



# RENEWAL NOTICE TO POLICYHOLDER – PROPERTIES

IMPORTANT INFORMATION ABOUT  
CHANGES TO THE DATA USED  
FOR YOUR eTRADE POLICY

## IMPORTANT INFORMATION ABOUT CHANGES TO YOUR eTRADE COVER FOR ACTURIS SOFTWARE HOUSE CUSTOMERS

### Effective: 11th March 2019

We recently made your broker aware of changes being made to one of our products and have provided them with this document as an aide to explain them.

When RSA adopted the industry standard for electronic trading (eTrade), decisions were made on how to use that data and we relied on guidance from brokers and the industry body responsible for the eTrade standard, representing all insurers.

For Properties, our best in class proposition for property owners and landlords, that meant that we treated the amount that you told your broker it would cost to replace the building that we insure, or Reinstatement Value as the Declared Value, subject to the addition of a Day 1 Uplift, where requested. An example of which is shown below;

#### Example 1

INFORMATION SUBMITTED BY YOUR BROKER		DOCUMENT PROVIDED BY US	
Reinstatement Value	£100,000	Declared Value	£100,000
Day 1 Uplift	30%	Day 1 Uplift	30%
		Sum Insured	£130,000

The software house used by your broker is the only one that we support, which allows for both the Reinstatement Value and the Sum Insured to be submitted but had chosen to submit the Sum Insured to insurers for rating. As a result, unless corrected the effect has been as follows;

#### Example 2

INFORMATION SUBMITTED BY YOUR BROKER		DOCUMENT PROVIDED BY US	
Reinstatement Value	£100,000	Declared Value	£130,000
Day 1 Uplift	30%	Day 1 Uplift	30%
Sum Insured	£130,000	Sum Insured	£169,000

Rather than wait any longer for changes to the industry standard, RSA is implementing a change to our product for these brokers only. After which, we will treat the submitted value as below;

#### Example 3

SCREEN INPUT		DOCUMENT OUTPUT	
Reinstatement Value	£100,000	Declared Value	£100,000
Day 1 Uplift	30%	Day 1 Uplift	30%
Sum Insured	£130,000	Sum Insured	£130,000

For any case that was inceptioned on the basis of the Example 2 above, this will change as follows, assuming a rate of index linking of 3.0%;

#### Example 4

PREVIOUS DOCUMENT OUTPUT		NEW DOCUMENT OUTPUT		DIFFERENCE
Reinstatement Value	£133,900	Declared Value	£103,000	-£30,900
Day 1 Uplift	30%	Day 1 Uplift	30%	Nil
Sum Insured	£174,070	Sum Insured	£133,900	-£40,170

Your broker will advise you how they have responded to this change and of any corrections that they have made. You may wish to take this opportunity to review whether you have provided them with an up to date Reinstatement Value and to review your cover with them to ensure that it still meets all your requirements. For residential buildings, there are online reinstatement tools available from the R.I.C.S. and B.C.I.S. and for commercial or mixed use premises, you may wish to consider whether to instruct an R.I.C.S. qualified surveyor to carry out a valuation.

**If you require additional information please contact your insurance adviser in the usual way.**