



## Key Changes Summary

**This notice applies to customers on our previous Commercial Combined (COM) policies that are now being migrated to our current Contractors Combined (CMC) product.**

### Changes to your policy

Your policy has been re-issued onto a policy that is written in more up to date and clearer language and that is also available by electronic PDF, as well as on paper. This change will also allow us to consolidate into your policy document many of the changes to cover and excesses that have previously been applied by endorsement.

This document tells you about some important changes which will take effect from your renewal date. Your previous policy and your new policy do have various differences in definitions, cover, exclusions and conditions so it is important that you read this document.

**However, this document does not form part of your policy contract. Please ensure you read the changes below in conjunction with your new policy wording and schedule. In the event that there is a conflict between these documents, the terms of your policy contract will prevail.**

If you have any questions about your policy, whether that is in terms of cover or premium, please speak to your broker or insurance representative.

With kind regards

Your AXA team

## Significant changes (If the section is applicable under your policy)

### Contractors all risks section

#### Cessation of cover exclusion

This clause states that cover for loss, destruction or damage will cease if work on the contract site stops for a period in excess of 90 consecutive days, unless cover is agreed by us.

Please ensure that you contact us or your insurance advisor if works at any of your sites is ceasing for more than this length of time.

#### Pollution or contamination exclusion

We will not cover you for any loss, destruction or damage caused by pollution or contamination unless the damage is caused by

- 1 pollution or contamination which itself results from a defined peril provided that peril is covered by this section
- 2 any defined peril provided that peril is covered by this section, which itself results from pollution or contamination.

#### Theft of tools or equipment exclusion

We will not cover you for theft or attempted theft of tools or equipment from any unattended vehicle unless

- 1 all doors and windows and other points of access have been closed and securely locked and there are outward signs of forced entry to the vehicle and
- 2 the vehicle is in a locked garage or a walled or fenced compound that is either locked or has a watchman in constant attendance between the hours of 9 p.m. and 6 a.m.

It will be up to you to prove that any theft or attempted theft occurred before 9 p.m. and after 6 a.m.

#### Average

An Average condition now applies to constructional plant and equipment or employees' tools where the sums insured are not adequate.

### Employers' liability & Public liability (building and allied trades) sections

#### Safety legislation costs cover

Subject to the policy terms and conditions, we will pay up to £1m for each of 'Safety legislation costs' and 'Manslaughter Defence costs' in addition to the limit of indemnity applicable.

This cover now also

- 1 includes Appeal costs provided Counsel appointed with our agreement advises that an appeal has good prospect of success.
- 2 excludes costs and expenses of an appeal against improvement or prohibition notices
- 3 excludes costs and expenses of any investigation or prosecution brought other than under the laws of the policy territories.

This cover was previously included but only within the overall limit of indemnity and with no separate limit applicable. Safety legislation costs now also extend to include new terrorism legislation.

### Goods in Transit section

Your policy now incorporates exclusions relating to

- 1 Terrorism occurring in Eire.
- 2 Electrical or mechanical derangement unless caused by impact.

### Legal expenses section

Your legal expenses section no longer provides cover in relation to disputes involving

- 1 the combustibility or fire safety defects of building construction.
- 2 computer virus, process, malicious code or similar used to inflict harm.

## **Property damage, Business interruption, Contractors all risks, Money, Specified all risks and Goods in transit sections**

The following exclusions have been added or updated to these sections:

- 1 Cyber exclusion (replacing the Electronic risks exclusion).
- 2 updated Radioactive exclusion.
- 3 updated Date recognition exclusion (and added to Goods in transit).
- 4 Deliberate loss or damage exclusion added.
- 5 Disease exclusion incorporated (previously applied by endorsement)
- 6 Crypto currency exclusion.

## **Public liability (building and allied trades) and Financial loss (building and allied trades) sections**

### **Asbestos exclusion**

All Public liability sections of cover will now be subject to a standard exclusion of Liability arising out of exposure to asbestos. However for those customers where their previous policy did not contain a specific exclusion we will offer you £1m of cover on a 'claims made' basis. Those policies that qualify for this cover will include the following endorsement

- BAC611 - Accidental release of asbestos (Claims made) cover.

