



BLP
INSURANCE



COMMERCIAL LATENT DEFECTS INSURANCE

*Improving asset value & supporting your goals through
flexibility, innovation, and operational support*

BLP
IS MANAGED
BY **THOMAS
MILLER**



WE'RE DIFFERENT BECAUSE THE INDUSTRY DESERVES BETTER



BLP acts as an underwriting agent of the UK Branch of Allianz Global Corporate & Specialty SE and BLP is authorised and regulated by the Financial Conduct Authority (authorisation number 311894).

Standard & Poor's (S&P), the worldwide insurance rating agency, has confirmed the Financial Strength Ratings (FSRs) of Allianz Global Corporate & Specialty SE as AA.

Building defects affect asset value. BLP Commercial Latent Defects Insurance manages that risk. BLP offers a simpler and better option than collateral warranties – themselves often complicated and always requiring sizeable upfront payments.

BLP defects insurance benefits all stakeholders because all parties can be covered by the policy

When claims arise we act fast to minimise disruption to your tenants. And, just to make sure, we can provide Business Interruption, alternative accommodation and expenses protection above and beyond our core policies.

A simpler and more effective solution

All the risks of defects on a project can be transferred to a single insurance policy that protects the whole construction team.

We action the claim when the defect is discovered. When a BLP client makes a claim we don't set out to apportion responsibility or prove negligence; we take action – with minimal disruption to your business and your income stream.

We offer the most comprehensive cover in the commercial market

We deliver more than a policy. From day one we offer a dedicated service to commercial clients that's about much more than just cover. It's about best practice throughout the life cycle of your asset.

BLP provides cover for landlords, tenants, funders, contractors, builders, designers and architects, legal advisors and property consultants.

BENEFITS

BLP policies provide long-term benefits:

- A first party insurance policy with high cover limits that immediately responds to claims for building inherent defect repairs for up to 12 years
- A policy that can maximise value and minimise the liability for repairs in the lease as the landlord and tenant can both be insureds named in the policy
- The option to significantly reduce the need to legally enforce collateral warranties or make claims against a contractor's Professional Indemnity insurer by claiming against the building defect insurer
- A "no hassle" response to making repairs as the insurer pays
- Long-term security as it is underwritten by Allianz Global Corporate & Specialty SE (AGCS), which has an "AA" financial security rating and is part of Allianz SE, one of the world's largest insurers
- Access to BLP's technical component database to help in assessing component life, maximising durability and minimising repairs
- Insurance cover designed to suit the specific needs of the developer and the project.

THE MOST COMPREHENSIVE COVER IN THE MARKET



THOMAS MILLER

Based in the centre of the city of London, BLP is owned and operated by Thomas Miller with over 125 years' experience in the insurance market.

We have been providing construction insurance to the commercial and residential sectors since 1984 and trading as BLP since 1999.

INNOVATION

Clear and simple business model

Our policies do not rely on collateral warranties or Professional Indemnity insurance, they focus on your business needs:

- BLP policies do not require security bonds or membership payments
- BLP policies do not include hidden fees, small print and surprises when the critical moment of need arises.

BLP commercial property defects insurance helps meet the following objectives:

- Protect property asset value from building defect liability
- Put customers first, with a “no hassle” response to repairs
- Protect rental income and any relocation cost that arise as a result of Business Interruption due to repair of defects
- Protect against failure and repair of structural elements, mechanical and electrical (M&E) services and other internal and external building components
- Provide insurance cover for all design, construction and workmanship failings
- Ensure equitable landlord and tenant rights to facilitate the negotiation of repairing and non-repairing lease terms
- Minimise the need to make collateral warranty claims
- Minimise the need to make Professional Indemnity claims
- Ensure commercial and mixed use developments have defect insurance with an appropriately high limit of cover.

COVER

- **Structural – includes external cladding**
- **Component Failure – includes internal fittings**
- **M&E services – such as lifts and heating, ventilation and air-conditioning systems**
- **Business Interruption – covers rental income and relocation expenses when necessary**

A Waiver of Subrogation Rights can be added to the policy for the benefit of the entire professional and construction team involved in development.

BLPASSET IN A NUTSHELL

- **Easy: All stakeholders covered**

When one policy protects the whole construction team, and provides equitable landlord and tenant rights to facilitate the negotiation of repairing and non-repairing lease terms, everything about your insurance policy is easy. If the time does come when problems hit we'll step in.

- **Inclusive: All needs covered**

When the policy can be extended to cover M&E services and Component Failure – you can be confident you have the most comprehensive cover in the market.

