

Notice to
Policyholders

Allianz Insurance plc www.allianz.co.uk

New Allianz Construction Select Policy

Allianz Insurance plc | Engineering

At Allianz Insurance plc, we constantly review our products to ensure we remain at the forefront of the market. Following our latest review, we are launching a combined insurance product for the construction industry known as Construction Select.

Background

Your Machinery Movement Policy will be replaced by this new sectional wording, so please refer to your original Policy wording to confirm how the changes affect your Policy cover.

The changes included within the comparison table below are changes that potentially make a material difference to the cover provided.

We have also made a number of minor changes to the Policy that simply clarify the cover provided which are not detailed below. These include amending the title of some Extensions, Exclusions and Conditions and rewording some paragraphs to make them easier to read. The comparison table provides information that relates to the general terms and conditions of your policy and then moves on to explain the changes to the individual section.

We would like to stress that if your current Policy carries any non-standard covers which are not included within the new Policy, we will include them in the Schedule attached to your new Policy.

The guidance provided below does not nor is intended to represent the complete terms and conditions of the new Policy wording. Please read this guidance in conjunction with your new Policy wording and Schedule. If you have any questions about the new Policy, please refer these to your Broker.

To download a copy of the new Introduction Section (CS0008) and Machinery Movement Section (NI0001) please visit the below link or contact your Broker or Allianz Insurance plc contact to obtain a copy.

<https://www.allianzbroker.co.uk/commercial/large-and-mid-corporate/property-and-casualty/construction-select.html#documentation>

Comparison table – General Terms and Conditions

| Policy reference | Difference from previous wordings | Why has it changed? | | | | | | | | | | |
|-------------------------------|---|---|--|-------------------------------|--------------------------------------|----------------------------|-----------------------------|---------------------------|----------------------------|----------------------------|-----------------------------|---|
| Overall Wording | <p>Each individual original Allianz Engineering Policy has been changed to a Section within the new Construction Select Policy. The individual Policies have changed to the new Sections as follows:</p> <table border="0"> <tr> <td>Original Policy</td> <td>New Construction Select Section</td> </tr> <tr> <td>Contractors All Risks (NT/07)</td> <td>Contract Works Construction (NT0001)</td> </tr> <tr> <td>Erection All Risks (NT/06)</td> <td>Erection All Risks (ND0001)</td> </tr> <tr> <td>Contractors Plant (NJ/02)</td> <td>Contractors Plant (NJ0001)</td> </tr> <tr> <td>Machinery Movement (NT/05)</td> <td>Machinery Movement (NI0001)</td> </tr> </table> | Original Policy | New Construction Select Section | Contractors All Risks (NT/07) | Contract Works Construction (NT0001) | Erection All Risks (NT/06) | Erection All Risks (ND0001) | Contractors Plant (NJ/02) | Contractors Plant (NJ0001) | Machinery Movement (NT/05) | Machinery Movement (NI0001) | As a section within a combined insurance policy there is now the opportunity to access other covers under one Policy. |
| Original Policy | New Construction Select Section | | | | | | | | | | | |
| Contractors All Risks (NT/07) | Contract Works Construction (NT0001) | | | | | | | | | | | |
| Erection All Risks (NT/06) | Erection All Risks (ND0001) | | | | | | | | | | | |
| Contractors Plant (NJ/02) | Contractors Plant (NJ0001) | | | | | | | | | | | |
| Machinery Movement (NT/05) | Machinery Movement (NI0001) | | | | | | | | | | | |
| Overall Wording | <p>The Construction Select Policy is made up of:</p> <ul style="list-style-type: none"> the Introduction (CS0008), which includes the Policy Definitions, the Insuring Clause, the General Exclusions and General Conditions all of which apply to all Sections of the Policy, the Sections of cover selected by the Insured (as shown in the Schedule), which include the Section Exclusions and Section Conditions applicable to those Sections and the Schedule which includes all additional clauses applied to the Policy. | As a section within a combined insurance policy there is now the opportunity to access other covers under one Policy. | | | | | | | | | | |
| Overall Wording | <p>The Construction Select Policy shows an effective time of Midday whilst the expiring original Allianz Engineering Policy has an expiring time of Midnight. We can confirm that Allianz Engineering will honour the time between Midnight and Midday on all cases that are converted and renewed onto the new Construction Select Policy with Allianz Insurance plc.</p> | To ensure consistency with other Allianz Insurance plc products. | | | | | | | | | | |
| Introduction | <p>Please refer to the Introduction (CS0008) for Construction Select as this contains Policy Definitions, Insuring Clause, General Exclusions and General Conditions, along with details of our complaints procedure, the Financial Services Compensation Scheme, Data Protection Act And how to Notify a Claim. The Introduction also explains the parts of the Policy which form the contract of insurance with Allianz Insurance plc.</p> | As a sectional policy the standard information for all sections has been placed in the introduction of the Policy. | | | | | | | | | | |
| Policy Definitions | <p>Please refer to both the Policy Definitions now contained within the Introduction (CS0008) and the Definitions within the appropriate Section wording.</p> | As a section within a combined insurance policy there are now some definitions that are general to the whole of the Policy and some that are specific to the Section being covered. | | | | | | | | | | |
| Policy Definitions | <p>Please note that the following Policy Definitions did not appear in the original individual Allianz Engineering Policies but are referred to within the Construction Select Policy:</p> <p>Excess Period of Insurance Policy Premises Section/Sections Schedule The Insured/You The Insurer/We</p> <p>Please refer to the Introduction for the full definitions.</p> | New policy definitions to ensure clarity. | | | | | | | | | | |