## **Public liability (building and allied trades) section**

### **Subcontractors (works) condition**

Previously a variety of conditions were applied by endorsement. These have now been replaced by a single standardised condition that states that if you appoint a sub-contractor (other than an employed person) you must obtain confirmation prior to starting work and keep a written record of their

- 1 Employers liability insurance
- 2 Public liability insurance
  - with a limit not less than the limit shown in your schedule
  - including a clause providing benefit to you in similar terms to the Principals liability cover provided by your policy
  - covering the type of work undertaken

If you appoint a sub-contractor in an emergency that leaves insufficient time to obtain written confirmation we will not enforce this condition provided you obtain verbal confirmation of the above, prior to starting work, and you subsequently exchange and retain correspondence confirming this.

### **Underground services condition**

Previously one of two different conditions may have been applied to your policy. These have now been replaced by a single standard condition requires the following actions before the start of any groundwork involving digging, drilling, boring, excavation or earth moving

- 1 written confirmation of the location and plan position of all existing underground services must be ascertained
- 2 the location and plan position must be given to the person employed or any contractor carrying out the groundwork
- 3 the area of the groundwork must be investigated using remote electrical devices to establish the actual position of underground services
- 4 a work method must be adopted which minimises the risk of property damage to underground services
- 5 a full written record of the enquiries and measures taken to locate underground services and to minimise the risk of loss or damage must be retained for inspection by us if a claim arises.

### **Fungal pathogens exclusion**

A new exclusion called Fungal pathogens has been added to your policy to clarify that cover will not be provided for claims arising from toxic mould/mildew and other Fungal pathogens.

## The following new or revised conditions, restrictions or exclusions also now apply to your policy if the section is applicable under your policy

### All sections

#### Fraud condition

Please note that this clause extends to include circumstances where the claimant knowingly:

- 1 makes a false statement in support of a claim (whether or not the claim itself is genuine)
- 2 submit a false or forged document in support of a claim (whether or not the claim itself is genuine).

#### Third party rights condition

This states that contract between you and us will not be enforceable by any other party because of the Contract (Rights of Third Parties) Act 1999.

#### Revised cancellation condition

Our revised cancellation condition provides you with a 14 day cooling off period at renewal as well as at inception of the policy.

#### Helpline number

New helpline numbers have been added to provide additional guidance on key topics.

### Business interruption section

#### Accounts Receivable

There is no longer any requirement to send to us the total value of accounts receivable every month but there is a requirement to that a copy of the accounts must be kept off-site.

#### Unspecified customers and suppliers cover

The maximum Indemnity Period has been changed to 12 months (where relevant).

### Computer section

#### New cover extensions or increased limits

- 1 Accidental discharge of gas flooding systems cover
- 2 Automatic cover for additional computer equipment - increased from £300,000 to £500,000
- 3 Incompatibility of records cover - increased liability limit from £50,000 to £100,000
- 4 Waste Electrical and Electronic Equipment cover – increased liability limit from £10,000 to £100,000
- 5 Recovery of hardware
- 6 Security guard costs
- 7 Trace and access
- 8 Fire brigade charges
- 9 Extra hire or lease costs.

### Contractors all risks section

#### Basis of claims settlement

- 1 For permanent or temporary works, we will pay up to the sum insured shown in your schedule plus any additional amount up to the amount shown in the Escalator cover.
- 2 For own constructional plant and equipment, we will pay up to the value of the item at the time of the damage with an adjustment for wear and tear, but no more than the sum insured shown in your schedule.
- 3 For temporary buildings, we will pay up to the value of the item at the time of the damage with an adjustment for wear and tear, but no more than the sum insured shown in your schedule.
- 4 For hired in plant, we will pay up to the sum insured shown in your schedule for any one item but only for your liability under any hire conditions.
- 5 For employees' tools, we will pay up to the sum insured shown in your schedule but no more than the limit shown in your schedule for any one employee.

- 6 For other items, we will pay up to the value of the item at the time of the damage with an adjustment for wear and tear, but no more than the sum insured shown in your schedule. We will also pay the costs and expenses necessarily incurred by you as a result of damage to property insured with our written consent for
- a removing debris
  - b dismantling and/or demolishing
  - c shoring up, propping and fencing off
  - d clearing and/or repairing drains and service mains on the contract site
  - e architects, surveyors and consultants fees in connection with the reinstatement of the permanent or temporary works as a result of damage, but not for preparing any claim.

We will not cover costs and expenses arising from pollution or contamination of property not insured by this section. Our liability will not exceed the sum insured shown in your schedule plus any additional amount shown in the Escalator cover.