- **Reassuring: Everybody's business goals addressed**

COVER FOR ALL STAKEHOLDERS

BLPASSET is a commercial property insurance product that offers protection to all stakeholders with an interest in the defect-free construction of commercial property schemes:

FUNDERS

- **looking for security of investment?**

- Protects the asset value and income stream
- Creates a more secure investment

CONTRACTORS & DESIGNERS

- **looking for an easier solution?**

- Offers less exposure to collateral warranty and PI claims
- Reduces the need for bonds and high limits of liability in client contracts
- Provides protection through insurance Waiver of Subrogation Rights
- Stimulates enhanced build quality through access to BLP's audit and defect avoidance regime

PROFESSIONAL ADVISORS

– looking for flexible solutions?

- Enables you to protect all clients on a project at the same time
- Provides a clearer remedy to latent defect problems through insurance
- Lessens reliance on enforcing collateral warranties and PI Insurance
- Secures a higher limit of liability for building defect repairs than PI
- Can enhance landlord/tenant and contractor negotiations

OWNERS & LANDLORDS

– looking to improve marketability of the property?

- Creates a more leasable property
- Protects rental income and asset value
- Helps to secure anchor tenants
- Helps to secure better lease terms for tenants and eases negotiations
- Protects tenants by providing security and recourse for repairs
- Improves the saleability of the property as it comes with quality assurance backed by insurance
- Lessens the need to revert to collateral warranties and PI Insurance negotiations


TENANTS

– looking for peace of mind?

- Reduces exposure to repair liability within a Repairing Lease
- Offers direct access to an insurance policy for repairs
- Gives access to cover for Business Interruption and alternative accommodation and expenses
- Protects repair contingency fund

**BLP HAS UNDERTAKEN TECHNICAL
CHECKS AND INSPECTIONS SINCE
1999, WITH £4.13BN CONSTRUCTION
VALUE IN 2016 ALONE**





BLPASSET

Provides 6, 10 or 12 year cover for:

- Defects in Structure and Waterproofing Envelope
- Defects in Mechanical and Electricals
- Premature failure of Components
- Loss of Rent receivable/payable
- Whole project team

CASE STUDY

The Client

BLP Insurance secures its largest scheme with Land Securities' Nova, Victoria development in Victoria, London. BLP Insurance is the preferred defects insurance provider for Land Securities.

The Need

The latent defects insurance product from BLP Insurance is designed to cover the full rebuild value of the development in the event of a building failure arising, providing comfort for the funders of the project and protecting the interests of the shareholders. BLP Insurance is underwritten by Allianz Global Corporate & Specialty SE and is the leading insurance provider on this joint development venture between Land Securities and Canada Pension Plan Investment Board (CPPIB). BLP has also been appointed as Technical Auditors on the residential element of the development to deliver high end contemporary apartments.

The Cover

BLP Insurance has insured a total of £1.77 billion worth of commercial developments for Land Securities. The commercial latent defects insurance product, underwritten by AGCS, is recognised as the most comprehensive in the market with M&E cover, Component Failure, Loss of Rent and financial limits to match the exposure.

Nova, Victoria, which was formerly known as Victoria Circle, is part of Land Securities' £2.2 billion re-invention of Victoria. Comprising of five new buildings the transformation of the 5.5 acre site opposite Victoria station commenced in June 2013 and once completed will provide a mix of retail, residential, office and public amenity space.



THE BLP DIFFERENCE

BLP can provide competitively priced insurance to suit your individual project needs

Additional cover for M&E services and other component elements – unique to BLP

In addition to the main structural elements, building components such as lifts, HVAC systems, cladding materials and other service components can be covered.

Joint residential / commercial property cover

Many developments now combine commercial and residential use. By providing cover under one insurance policy, with high cover limits, the different elements of the development can be properly covered with a single insurer.

A flexible approach to auditing and building standards

BLP has its own in-house technical team, its own bespoke audit system and its own experienced site inspection staff. BLP adopts a flexible approach to building standards and onsite workmanship requirements.

Each development receives an audit certificate

Each individual project is audited by BLP. All of the design, materials and components are independently assessed. At the end of the audit process BLP confirms completion of the audit by issuing a Certificate of Approval.

Access to BLP's industry expertise in life cycle costing and durability assessments

This can help the design team improve durability and reduce the overall cost of the building while helping to meet a life cycle agenda.

Take action now

To find how BLP's different approach to Latent Defects Insurance can provide clearer, simpler and better cover for your commercial or mixed use developments contact our Commercial Team on **020 7204 2424** or email **commercial@blpinsurance.com**

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