Comparison table – General Terms and Conditions continued

| Policy reference | Difference from previous wordings | Why has it changed? |
|--|---|--|
| General Exclusions | Please refer to both the General Exclusions now contained within the Introduction (CS0008) and the Section Exclusions within the appropriate Section wording. | As a section within a combined insurance policy there are now some exclusions that are general to the whole of the Policy and some that are specific to the Section being covered. |
| General Exclusions 1. Radioactive Contamination | <p>Paragraph d. of this General Exclusion is additional to the wording under the Radioactive Contamination General Exclusion within the original individual Allianz Engineering Policies. Paragraph d. reads as follows:</p> <p>This Policy does not cover loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:</p> <p>d. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.</p> <p>Please refer to the Introduction (CS0008) for the full Condition wording.</p> | For consistency throughout the Construction Select Policy. |
| General Exclusions 2. War | This General Exclusion was originally the first half of paragraph a. of the War and Kindred Risks General Exclusion under the Allianz Engineering Policies. Please refer to Section Exclusions 15. Confiscation Civil Commotion and Similar Risks in the comparison table for the Machinery Movement Section below for further details of changes to the original War and Kindred Risks General Exclusion. | For consistency throughout the Construction Select Policy. |
| General Exclusions 3. Terrorism | <p>Paragraph b. iii. of the original Terrorism General Exclusion under the Allianz Engineering Policies has been removed from this updated General Exclusion and can now be found as paragraph c. of the Confiscation Civil Commotion and Similar Risks Exclusion under the Section wording.</p> <p>Please refer to Section Exclusions 15. Confiscation Civil Commotion and Similar Risks in the comparison table for the Machinery Movement Section below for further details of the changes.</p> | For consistency throughout the Construction Select Policy. |
| General Conditions | Please refer to both the General Conditions now contained within the Introduction (CS0008) and the Section Conditions within the appropriate Section wording. | As a section within a combined insurance policy there are now some conditions that are general to the whole of the Policy and some that are specific to the Section being covered. |
| General Conditions 1. Fair presentation of the Risk | <p>This General Condition has been amended to include paragraph d. which reads as follows:</p> <p>For the purposes of this clause references to:</p> <p>d. premium should be treated as the premium payable for the particular contract of insurance which is subject to this Condition (where there is more than one contract of insurance).</p> <p>Please refer to the Introduction (CS0008) for the full General Condition wording.</p> | To clarify the cover provided. |

