

Important updates to your policy

Notification of changes to your Commercial Select Policy

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 delighted to tell you that with effect from the renewal date of your policy you will now be provided with our most up-to-date wording.

The guidance provided below does not represent the complete terms and conditions of the policy.



Please read this guidance in conjunction with your policy wording and schedule. If you have any questions about the policy, please refer these to your insurance adviser.

A summary of key changes is shown below.

Policy Introduction

General Exclusions

The following General Exclusions have been amended or added:

General Exclusion 1. Radioactive Contamination has been amended so that it now applies in its entirety to the Public and Products Liability section.

General Exclusion 2. War has been updated to include reference to Munitions of War. If clause **Z/1818 War Exclusion** already applied to your policy schedule, this will be deleted.

General Exclusion 4. Cyber Events has been replaced with **General Exclusion 4. Cyber and Data Events**. If clause **Z/1822 Cyber and Data Events Exclusion** already applied to your policy schedule, this will be deleted.

General Exclusion 6. Nationalisation has been added

General Exclusion 7. Biological or Chemical Materials has been added

General Exclusion 8. Sanctions has been added
If clause **Z/1681 Sanctions** already applied to your policy schedule, this will be deleted.



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General Conditions

The following General Conditions have been added or amended:

General Condition 4 Cancellation has been amended to clarify that the Insured has a right to cancel the policy but will not be entitled to a return premium.

General Condition 12. Multiple Insureds has been added to clarify that if the policy covers separate insured entities, the aggregate liability of the Insurer will not exceed the policy sum insured or limit.

Property Damage All Risks Section (This section only applies if stated in the Policy Schedule)

Changes also apply to the Property Damage Events Section, unless expressly noted otherwise.

Section Definitions

Definitions for Data, Data Processing Media, Rent Payable and Declared Value have been added. If clause **Z/1824 Property Damage Definition Amendments** applied to your policy schedule, this will be deleted.

The definition of **Unoccupied** has been updated to clarify that the 30 days stated in the definition do not apply at the inception of the policy.

The definition of **Specified Events** has been updated to include the sudden, identifiable and unexpected escape of oil from a fixed heating installation. This event was already included in the Property Damage Events Section.

Section Exclusions

Exclusion 3 has been updated to clarify our intent in respect of pollution and contamination. If you have a Property Damage Events Section, this change has been made to **Event 11 exclusion d**. If clause **Z/1914 Pollution and Contamination Exclusion** or **Z/1915 Pollution and Contamination Exclusion** applied to your policy schedule, this will be deleted.

Exclusion 6 has been updated to clarify that damage caused by escape of oil is excluded for unoccupied buildings. This exclusion already applied to the Property Damage Events Section under **Event 14 exclusion a**.

Exclusion 13 has been replaced with a new exclusion in respect of damage in Northern Ireland caused by riot, civil commotion, or strike. If you have a Property Damage Events Section, this exclusion has been added to **Event 4**.

Basis of Settlement Adjustments

Seventy Two Hours Clause has been updated to clarify that this applies to each premises separately.

The excess for **Theft Damage to Buildings** has been increased from £500 to £1,000.

Moulds Tools and Dies has been updated to include a definition of tools, to clarify that this refers to machine tooling, and does not include hand tools.

Data Processing Media and **Working from Home** have been added. If clause **Z/1825 Property Damage Basis of Settlement Adjustments Amendment** applied to your policy schedule, this will be deleted.

The following new Basis of Settlement Adjustments have been added:

Environmental Protection

Additional costs with the Insurer's prior consent, of rebuilding or repairing property following damage, in a way that reduces environmental harm. Limit £25,000 or 5% of the loss for any one claim, whichever is the lower, and £50,000 in any one period of insurance.

Debris Recycling

Additional costs with the Insurer's prior consent, to sort, segregate and transport recyclable debris resulting from damage to occupied premises. Limit £5,000 any one claim.

Trade Samples

Trade samples at any premises or within transit in the UK, up to £10,000 any one claim.

Section Conditions

Section Condition 3 Change of Occupancy and Unoccupied Buildings has been updated to include requirements to:

- Remove graffiti.
- Notify the insurer of any signs of unauthorised access to the premises, whether damage has occurred or not.

Business Interruption Sections

Estimated Gross Profit All Risks, Estimated Revenue All Risks, and Additional Costs of Working (ACOW) All Risks Sections

(These sections only apply if stated in the Policy Schedule)

Changes also apply to the Estimated Gross Profit Events, Estimated Revenue Events, and ACOW Events Sections, unless expressly noted otherwise.

Section Definitions

The definition of **Unoccupied** has been updated to clarify that the 30 days stated in the definition do not apply at the inception of the policy.