#### **Show properties and contents cover**

Showhouse Contents Sum Insured is increased to £35,000 and extends until up to 90 days after last property reaches substantial completion.

Cover is subject to “minimum security standards\*” when unattended and winter controls\* in place to avoid burst pipes (\*see full wording).

#### **Money exclusion**

To clarify the intention of the policy the Contractors All Risks section now expressly excludes various forms of Money (Loss of or damage to deeds bonds bills of exchange promissory notes money stamps securities or documents of title precious metals precious stones or articles made therefrom).

#### **Waterways exclusion**

The previous exclusion of work in, on or under waterways is clarified to state that the exclusion applies to work within 10 metres of listed waterways.

#### **Seeds and plants exclusion**

The Construction All Risks section excludes loss, destruction or damage to plants caused by non-rooting, disease or the failure of seeds to germinate.

#### **Wear and tear exclusion**

The exclusion now extends to inherent vice, latent defect, change in water table level or its own faulty or defective design or materials but clarifies that this does not exclude subsequent damage which itself results from a cause not otherwise excluded.

#### **Requirement to comply with Joint code of practice condition (JCOP)**

Now included as standard rather than being applied by endorsement and states insured must comply with Fire Protection Association's Joint Code of Practice on the Protection from Fire of Construction Sites and Buildings Undergoing Renovation.

#### **Own constructional plant and equipment definition**

This is now amended to include free loan equipment.

#### **Contract price condition**

This now allows 21 days cover for contracts which exceed the contract limit by no more than 25% or £1,000,000. We have now also removed the contract price condition in relation to own and hired in plant therefore improving your cover for these items if you do engage in contracts that are larger than the contract limit specified.

## **Employers liability, Public liability (building and allied trades) and Financial loss (building and allied trades) sections**

Your Employers liability, Public liability and Financial loss sections now cover newly acquired or newly formed companies from the date of acquisition or creation if they do the same type of business and are no more than 25% of your estimated turnover.

### **Employers liability and Public liability (building and allied trades) sections**

The definitions of employees and of business activities have been extended and cover for your liability for loss of Directors and employed persons data has been moved from the Public liability section to Employers liability.

### **Financial loss (building and allied trades) section**

You may have previously requested this cover which was added by an endorsement. If so, this will have been replaced by a new section within your policy.

Your policy previously excluded losses arising out of late or non-delivery, wrongful delivery or misdirection of products supplied. This has been replaced by an exclusion of non-performance or non-completion of Services or for any delay or financial default or insolvency.

Please be aware that this section protects you against claims first made against you during the period of insurance. There is therefore an exclusion of claims caused by or arising from circumstances known to you, or of which you should have been aware, prior to the start of this section of the policy.

## **Legal expenses section**

### **Employment disputes**

This new condition updates the requirement to seek and follow advice to incorporate employee rights around retirement and anti-discrimination rights around age, gender re-assignment, marriage / civil partnership, pregnancy / maternity, religion / belief, sex and sexual orientation,

### **Tax protection**

This cover is now subject to the following additional exclusions:

- 1 any claim made where a Return submitted at the final filing date contains provisional figures for all of the trading income and expenditure items
- 2 an investigation under a voluntary disclosure made to the HMRC for omitted tax, National Insurance Contributions or VAT liabilities which become due as a result of your deliberate act
- 3 an investigation by HMRC into a tax planning arrangement, where the Anti Avoidance Intelligence Unit of HMRC has allocated a number for inclusion on the relevant Self-Assessment Return.

### **Defamation/False statement**

The Legal expenses cover excludes disputes or legal proceedings related to actual or alleged defamation or false statement.

### **Disclosure condition**

This revised clause clarifies that the insured persons must instruct their appointed representative to provide the administrator with regular updates on the progress of the subject matter of any claim and inform the administrator as soon as possible if and when any circumstance adversely impacts the factors taken into account in granting the administrator's consent.

### **Instruction and choice of appointed representatives and Counsel condition**

This revised clause details the responsibilities of the administrator and the insured person in selecting legal advisors. Please refer to the wording on Page 11 of the Legal Expenses section for full details.

## Money and personal accident assault section

### Unexplained loss exclusion

This policy does not cover loss or damage as a result of

- 1 disappearance, unexplained or inventory shortage
- 2 misfiling or misplacing of information.

