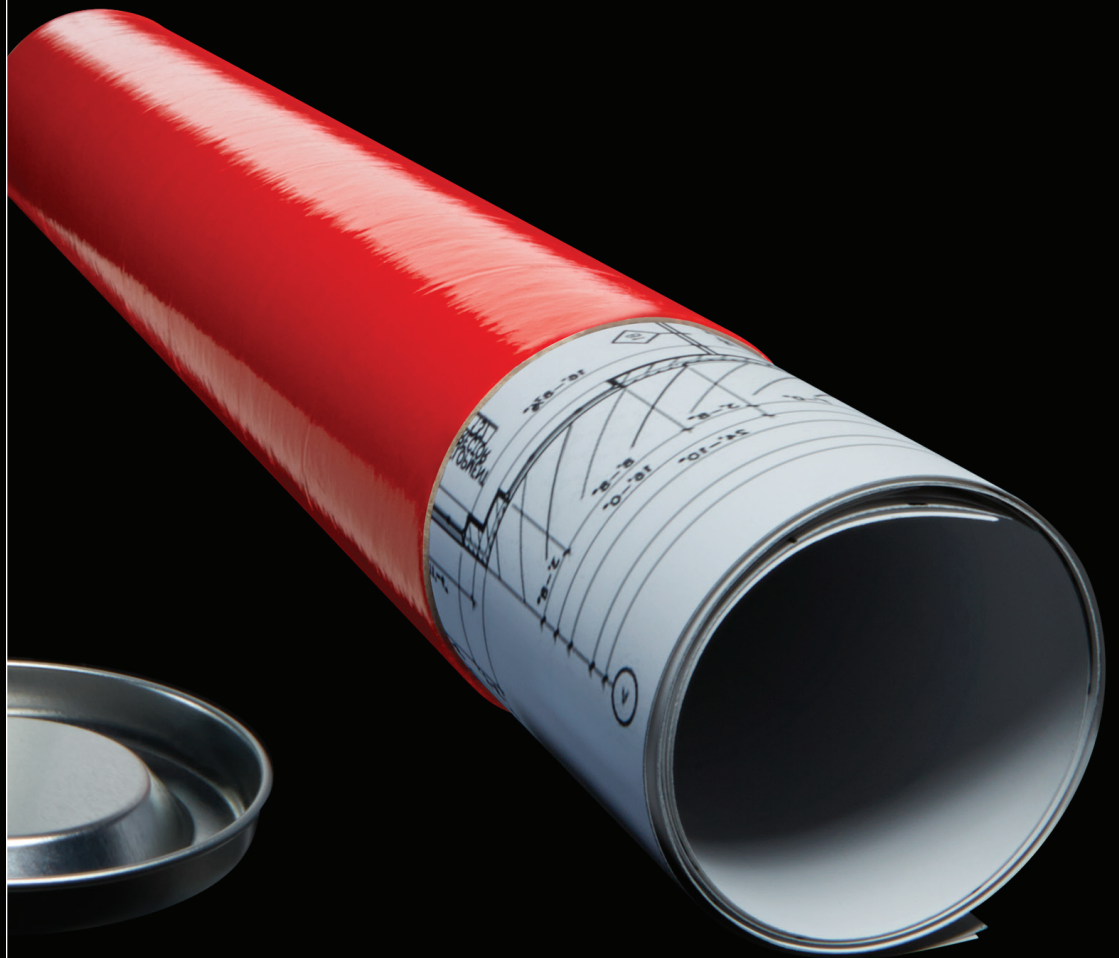


Hiscox Renovation and Extension Insurance
Product guide



INTRODUCTION

Embarking on home improvement works is an exciting time, but will usually have implications for the cover provided by home insurance. In many cases cover will automatically be reduced to just the basic perils such as fire, but often the presence of building works can invalidate the policy entirely, leaving your customers' biggest asset potentially uninsured. Many homeowners don't realise that there is the risk of suffering an uninsured loss.

For those customers who do consider the adequacy of their insurance, the options have been limited. They can either;

- accept the narrow cover option provided by their existing home insurer (if available), or;
- purchase a specialist works policy for the period that the works are taking place.

Fortunately, there is a better solution. Hiscox Renovation and Extension Insurance has been designed to sit alongside our 606 Home Insurance policy to ensure that customers continue to receive the breadth of cover that they always have done, as well as additional cover to protect against the increased risk presented by the works.

Customers will have complete confidence that should the worst happen, their home and contents will be fully covered during major renovations and extensions.

BENEFITS

Why homeowners need to be thinking about insurance during building work.

Who is it for?

Hiscox Renovation and Extension Insurance has been designed specifically for our existing 606 customers who are embarking on an extension or major renovation to their property. It also offers a unique opportunity for new 606 customers who need a policy that offers renovation cover.

When is it needed?

In all cases where clients are planning to extend, renovate, build or demolish any part of their property, contact the team to notify us before works begin.

