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JLT AND QBE LAUNCH SINGAPORE'S FIRST RENT PROTECTION INSURANCE PRODUCT

Singapore – Jardine Lloyd Thompson (JLT) Pte Ltd and QBE Insurance (International) Ltd have launched the first Rent Protection Insurance (RPI) programme for landlords in Singapore. The product transfers the risk of loss of rental income suffered by a landlord to the insurer.

The product is being introduced in view of an escalation in tenancy related problems. Since 2006, according to statistics released by the Small Claims Tribunal of the Subordinate Courts, landlord-tenant dispute claims have increased at an accelerating pace. Between 2006 and 2007, such cases increased 65 percent, and between 2007 and 2008, by a further 70 percent. As the economic situation worsens and remains uncertain in the near future, and as unemployment among locals and expatriates increases, this trend is expected to continue.

The benefits of the product include coverage for loss of rent due to a range of risks – rent default, tenant absconding, tenant eviction, malicious damage to property resulting in periods of non-tenancy, and the real estate agent absconding with the rent, among others. In addition, the product provides coverage for the cost of engaging legal professionals to evict tenants, and the commission fee payable to estate agents upon signing a new or replacement tenancy agreement.

JLT Pte Ltd's Director for Business Development, Gerard Lee said: "RPI provides an alternative to going to the Subordinate Courts to seek compensation – a tedious and time-consuming process. RPI offers considerable peace of mind and assurance to landlords, at a really affordable premium. This product is tried and tested in markets like Australia. Landlords and real estate agents understand its value, and have commented that it is being introduced at the right time in Singapore."

Premiums are at 15 percent of one month's rent, and provide coverage for the entire tenancy period, up to a maximum of 24 months. For tenancy periods of less than 12 months or more than 24 months, insurance programmes can be customised. If the property changes ownership, the insurance can be assigned to the new landlord free-of-charge upon request,



provided the tenant remains the same. Landlords of all residential properties for rent – private landed property, private condominiums, HDB and shophouses for residential usage are eligible to purchase the product.

RPI will be distributed through Real Estate Agents. An online web portal, www.jltinteractive.com/rentprotectioninsurance, has been designed to facilitate policy purchases and administration at the convenience of real estate agents and landlords. This one-stop platform caters to policy applications, premium payments, printing of policies and receipts, as well as claims filing.

About Jardine Lloyd Thompson (JLT) Pte Ltd

Jardine Lloyd Thompson Private Limited (JLT) Pte Ltd has been a provider of insurance broking and risk management services in Singapore since 1969. Our strength lies in our ability to provide total capability through one single point of contact. Apart from placing insurance for major corporations, we also provide technical resources in various fields of expertise. We are one of the market leaders in Property, Construction, Marine, Professional & Executive Risks and Employee Benefits.

About Jardine Lloyd Thompson (JLT) Asia

Jardine Lloyd Thompson (JLT) Asia, a wholly owned subsidiary of the Jardine Lloyd Thompson Group, is a market leader in insurance & reinsurance broking, risk management and consultancy services. Employing over 700 industry professionals across 12 major territories in the region, JLT Asia's technical abilities and knowledge span a wide range of industries and specialist areas. Our insurance specialists are renowned for their innovative approach to developing integrated insurance, reinsurance and alternative risk transfer solutions that address the complex risks inherent in Asia. We believe that our quality and compliance regimes are the most thorough in the industry. For more information, please visit: www.jltasia.com

About QBE

QBE Insurance Group Limited is one of the top 25 insurers and reinsurers worldwide with operations in all key global insurance markets. QBE is an Australian listed company with a Group Head office based in Sydney, and has offices in 45 countries with around 13,000 staff worldwide. For more information, please visit: www.qbe.com

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