Comparison table – General Terms and Conditions continued

| Policy reference | Difference from previous wordings | Why has it changed? |
|--|---|--|
| General Conditions 2. Reasonable Precautions | <p>This General Condition replaces General Condition 5. Reasonable Precautions within the original Allianz Engineering Policies and now reads as follows:</p> <p>The Insured shall take all reasonable precautions to prevent accidents and any injury, loss, destruction or damage and shall take all reasonable steps to observe and comply with statutory or local authority laws, obligations and requirements.</p> | For consistency throughout the Construction Select Policy. |
| General Conditions 3. Claims | This General Condition replaces Claims Condition 1. Claims Procedures within the original Allianz Engineering Policies. Please refer to the Introduction (CS0008) for the full General Condition wording. | For consistency throughout the Construction Select Policy. |
| General Conditions 4. Cancellation | <p>This Condition replaces Claims Condition 1. Claims Procedures within the original Allianz Engineering Policies.</p> <p>Please refer to the Introduction (CS0008) for the full Condition wording.</p> | For consistency throughout the Construction Select Policy. |
| General Conditions 5. Fraud | <p>This General Condition was Claims Condition 3. Fraud within the original Allianz Engineering Policies.</p> <p>Please refer to the Introduction (CS0008) for the full General Condition wording.</p> | To ensure consistency with other Allianz Insurance plc products. |
| General Conditions 6. Discharge of Liability | <p>This is a new General Condition which reads as follows:</p> <p>The Insurer may at any time pay to the Insured in connection with any claim or series of claims:</p> <ul style="list-style-type: none"> a. the Limit of Indemnity or b. the Sum Insured or c. a lesser amount for which such claim or claims can be settled after deduction of any sums already paid. <p>Upon such payment the Insurer shall relinquish the conduct and control of and be under no further liability in respect of such claims or claims except for costs and expenses which the Insurer has already agreed to bear which were incurred prior to the date of such payment.</p> | To clarify extent of provided. |
| General Conditions 9. Rights of Parties | <p>This is a new General Condition which reads as follows:</p> <p>A person or company who was not a party to the Policy has no right under the Contracts (Rights of Third Parties) Act 1999 or any subsequent legislation to enforce any term of the Policy but this does not affect any right or remedy of a third party which exists or is available apart from such Act.</p> | To clarify extent of provided. |
| General Conditions 11. Survey and Risk Improvement – Subjectivity Condition | <p>This General Condition replaces General Condition 1. Survey and Risk Improvement – Subjectivity Condition within the original Allianz Engineering Policies and provides further detail on the Insurers rights in the event of an unsatisfactory survey and any change to the Policy as a result is now subject to a £25 administration charge. The reference to risk requirement within this General Condition has also been changed to risk improvement.</p> <p>Please refer to the Introduction (CS0008) for the full General Condition wording.</p> | To clarify the Insurer's rights. |

