

Notice to  
Policyholders

Allianz Insurance plc [www.allianz.co.uk](http://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

We are delighted to tell you that we have made a number of improvements to our Contractors Plant Policy. These changes are focused around enhancing the cover provided in a number of areas to ensure you benefit from the wider cover. Where there are any enhancements or possible restriction in cover previously provided, we have made this clear in the comparison table below.

Your Contractors Plant 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 Contractors Plant Section (NJ0001) 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>

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## 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><b>Original Policy</b></td> <td><b>New Construction Select Section</b></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>	<b>Original Policy</b>	<b>New Construction Select Section</b>	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.
<b>Original Policy</b>	<b>New Construction Select Section</b>											
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"> <li>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,</li> <li>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</li> <li>the Schedule which includes all additional clauses applied to the Policy.</li> </ul>	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 style="padding-left: 40px;">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 style="padding-left: 40px;">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 17. Confiscation Civil Commotion and Similar Risks in the comparison table for the Contractors Plant 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 17. Confiscation Civil Commotion and Similar Risks in the comparison table for the Contractors Plant 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 style="padding-left: 40px;">For the purposes of this clause references to:</p> <p style="padding-left: 40px;">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	This General Condition replaces General Condition 5. Reasonable Precautions within the original Allianz Engineering Policies and now reads as follows:  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.	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	This Condition replaces Claims Condition 1. Claims Procedures within the original Allianz Engineering Policies.  Please refer to the Introduction (CS0008) for the full Condition wording.	For consistency throughout the Construction Select Policy.
General Conditions 5. Fraud	This General Condition was Claims Condition 3. Fraud within the original Allianz Engineering Policies.  Please refer to the Introduction (CS0008) for the full General Condition wording.	To ensure consistency with other Allianz Insurance plc products.
General Conditions 6. Discharge of Liability	This is a new General Condition which reads as follows:  The Insurer may at any time pay to the Insured in connection with any claim or series of claims: 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.  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.	To clarify the extent of cover provided.
General Conditions 9. Rights of Parties	This is a new General Condition which reads as follows:  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.	To clarify the extent of cover provided.
General Conditions 11. Survey and Risk Improvement – Subjectivity Condition	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.  Please refer to the Introduction (CS0008) for the full General Condition wording.	To clarify the Insurer's rights.

## Comparison table – Contractors Plant Section

Policy reference	Difference from previous wordings	Why has it changed?
Section Definitions Premium Adjustment	General Condition 9. Adjustment of Premium has been moved to become a Section Definition. It has also been amended as paragraphs a. and b. relating to the refund of the difference have been removed.  Please refer to the Contractors Plant Section (NJ0001) for the full Section Definition wording.	To clarify the wording.
Section Definitions CESAR Scheme	New Section Definition added to tie in with the new Section Extension 14. Excess (Security Discounted). The new Section Definition reads as follows:  The Construction Equipment Security And Registration Scheme.	To improve the cover provided.
Section Definitions Electro Mechanical Immobiliser	New Section Definition added to tie in with the new Section Extension 14. Excess (Security Discounted). The new Section Definition reads as follows:  A Thatcham approved and certified device for immobilising the Property Insured by both electronic and mechanical (fuel and/or hydraulic systems) means.	To improve the cover provided.
Section Definitions Property Insured	The Section Definition of Insured Property under the original Contractors Plant Policy has now changed to Property Insured under the Contractors Plant Section.	For consistency of terminology throughout the Construction Select Policy.
Section Definitions Temporary Buildings	The Section Definition has been amended to now include reference to the temporary accommodation being taken to the site for the purpose of site accommodation.  Please refer to the Contractors Plant Section (NJ0001) for the full Section Definition wording.	To clarify the cover provided.
Section Definitions Reinstatement	New Section Definition added to tie in with the improved basis of settlement offered within the Limit of Liability.  Please refer to the Contractors Plant Section (NJ0001) for the full Section Definition wording.	To improve the cover provided.
Section Definitions Thatcham 5 Star Rating System	New Section Definition added to tie in with the new Section Extension 14. Excess (Security Discounted).  Please refer to the Contractors Plant Section (NJ0001) for the full Section Definition wording.	To improve the cover provided.
Section Definitions Vicinity	New Section Definition added and reads as follows:  Within one mile of the situation of the Property Insured.	To clarify the cover provided.
Cover	Cover references have changed from Cover One, Cover Two etc to A., B. etc.	For consistency throughout the Construction Select Policy.
Cover A. Owned Plant and Machinery	The cover has been amended to also refer to The Scottish Plant Owners Association Model Conditions.	To clarify the cover provided.
Cover B. Hired In Plant	The cover has been amended to remove the proviso relating to the liability of the Insurers being no more than the liability which would be incurred under the Model Conditions for the hiring of Plant approved by The Construction Plant-hire Association.	To improve the level of cover provided.