Section Exclusions

Exclusion 3 has been updated to clarify our intent in respect of pollution and contamination. If you have a Business Interruption Events Section, this change has been made to **Event 11 exclusion d**. If clause **Z/1917 Pollution and Contamination Exclusion** or **Z/1916 Pollution and Contamination Exclusion** applied to your policy schedule, this will be deleted.

Exclusion 9 has been updated to clarify that damage caused by escape of oil is excluded for unoccupied buildings. This exclusion already applied to Business Interruption Events Sections.

The following new Section Exclusion has been added:

Exclusion 12 has been added in respect of business interruption resulting from damage in Northern Ireland caused by riot, civil commotion, or strike. If you have a Business Interruption Events Section, this exclusion has been added to **Event 4**.

Basis of Settlement Adjustments

The excess for **Claims Preparations Expenses** has increased from £500 to £1,000.

The following new Basis of Settlement Adjustments have been added:

Book Debts Extension

Replaces cover that was previously provided through a separate Book Debts Section. Any separate Book Debts Section wording that applied to your policy will be deleted.

Lottery Winners

Covers additional costs relating to recruitment, overtime, and temporary staffing, resulting from employees who resign following a lottery win of more than £100,000. Limit £25,000 in any one period of insurance.

Extensions

The extensions opening paragraphs have been updated to clarify that where one event may trigger cover under multiple extensions, the most the Insurer will pay in total is the largest of the applicable limits or sums insured.

Supply Undertakings and Failure of Supply extensions have been replaced with updated versions which include changes to limits, exclusions, indemnity period, and excess periods. These changes may have already applied by clause. If clause **Z/1829 Supply Undertakings and Failure of Supply Amendments to Cover** applied to your policy schedule, this will be deleted.

The **Denial of Access – Damage** extension has been updated to include a £5m limit or the Sum Insured, whichever is less, a 3-month indemnity period, a 4-hour franchise, and a radius of 1 mile.

The **Moulds Tools and Dies** extension has been updated to include a definition of tools, to clarify that this refers to machine tooling, and does not include hand tools.

Gross Rent All Risks Section

(This section only applies if stated in the Policy Schedule)

Changes also apply to the Gross Rent Events Section, unless expressly noted otherwise.

Section Definitions

The definition of **Unoccupied** has been updated to clarify that the 30 days stated in the definition do not apply at the inception of the policy.

Section Exclusions

Exclusion 3 has been updated to clarify our intent in respect of pollution and contamination. If you have a Gross Rent Events Section, this change is included in **Event 11 exclusion d**. If clause **Z/1917 Pollution and Contamination Exclusion** or **Z/1916 Pollution and Contamination Exclusion** applied to your policy schedule, this will be deleted.

Exclusion 9 has been updated to clarify that damage caused by escape of oil is excluded for unoccupied buildings. This exclusion already applied to Gross Rent Events sections.

The following new Section Exclusions have been added:

Exclusion 12 has been added in respect of business interruption resulting from damage in Northern Ireland caused by riot, civil commotion, or strike. If you have a Gross Rent Events section, this exclusion has been added to **Event 4**.

Basis of Settlement

Paragraph b has been updated to provide additional inflation protection. The most the Insurer will pay for any one claim has been increased to up to 200% of the Gross Rent sum insured.

Basis of Settlement Adjustments

The excess for **Claims Preparation Expenses** has increased from £500 to £1,000.

The following new Basis of Settlement Adjustments have been added:

Seventy Two Hours Clause

Cover for Storm and Flood occurring within 72 hours now reflects the cover provided under the Property Damage Sections.

Book Debts Extension

Replaces cover that was previously provided through a separate Book Debts Section. Any separate Book Debts Section wording that applied to your policy will be deleted.

Break Clause

Clarifies that insurance shall not be prejudiced by any break clause in a lease which enables a lessee to determine the lease in deeming the property to be uninhabitable following insured damage.

Buildings Awaiting Sale

Clarifies how rent cover will operate when there is a contract in place to sell a property at the time of damage.

Contracting Purchaser's Interest

Provides some rent cover for a purchaser if they have a contract in place to buy a property at the time of damage.

Loss of Investment Income on Late Payment of Rent

Provides cover for interest lost if rent is paid late due to damage.

Relocation of Tenants

Clarifies that a rent claim won't be reduced due to tenants being relocated to another property owned by you following damage.

Service Charges and Other Charges

Clarifies that service charges and associated expenses such as car parking charges are included within the Gross Rent sum insured.

Extensions

The extensions opening paragraphs have been updated to clarify that where one event may trigger cover under multiple extensions, the most the Insurer will pay in total is the largest of the applicable limits or sums insured.

Supply Undertakings and Failure of Supply extensions have been replaced with updated versions which include changes to limits, exclusions, indemnity period, and excess periods. These changes may have already applied by clause. If clause **Z/1829 Supply Undertakings and Failure of Supply Amendments to Cover** applied to your policy schedule, this will be deleted.

