the Material Damage Section

PROPERTY OWNERS LIABILITY SECTION

This section of your policy covers your legal liability to third parties in respect of death, bodily injury or disease, or loss of or damage to third party property, arising out of the ownership (but not occupation) of the properties insured under this policy.

Limit of Indemnity

Any one claim, £2,000,000

Extensions

- Corporate Manslaughter & Corporate Homicide Act 2007
- Health and Safety at Work Act 1974
- Member to Member Liability
- Indemnity to Principals
- Indemnity to Others
- Data Protection Act 1998
- Defective Premises Act 1972
- Leased or Rented Premises
- Overseas Personal Liability
- Otherwise as detailed in the policy

Main Exclusions

The following are not covered by your policy:

- The first £300 of each loss involving loss of or damage to third party property
- Faulty or defective workmanship
- Damage to anything sold, supplied, installed or erected by or on behalf of the Insured
- Damage to material property sustained whilst being worked upon
- Legal liability for Bodily Injury caused to any Employee
- Work on any offshore rig or platform
- Otherwise as detailed in the policy

EMPLOYERS LIABILITY SECTION

Employers Liability insurance provides you with indemnity for your legal liability to your employees. It satisfies the requirements of the Employers Liability (Compulsory Insurance) Act 1969 and covers compensation payable to employees following death, injury or illness sustained by them in the normal course of their employment and the costs of defending any such action.

You are required to display one or more copies of your Employers Liability Certificate at each place of business where you employ any relevant employee, but with changes to legislation this obligation can be satisfied by making it available in electronic form if each employee to whom it relates has reasonable access to it in that form.

With effect from 1 October 2008 it is no longer necessary to retain the certificate for a minimum of 40 years, however because claims can arise after a considerable number of years, particularly in the case of industrial diseases, it would be prudent to retain it for a reasonable period as if in the event of a claim no insurance records can be found, then the employer would be responsible for payment of the claim

Limit of Indemnity

Any one claim, £10,000,000

Extensions

- Corporate Manslaughter & Corporate Homicide Act 2007 -legal costs and expenses in defence of any criminal proceedings brought in respect of a charge, of corporate manslaughter or corporate homicide
- Compensation for Court Attendance connected to a claim (Max £50 per day)
- Cross Liabilities
- Health & Safety at Work etc. Act 1974
- Indemnity to Others
- Indemnity to Principals
- Unsatisfied Court Judgements
- Work Overseas
- Otherwise as detailed in the policy

Main Exclusions

The following are not covered by your policy:

- Injury to Employees, other than the driver, resulting from being in or on any of the Insured's vehicles whilst on the road under the terms of Part VI of the Road Traffic Act 1988
- Work offshore
- Otherwise as detailed in the policy

Premium Basis

Nature of Work	Estimate
Clerical Work	£N/A

Manual Work	£25,000
Total	£25,000

Note – approx 15% of work is carried away from the client’s premises

EMPLOYERS LIABILITY TRADING OFFICE (ELTO)

The insurance industry and the Government together have set up ‘The Employers Liability Trading Office’ (ELTO). This will be a central database of all Employers Liability policies held in the UK.

The intention of this is so that if any employee is injured at work, and the symptoms are not recognised for some time and perhaps the employer at the time of the injury or illness has closed down, merged or been taken over, the Employers Liability insurers at the time of the accident or injury can be contacted so that they can deal with the claim.

The information needed from every company with Employers Liability insurance is:

- i. whether there are any ‘employing subsidiaries’ to the main insured company, and if so the names of the companies involved, and;
- ii. each employing company’s ‘Unique Employer Reference Number’ which is given for PAYE tax purposes and can be found on pay slips etc.

In your case, insurers have noted the following information:

Employer / Registered Company Name	Unique Reference Number
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Please Advise

Subjectivities

Our quotation is subject to the following:

- Survey & completion of any risk improvements made within the timescales specified by Insurers
- Completion of Insurers Statement of Fact
- Receipt of 5 years confirmed claims experience and this being acceptable to Insurers

Conditions Precedent to Liability

- Vacant and Unused Properties - You must notify us immediately if your premises or any portion thereof becomes unoccupied. You may be required to take additional action to safeguard your premises and your insurance company may restrict the policy cover. Please refer to Page 5 of the policy wording under the General Conditions Section
- Claims Conditions - Any incident which may give rise to a claim must be reported to us immediately. Failing to do so may prejudice your position. Please refer to Page 6 of the policy wording under the Claims Conditions Section
- Arbitration - If any difference arises as to the amount to be paid such difference shall be referred to an arbitrator. Please refer to page 7 of the policy wording under the Claims Conditions Section

If a condition precedent to the start or validity of your insurance is not complied with, your insurance will never have been effective at all. If you do not comply with any condition precedent to insurers liability under this insurance, your insurers will be entitled not to pay out on any resultant claim. A condition precedent to liability may exist in the policy even if those actual words are not used.

Policy Warranties

- Misrepresentation

This Policy shall be voidable by the Company in the event of any material misrepresentation, misdescription or nondisclosure, by the Insured or anybody acting on behalf of the Insured or acting on their behalf as their agent, in any particular

- Fraudulent Claims

All benefit under this Policy shall be forfeited in the event of any claim under the Policy being submitted which in any respect is intentionally exaggerated or fraudulent or if any fraudulent means or devices are used by the Insured, the person claiming to be indemnified or any person acting on their behalf to obtain benefit.

Warranties are important provisions contained in your policy and must be exactly complied with at all times. Breach of a warranty will cause insurers to be automatically off risk from the date of that breach, and in some instances may mean that insurers do not come on risk at all. This is the position regardless of whether there is any connection between the warranty breached and any loss which leads to that breach becoming evident.