## Comparison table – Contractors Plant Section continued

Policy reference	Difference from previous wordings	Why has it changed?
Limit of Liability A. Owned Plant and Machinery	The Limit of Liability has been amended to provide settlement on a Reinstatement basis where the Property Insured's date of purchase as new was less than twenty four (24) months prior to the loss or damage.  Please refer to the Contractors Plant Section (NJ0001) for the full Limit of Liability wording including any terms and conditions.	To improve the level of cover provided.
Section Extensions	Please note that the order in which the Section Extensions appear has 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 Extensions 1. Damage to Security Devices	The liability of the Insurer within this Section Extension has been increased from £1,000 to £2,500.  Please refer to the Contractors Plant Section (NJ0001) for the full Section Extension wording.	To improve the level of cover provided.
Section Extensions 2. Loss of Keys	The liability of the Insurer within this Section Extension has been increased from £1,000 to £2,500.  Please refer to the Contractors Plant Section (NJ0001) for the full Section Extension wording.	To improve the level of cover provided.
Section Extensions 3. Repair Cost Investigation	The liability of the Insurer within this Section Extension has been widened so that the liability of the Insurer is no longer restricted to any one Period of Insurance.  Please refer to the Contractors Plant Section (NJ0001) for the full Section Extension wording.	To improve the level of cover provided.
Section Extensions 8. Additional Cost (Supplementary Expenses)	New Section Extension added to cover cost incurred in effecting a temporary repair or expediting a permanent repair.  Please refer to the Contractors Plant Section (NJ0001) for the full Section Extension wording.	To improve the cover provided.
Section Extensions 9. CPA Contract Lift Cover	New Section Extension added to provide cover for both Property Insured and Contract Goods for which the Insured is liable under Construction Plant-hire Association Contract Lift Conditions. Cover is subject to limits, exclusions and conditions so please refer to the Contractors Plant Section (NJ0001) for the full Section Extension wording.	To improve the level of cover provided.
Section Extensions 10. Protection and Removal	New Section Extension added to provide cover for the costs of protection and removal of Property Insured following loss or damage.  Please refer to the Contractors Plant Section (NJ0001) for the full Section Extension wording.	To improve the level of cover provided.
Section Extensions 11. European Union	New Extension added to provide cover for loss or damage to Property Insured within the member states of the European Union or European Economic Area. Cover is subject to limits exclusions and conditions.  Please refer to the Contractors Plant Section (NJ0001) for the full Section Extension wording.	To improve the level of cover provided.

## Comparison table – Contractors Plant Section continued

Policy reference	Difference from previous wordings	Why has it changed?
Section Extensions 12. Roll On Roll Off Ferry	<p>New Extension added to provide cover for loss of or damage to Property Insured whilst in transit by roll on / roll off ferry between members States of the European Union and European Economic Area. The liability of the Insurer shall not exceed £150,000.</p> <p>Please refer to the Contractors Plant Section (NJ0001) for the full Section Extension wording.</p>	To improve the level of cover provided.
Section Extensions 13. Munitions of War	<p>New Extension added to provide cover for loss of or damage to Property Insured from or occasioned by the detonation of munitions of war or parts thereof in or about the site of the Contract Works provided that the presence of such munitions does not result from a state of war current at the time of such loss or damage.</p>	To improve and clarify the level of cover provided.
Section Extensions 14. Excess (Security Discounted)	<p>New Section Extension added providing either a 50% reduction or a waiver of the Excess if any stolen Property Insured has certain categories of the Thatcham 5 Star Rating System.</p> <p>Please refer to the Contractors Plant Section (NJ0001) for the full Section Extension wording.</p>	To improve the level of cover provided.
Section Extensions 15 Signwriting and Livery	<p>New Section Extension added to provide cover for the cost of restoring any signwriting advertising signs and artwork following loss or damage to Property Insured. The liability of the Insurer shall not exceed £5,000.</p> <p>Please refer to the Contractors Plant Section (NJ0001) for the full Section Extension wording.</p>	To improve the level of cover provided.
Section Exclusions	<p>Please note that the order in which the Section Exclusions appear has changed. Details of any changes in cover provided by a Section Exclusion or any additional Section Exclusions follow below.</p>	To ensure consistency with other Allianz Insurance plc products.
Section Exclusions 5. Excess	<p>Section Exclusion confirms that all claims under this Contractors Plant Section and any Contract Works Construction Section or Erection All Risks Section covered under this Policy arising from one occurrence of loss or damage shall be adjusted as one claim and from that claim there will be deducted the sum stated in the Schedule as the Excess.</p> <p>The Section Exclusion also confirms that in the event of loss or damage occurring under this Section or under both this Section and the Contract Works Construction Section or Erection All Risks Section covered under this Policy arising from one occurrence of loss or damage whereby more than one amount is shown in the Schedule as the Excess the Insured may at their option have the Excess applied:</p> <ol style="list-style-type: none"> <li>i. separately to each defined category of Property Insured or</li> <li>ii. as the single highest applicable Excess.</li> </ol> <p>The Section Exclusion continues to clarify that any Excess shown in the Schedule for Employees Tools and Personal Effects shall apply separately in all cases.</p>	Exclusion has been updated to clarify the application of the excess should more than one Section be covered.
Section Exclusions 8. Scratching	<p>Section Exclusion has been amended to now read as follows:</p> <p>This Section does not cover loss damage cost or legal liability consisting of or in consequence of the scratching scouring or spoiling of glass painted polished smooth or similar finished surfaces unless accompanied by loss of or damage to other parts or portions of the Property Insured for which the Insurer has admitted liability under this Section.</p>	To clarify the extent of cover provided