The **Denial of Access – Damage** extension has been updated to include a £5m limit or the Sum Insured, whichever is less, a 3 month indemnity period, a 4 hour franchise, and a radius of 1 mile.

Section Conditions

Section Condition 6 Declarations has been deleted.

Business Interruption – Income, Estimated Income, Revenue, and Gross Profit Sections

All Risks and Events versions of these sections have been discontinued.

If your policy previously included an Income, Estimated Income, or Revenue Section, this section has been replaced by an Estimated Revenue section.

If your policy previously included a Gross Profit Section, this has been replaced by an Estimated Gross Profit section.

Key differences applicable to these replacement sections include updates described under the Estimated Gross Profit and Estimated Revenue section paragraphs above, as well as the following:

Basis of Settlement

Paragraph b in the Estimated Revenue or Estimated Gross Profit Sections provides additional inflation protection compared to Revenue or Profit sections. The most the Insurer will pay for any one claim in the Estimated Revenue or Profit sections is to up to 133% of the Estimated Revenue or Profit sum insured.

The Income, Revenue, and Gross Profit section wordings included **Basis of Settlement Adjustment Average**. **This is not included within the Estimated Revenue or Estimated Gross Profit wordings.**

Section Conditions

Section Condition 6 Declarations is included within Estimated Revenue or Gross Profit sections. This condition requires you to declare the revenue or profit earned during the financial year, within 2 months of expiry of the period of insurance. Your premium at inception of the period of insurance is provisional and will be adjusted following receipt of the revenue or profit declaration. The return premium is restricted to 50% of the provisional premium, however the additional premium payable does not have a limit.

Business Interruption – Estimated Gross Rent Section

The All Risks and Events versions of this section have been discontinued.

If your policy previously included an Estimated Gross Rent Section (All Risks or Events), this has been replaced by a Gross Rent Section (All Risks or Events).

Key differences applicable to the replacement Gross Rent section wording include updates described under the Gross Rent Section paragraphs above, as well as the following:

Basis of Settlement Adjustments

Average is included in the Gross Rent section. If you select a Gross Rent sum insured that is lower than the true amount of Gross Rent for the period of insurance, the amount of any claim for rent will be proportionately reduced. For example if you select a Gross Rent sum insured of £500,000, but the Gross Rent in the period of insurance is £1,000,000, then any claim you make for loss of rent could be reduced by half.

Basis of Settlement Adjustments – Break Clause, Buildings Awaiting Sale, Contracting Purchaser's Interest, Loss in Investment Income on Late Payment of Rent, and Relocation of Tenants are not included in the Estimated Gross Rent section.

Section Conditions

The Estimated Gross Rent section wording included **Condition 6 Declarations**. **This is not included within the Gross Rent section.**

Specified All Risks Section

(This section only applies if stated in the Policy Schedule)

Section Exclusions

The following Section Exclusions have been added or amended:

Exclusion 8 has been added respect of damage in Northern Ireland caused by riot, civil commotion, or strike.

Exclusion 9 has been added for pollution or contamination

Several other section exclusions have been amended to better align with the Property Damage section exclusions.

Money Section

(This section only applies if stated in the Policy Schedule)

Section Exclusions

The following new Section Exclusion has been added:

Exclusion 11 has been added respect of losses in Northern Ireland caused by riot, civil commotion, or strike.

Own Goods in Transit Section

(This section only applies if stated in the Policy Schedule)

Section Exclusions

The following new Section Exclusion has been added:

Exclusion 9 has been added respect of damage in Northern Ireland caused by riot, civil commotion, or strike.

Computer Section

(This section only applies if stated in the Policy Schedule)

Section Definitions

Point D of the **Definition** of **Accident** has been updated to clarify that Accident means Denial of access to or use of the Property Insured by the insured due to loss of or damage to other property at or within a 1 mile radius of the Premises shown in the Schedule.

Public Liability, and Public and Products Liability Sections

(These sections only apply if stated in the Policy Schedule)

Section Extensions

The **Data Protection Act** extension has been updated. The Limit of Indemnity is now £1,000,000. If clause **Z/1840 Extensions – Data Protection Act** or **Z/1841 Extensions – Data Protection Act** applied to your policy schedule, this will be deleted.

Legal Expenses Section

(This section only applies if stated in the Policy Schedule)

Event 1–Employment has been extended to include Breach of Restrictive Covenant.

Personal Accident and Business Travel Sections

(These sections only apply if stated in the Policy Schedule)

Section Definition

Accidental Bodily Injury now includes severe weather conditions, insect or animal bite, unintentional drowning, poisoning or asphyxiation

Section Exclusion

Reference to War between listed countries and within Europe has been removed and replaced with War within the **Insured Persons Country of Residence**

This brings clarity that persons travelling outside their country and get unintentionally caught in a war will be covered for assistance and evacuation.