

Important Notice - Insurance Renewal

Fact Sheet | May 2011

This factsheet is intended for information purposes only. Its contents are not to be used as legal, financial or tax advice. The tax treatment and tax benefits are based on our understanding of current tax legislation, and depend on a customer's individual circumstances. They may be subject to change in the future.

Following the renewal of our block policy with Royal and Sun Alliance, please find enclosed the insurance invoice for the coming year.

Suffolk Life has asked our insurance broker to carry out its annual analysis of the property owners' market for us. Having reviewed tenders from 14 providers, we have renewed our block policy with Royal and Sun Alliance (RSA), as this appears the most competitive solution for our tenants, as well as offering a proven claims service.

Your insurance invoice is enclosed, reflecting unchanged rates of premium for the coming year. Declared values for buildings are index-linked, resulting in 4.1% uplift – in addition insurance premium tax has increased from 5% to 6%.

A copy of the insurance policy schedule is enclosed, which should be read in conjunction with our Insurance Guide, which is printed on the reverse of this fact sheet.

Invoice Payment

If you pay your rent by Direct Debit then this property insurance payment will also be taken by the same method. Please refer to the attached notification for details of when payment will be taken.

Alternatively, please arrange for a cheque for the amount on the invoice to be made payable to "Suffolk Life Annuities Limited re: [FA no.]".

This invoice is payable on demand and we would request that payment is received no later than 14 days from the date of the invoice. Failure to make payment by this date may result in interest being charged on the outstanding amount.

Please note that, if you pay your rent by standing order, you will still need to settle this invoice separately. This is because the standing order instruction with your bank covers only the payment of rent and we cannot claim this money from your account. Should you wish to pay the insurance invoice by BACS transfer, the monies should be sent to the account to which the rent is remitted. If you choose to pay by this method, please advise us by sending an email to the address opposite.

Vacant properties

Remember that it is your responsibility to advise us without delay should the property become empty, disused or unoccupied and to comply with the insurance company's requirements for vacant properties as set out in the Insurance Guide on the reverse of this document. Similarly, please advise us should the purposes for which the property is occupied are changed in any way. Failure to notify us may invalidate the insurance policy. You can let us know by contacting us as follows.

Contact

Should you have any queries, please contact the Property Insurance Team on 01473 296959 or email property.insurance@suffolklife.co.uk.



Insurance Guide

Claims procedure

If you need to make a claim as a tenant of a property owned by Suffolk Life Annuities Ltd it must be reported to Suffolk Life in the first instance.

Contacts at Suffolk Life:

Jason Crisp, Tracey Stevenson or Andrew Ward
153 Princes Street
Ipswich IP1 1QJ

Tel: 0870 414 7000 Team DD: 01473 296959
Fax: 0870 414 8000

Property damage

Damage to buildings must immediately be reported to Suffolk Life.

Any claim involving malicious damage or theft must also be reported to the Police within seven days.

If necessary, a representative of Insurers will attend the site within 48 hours of notification of the claim to:

- investigate the damage and discuss the scope of the repair works necessary
- advise on the next step towards repair, including appointment of the Contractor

If necessary, you will be asked to complete a claim form.

Liability

In the event of any claim arising where a third party holds you responsible for damage to their property or bodily injury to them, and such damage or bodily injury has or is alleged to have occurred as a result of the ownership of the property, it must be reported to Suffolk Life as soon as practicable.

The following instructions must also be followed:

Do not take any action which might prejudice the position of the Insurer.

Do not make any admission of liability, nor make any promise of payment.

Immediately forward to Suffolk Life any letter of claim and/or any other legal documents served on you, and any correspondence received from the third party or their representative.

Do not respond to any documents or correspondence of any nature received from the third party or their representative.

If plant or machinery is involved in a bodily injury claim:

- no adjustment or improvement should be made and any parts concerned should be preserved
- no inspection of any part of the plant or machinery should be permitted without the consent of the Insurer
- care must be taken to preserve any evidence that

might be relevant in ascertaining liability.

Security and Inspection Warranties - Vacant properties

The following notes apply if any building is empty, disused or unoccupied:

- a) gas, water and electricity services and any fuel supplies are kept shut off at the switch or stopcock where they enter the building
- b) all water and heating systems be kept drained
- c) the building be kept secured by:
 - i) the use of mortice deadlocks conforming to BS3621 or close-shackle padlocks with matching locking bar on all external doors or shutters
 - ii) the use of window locks - where locks are not fitted windows must be screwed shut
 - iii) repairing any broken or defective windows or boarding them externally using 2cms thickness shuttering grade plywood adequately braced and secured against forced entry
 - iv) sealing all letterboxes or fitting a stout cage internally
- d) the building and external areas immediately surrounding the building be kept free of all unfixed combustible materials
- e) any additional requirements put forward by the Insurer must be completed within the timescale specified
- f) the building is inspected internally by you or your nominees at least weekly to check that the above requirements are in place. In the event of breach of requirements a) to e) the Insured or their nominees shall immediately:
 - arrange to carry out the necessary work to satisfy the aforesaid requirements
 - notify Suffolk Life

Insurers will also inspect the Property from time to time and may advise of additional requirements as a result of the survey.

Clearly, unoccupied premises are a higher risk to insurers, therefore premiums and excesses will be reviewed regularly and may be increased at any time. Currently it is standard for an additional premium to be charged after three months of continuous unoccupancy and a further additional premium after six months. After 6 months the excess on the policy increases to 1% of the declared value of the building (minimum £2,000). Suffolk Life Annuities Ltd will be advised of all changes to the policy at the time of the change, and will in turn inform you, and provide you with a copy of the revised schedule.

Suffolk Life is the trading name of Suffolk Life Pensions Limited (registered in England and Wales number 1180742) and Suffolk Life Annuities Limited (registered in England and Wales number 1011674).

Both companies are authorised and regulated by the Financial Services Authority.

Suffolk Life operates and administers self-invested pensions and similar pension products.

The registered address of both companies is 153 Princes Street, Ipswich, Suffolk, IP1 1QJ

Tel: 0870 414 7000 Fax: 0870 414 8000

Telephone calls to Suffolk Life are recorded for training, monitoring and fact verification purpose
FS022.2 May 2011