## Comparison table – Contractors Plant Section continued

Policy reference	Difference from previous wordings	Why has it changed?
Section Exclusions 9. Excluded Items	<p>The Section Exclusion has been updated to include a paragraph that states that this Section Exclusion does not apply when a Contract Works Construction or Erection All Risks Section is covered.</p> <p>Please refer to the Contractors Plant Section (NJ0001) for the full Section Extension wording.</p>	To clarify cover when multiple Sections are covered.
Exclusion Underground Items	Covers One and Two – Exclusion 6 Underground Items under the original Contractors Plant policy has been deleted and removed from the Contractors Plant Section under the Construction Select Policy.	To improve the level of cover provided.
Section Exclusions 11. Multiple Lifting Operations	<p>Section Exclusion has been updated so that cover is now provided for damage to Property Insured arising out of any lifting or lowering operation in which a load is shared by two machines provided that:</p> <ol style="list-style-type: none"> <li>the load on the hook does not exceed 150 tonnes and</li> <li>the operations are carried out in accordance with British Standard Code of Practice For Safe Use of Cranes – BS7121 or ISO 1240-1 Cranes – Safe Use – General including any subsequent amendments or revisions and</li> <li>the machines used are cranes as designated by BS7121 and its supporting parts.</li> </ol>	To improve the level of cover provided.
Section Exclusions 17. 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 Contractors Plant 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 Contractors Plant Policy. This paragraph has been updated to read as follows:</p> <p>This Section does not cover:</p> <ol style="list-style-type: none"> <li>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.</li> </ol> <p>Please refer to the Contractors Plant Section (NJ0001) 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 has 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 Contractors Plant 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.



## Comparison table – Contractors Plant Section continued

Policy reference	Difference from previous wordings	Why has it changed?
Section Conditions 3. Declarations	<p>This Section Condition has been updated to state that the premium is based on estimates given by the Insured and will be adjusted on declaration. Declarations must now be within two (2) months following expiry of the Period of Insurance.</p> <p>Please refer to the Contractors Plant Section (NJ0001) for the full Section Claims Condition wording.</p>	To bring consistency with other Sections.
Section Claims Conditions	<p>Section Claims Conditions under this Contractors Plant 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.</p>	To ensure consistency with other Allianz Insurance plc products.
Section Claims Conditions 1. Additional Claims Requirements	<p>This Section Claims Condition used to be Claims Condition 1. Claims Procedures within the Contractors Plant 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> <ol style="list-style-type: none"> <li>a. permit inspection by the representatives of the Insurer of any damaged or defective parts of Property Insured.</li> </ol> <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 Contractors Plant Section (NJ0001) for the full Section Claims Condition wording.</p>	To allow damaged or defective parts of the Property Insured to be inspected by the Insurers following a loss.
Section Claims Conditions 3. Other Insurances	<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 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>	To clarify the Condition.
Section Claims Conditions 5. Claims Arbitration	<p>This Section Claims Condition was Claims Condition 6. Arbitration within the original Contractors All Risks wording. Only the title has changed.</p>	Title change for clarity.
Claims Condition Repairable Damage	<p>Claims Condition 7 Repairable Damage under the original Contractors Plant policy has been deleted and removed from the Contractors Plant Section under the Construction Select Policy as the Section now provides Reinstatement cover.</p> <p>Please refer to the Contractors Plant Section (NJ0001) for the full terms and conditions relating to the Reinstatement cover.</p>	To improve the cover provided.