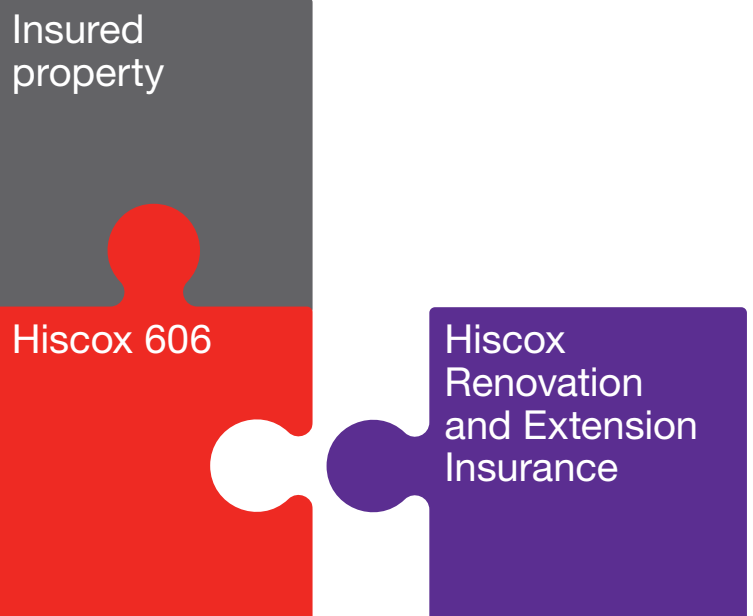
For the duration of the building works

Your customer can be confident that they are protected once their building works project begins. The additional cover runs for the duration of building works and, if the 606 policy renewal date falls while works are still underway, renovation and extension insurance will continue automatically.

In the event of a covered claim, cover can get the project back up and running as soon as possible. Upon completion of the works, Hiscox Renovation and Extension Insurance will end leaving the 606 policy to continue uninterrupted.

Key benefits

- There's no need to search for, and switch between, insurance policies and companies to get the necessary cover required.
- Cover has been designed to sit alongside the 606 policy to ensure the customer gets the right level of cover and there are no gaps or overlaps in cover.
- Extension is for a set-time period. Once works are complete, the cover is removed and the home insurance policy continues uninterrupted.
- You have the reassurance of dealing with your usual 606 underwriting contact.
- All cover is with Hiscox; the same claims number; and the same claims/underwriting philosophy.
- The policy can be in joint names with the contractor if required.
- Provides cover before, during and after the works have been completed.
- We will conduct a free post-works survey to assess the new rebuild cost of your customers' home.



COVER

The cover

Renovation and extension insurance is an all-risks product covering:

- existing structure
- contents in the home, in storage, or at another property
- works in progress
- plant and machinery
- building materials
- property owner's liabilities
- non-negligent liabilities
- alternative accommodation.

Current 606 customers

Cover can be added to the policy to cover the additional risks presented by the works, whilst keeping the existing home and contents cover in place. At the end of the renovation works, the extension will be removed and the home insurance policy will continue uninterrupted.

New 606 customers

Customers will need to buy a 606 policy. They can then add the renovation and extension cover as soon as they require it so they have access to one provider for ongoing home insurance as well as major building works for the time period specified. At the end of the renovation works, the extension will be removed, and the Hiscox home insurance policy will continue uninterrupted.

This summary of cover is illustrative only and should be read in conjunction with the full terms and conditions of a Hiscox policy.



POTENTIAL HAZARDS

A fire takes hold, delaying completion

Renovation works to a luxurious mews home near Hyde Park were three weeks from practical completion with contractors on site to complete the finishing touches. Due to bylaws concerning rubbish skips in London, waste materials from the works were being collected and stored on site.

At 7.30am, just after the contractors arrived on site, a fire broke out in the waste materials being stored. This caused extensive damage to the works and existing structure; reinstatement work and the subsequent delays to completion totalled this claim at £1.2m.

Building collapse

A prominent Georgian house in south-west London, overlooking the river Thames, was undergoing extensive renovation works including excavation for a basement. Given the age of the property, it was likely that it had undergone previous structural works as part of renovation projects and the building became unstable when certain internal walls were removed.

The three-storey property collapsed in on itself midway through the project. In this case the building contractors had not adequately secured the structure. Fortunately, the homeowner had 'all risks' renovation insurance so the claim was taken care of by their insurer; who subrogated against the contractor's PL insurance. All the hassle and time of claiming against the contractor was removed, leaving the homeowner able to get their project back on track quickly with a new contractor and meet the costs of their alternative accommodation.

Grade II* property storm damage

A former 18th Century Grade II* listed clothiers house, used for 30 years as a lambing barn, had been purchased with the intent of renovating the building into a private dwelling. A severe storm hit the building prior to the renovation works beginning, causing the original roof to collapse.

Due to the listed status of the building, all debris had to be removed and salvaged by hand so that as much of the original materials could be re-used in the restoration. Reclaiming materials from inside the structure was a lengthy process, which delayed the start of the renovations work. This claim was covered, at a total of £300k.

A flooded basement

A large London townhouse, undergoing a subterranean extension to add a sub-basement as part of a larger renovation project, suffered serious water damage following the incorrect fitment and pressure testing of new pipework by the plumbing contractor. A surge in the mains pressure caused a catastrophic leak flooding the basement and sub-basement areas.

The basement works already carried out were badly damaged, in addition to which, equipment in the plant room was written off prior to initial commissioning. The water also caused damage to electrical and computer systems facilitating the replacement of much of the cabling throughout the property. The claim totalled £1.2m including a sizeable payment for alternative accommodation of £250k.

ABOUT HISCOX

Why choose Hiscox?

With over 110 years' experience as a specialist insurer, we understand the importance of protecting the things that matter to our clients most. That's why we continue to develop a range of policies specifically to meet the changing needs of owners of higher value homes and contents.

We are one of the few UK insurers to have achieved Chartered Insurer status from the Chartered Insurance Institute (CII) – the gold standard of excellence, professionalism and integrity in insurance.

Our simple to understand policy provides comprehensive cover so clients know what they are buying and can be confident they will be covered in the event of a loss.

We are a trusted partner, with an award-winning, UK-based, specialist claims team there to ensure cases are handled quickly, efficiently, and fairly.





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