Comparison table – Machinery Movement Section

| Policy reference | Difference from previous wordings | Why has it changed? |
|--|---|---|
| Section Definitions Property Insured | The Section Definition of Insured Property under the original Machinery Movement Policy has now changed to Property Insured under the Machinery Movement Section. | For consistency of terminology throughout the Construction Select Policy. |
| Section Extensions | Please note that the order in which the Section Extensions appear may have changed. Details of any changes in cover provided by a Section Extension or any additional Section Extensions follow below. | To ensure consistency with other Allianz Insurance plc products. |
| Section Exclusions 15. Confiscation Civil Commotion and Similar Risks | <p>This Section Exclusion was originally part of paragraph a. and all of paragraph b. of the War and Kindred Risks General Exclusion under the Machinery Movement Policy. The first half of paragraph a. can now be found under General Exclusions 2. War within the Introduction section.</p> <p>Paragraph c. of this Section Exclusion was originally paragraph b. iii of the Terrorism General Exclusion under the Machinery Movement Policy. This paragraph has been updated to read as follows:</p> <p>This Section does not cover</p> <p>c. loss destruction or damage in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot civil commotion and (except in respect of damage by fire and explosion) strikers locked out workers persons taking part in labour disturbances or malicious persons.</p> <p>Please refer to the Machinery Movement Section (NI0001) for the full Section Exclusions wording.</p> | For consistency throughout the Construction Select Policy. |
| Section Conditions | Please note that the order in which the Section Conditions appear may have changed. Details of any changes in a Section Condition or any additional Section Conditions follow below. | To ensure consistency with other Allianz Insurance plc products. |
| Section Conditions 1. Right to Survey | This Condition is paragraph a. from the original General Condition 1. Survey and Risk Improvement – Subjectivity Condition under the Machinery Movement Policy. Please refer to the notes regarding General Condition 11. Survey and Risk Improvement – Subjectivity Condition (found in the General Terms and Conditions section) for details of any further changes to the original Survey and Risk Improvement – Subjectivity Condition. | The Condition has been separated between a condition under the Section and a General Condition within the Introduction. |
| Section Conditions 3. Declarations | <p>This Section Condition has been updated to state that Declarations must now be within two (2) months following expiry of the Period of Insurance.</p> <p>Please refer to the Machinery Movement Section (NI0001) for the full Section Conditions wording.</p> | To bring consistency with other Sections. |
| Section Claims Conditions | Section Claims Conditions under this Machinery Movement Section were previously referred to as Claims Conditions under each individual Allianz Engineering Policy wording. The order in which the conditions appear has also changed. | To ensure consistency with other Allianz Insurance plc products. |

Comparison table – Machinery Movement Section continued

| Policy reference | Difference from previous wordings | Why has it changed? |
|--|---|--|
| <p>Section Claims Conditions 1. Additional Claims Requirements</p> | <p>This Section Claims Condition used to be Claims Condition 1. Claims Procedures within the Machinery Movement Policy and has been amended to include the following additional requirement:</p> <p>In the event of any occurrence giving rise or likely to give rise to a claim under this Section it is a condition precedent to the liability of the Insurer that the Insured shall:</p> <p>a. permit inspection by the representatives of the Insurer of any damaged or defective parts of Property Insured.</p> <p>The Insurer will not pay for any claim unless the terms of this condition have been complied with.</p> <p>Please refer to the Machinery Movement Section (NI0001) for the full Section Claims Conditions wording.</p> | <p>To allow damaged or defective parts of the Property Insured to be inspected by the Insurers following a loss.</p> |
| <p>Section Claims Conditions 3. Average</p> | <p>This Section Claims Conditions has been updated to read as follows:</p> <p>If the Property Insured shall at the time of any loss or damage be of greater new replacement value than the value declared by the Insured for the purpose of calculation of premium the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the amount of the loss or damage.</p> | <p>To clarify the condition.</p> |
| <p>Section Claims Conditions 5. Other Insurances</p> | <p>This Section Claims Condition has been amended to refer to any other policy effected by the Insured or on the Insured's behalf and now reads as follows:</p> <p>The Insurer will not indemnify the Insured in respect of loss damage cost or liability which is insured by or would but for the existence of this Section be insured by any other policy effected by the Insured or on the Insured's behalf except in respect of any excess beyond the amount payable under the other policy or which would have been payable under the other policy had this insurance not been effected.</p> | <p>To clarify the condition.</p> |
| <p>Section Claims Conditions 6. Claims Arbitration</p> | <p>This Section Claims Condition was Claims Condition 7.</p> <p>Arbitration within the original Machinery Movement wording. Only the title has changed.</p> | <p>Title change for clarity.</p> |