

Allianz Engineering Terrorism Policy

Following the reforms enacted by the Insurance Act 2015, we have now updated all of our wordings.

Background

Since 2006 the Law Commission and Scottish Law Commission have been conducting a joint review to reform insurance contract law for consumer, marine and non-consumer insurance. The review has been phased with the first stage culminating in the Consumer Insurance (Disclosure and Representations) Act 2012. This covers one discrete area of consumer insurance law and applies to policies issued or renewed on or after 6 April 2013. The 2012 Act replaced the consumer's duty to volunteer information with a duty to answer the insurer's questions honestly and reasonably.

On 12 February 2015, Parliament passed the second piece of legislation, the Insurance Act 2015. This Act reforms post contractual issues for consumer and non-consumer insurance contracts alike and pre-contractual obligations on commercial policyholders to make a fair presentation of the risk. These latest reforms represent the largest overhaul to insurance contract law in England, Scotland and Wales in over a century. They are intended to bring the market into the twenty first century by rebalancing rights and remedies when things go wrong.

Insurers have the option to opt out of these changes or embrace them by August 2016. As we always have the customer at the forefront of what we do, we have gone above and beyond the actions required and intend to adopt the reforms with immediate effect.

As a result we have updated our insurance Policy wordings inserting Definitions, amending and adding Conditions to provide clarity.

In addition to the Law Reform amendments we have also made changes to the Policy Wording following the issue by Pool Re of updated guidance to its scheme members which includes ourselves.

Pool Reinsurance (Pool Re) were created by the government to ensure Terrorism covers availability for commercial property, and the Pool Re scheme is the vehicle used to provide reinsurance capacity for insurers. Further information on the Pool Re scheme including a list of current members can be obtained from the Pool Re website: www.poolre.co.uk

At renewal your existing Terrorism Policy wording will be replaced with the revised Terrorism Policy wording and the comparison table below has been written to explain what we have updated.

If your current Policy carries any non-standard covers which are not included within the revised insurance Policy wording, we will include them in the Schedule attached to your revised insurance Policy wording.

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

To download a copy of the Terrorism Insurance Policy wording (ACEW1933_5) please visit the below link or contact your Broker or Allianz Engineering contact to obtain a hard copy.

<http://www.allianzengineering.co.uk/home/insurance/policy-wordings.html>

Comparison Table

Page no *	Policy cover	Difference from previous wordings	Why has it changed
1	Introduction	We have amended our introduction of our policy to make it clear what you need to take into consideration in order to understand your insurance policy.	To clarify the cover provided.
3	Definitions	We have inserted a definition for 'Phishing' as follows: 'Any access or attempted access to data or information made by means of misrepresentation or deception.'	To make it clear what we will not cover under the policy.
3	Definitions	We have inserted a definition for 'Policy' as follows: 'The contract of insurance formed of the Policy wording Schedule and any proposal made by the Insured or on their behalf to the Insurers (whether or not such proposal is recorded in writing).'	This clarifies what is included within the term 'Policy'.
5	Exclusion 1	We have amended Exclusion 1 Digital and Cyber Risks by adding the term 'Phishing' to this Exclusion in both paragraphs that describe what losses are Excluded from the cover provided.	To clarify that Phishing is a Digital and/or Cyber risk that is not insured under the cover provided by this Policy.
5	Exclusion 3	We have amended Exclusion 3 Excluded Property by adding a paragraph as follows: 'd bankers blanket bond' This makes it clear we will not cover any losses in respect of bankers blanket bonds.	To make clear what property is excluded from the cover provided by this Policy.
6	Special Condition 4	We have added Condition 4 Adjustments of Premium as follows: 'Any terms or conditions in the General Cover Policy which provide for adjustments of premium do not apply to this Policy.'	To make it clear that the premium paid by the Insured for the Policy is non-adjustable.

* The page number shown in the table refers to the applicable page number in the revised Insurance Policy Wording.