## Property damage, Money and Selected all risks sections

### Alarm condition

A standardised Alarm condition now applies to all relevant sections. For some customers the following requirements may be new or have been reworded to include the following

- 1 If the alarm system is not fully operative, you must make arrangements for the premises to be attended until the intruder alarm system is fully operational
- 2 If the alarm cannot be reset following the key holder attendance, you must make arrangements for the premises to be attended until the intruder alarm system is fully operational.

### Minimum standards of Security condition

This condition applies the standard physical security clause across all three sections of cover.

## Property damage and Specified all risks sections

### Collusion exclusion

The following clause has been added to clarify the intention of the policy

The policy excludes loss by theft or attempted theft caused by or in conjunction with the insured, partners, directors, employees, members of insureds family or anyone lawfully at the premises.

## Property Damage Section

### Unoccupied buildings condition

Your previous policy included a requirement to inform us if any of your premises were empty or unoccupied and at that point, we would inform you of the additional actions we would require you to take. Your new policy details these requirements in advance consisting of: -

- 1 complete any reasonable risk improvement we require
- 2 inform us of any damage to unoccupied premises/portions regardless if covered or not
- 3 carry out internal/external weekly inspections and keep a written record
- 4 remove all waste from inside the property and removed from the premises
- 5 all security and alarm protection to be put into operation
- 6 gas, water and electricity services (except to maintain fire/intruder alarm) and fuel supplies to be shut off
- 7 additional security we request must be implemented
- 8 all damage to be rectified immediately
- 9 letterboxes to be sealed
- 10 the final exit door to be secured by a 5 Lever Mortice Dead Lock to the standard laid down.

### Workmen's condition

This condition notes that tradesmen are allowed on the premises to carry out repairs and minor structural alterations without prejudice to the cover. It is however a condition that if the work involves use of heat the insured must comply with the "Hot Work Permit System Condition" if this is applicable to your policy (please refer to your schedule to check if this applies).

### Buildings definition

Amended to include electric vehicle charge points and their cables and connectors charge points and their cables and connectors.

### **Maintenance condition**

Added to provide greater guidance for you about your responsibilities to keep the property in good repair.

### **Munitions of war**

Cover has been extended to include explosion of World War II ordnance.

### **Hot Work permit condition**

The hot work permit condition has been updated.

## **Public liability (building and allied trades) section**

### **Professional duty exclusion**

Liability arising out of advice given for a fee was previously excluded by an endorsement attached to your policy. This is now excluded within the standard policy wording however please note that cover (for injury or property damage) is still provided where advice is given as part of a product service and no fee is charged. If you require cover for liability arising out of advice offered for a fee please discuss this with your insurance advisor.

### **Punitive damages exclusion**

This exclusion was previously specific to claims made against you in USA and Canada however this exclusion now applies to claims made against you anywhere.

### **Advertising liability**

Cover has been added to provide protection for libel/slander and breach of trademark etc. in respect of any advertising, publicity, articles broadcast in connection with the business.

### **Suspension of cover condition**

This condition has been added which allows us, upon discovery of a defect or danger, to temporarily suspend cover for those specific defects or dangers whilst you correct them whereas previously we could only cancel the whole Public liability (building and allied trades) section.

### **Limits of indemnity**

The policies of a small number of customers only offered a £1m Limit of Indemnity. We have increased the Limit of Indemnity on all such policies to £2m without any additional charge.

## **Selected all risks section**

### **Pollution or contamination exclusion**

Your policy excludes loss or damage due to Pollution or contamination unless the damage is caused by

- 1 pollution or contamination which itself results from a defined peril provided that peril is covered by this section
- 2 any defined peril provided that peril is covered by this section, which itself results from pollution or contamination.

### **Wear and tear exclusion**

This exclusion has been updated to exclude loss or damage arising from:

- 1 inherent vice, latent defect, gradual deterioration, frost, change in water table level or its own fault or defective design or materials.

We will however cover subsequent damage which results from a defined peril.



### **Unattended vehicles condition**

Your policy will exclude loss or damage due to theft or attempted theft from unattended vehicles unless:

- 1 all doors and windows and other points of access have been closed and securely locked and there are outward signs of forced entry to the vehicle and
- 2 Computer and computer equipment is stored out of view in locked compartment
- 3 the vehicle is in a locked garage or a walled or fenced compound that is either locked or has a guard in constant attendance between the hours of 9 p.m. and 6 a.m.

It will be up to you to prove that any theft or attempted theft occurred before 9 p.m. and after 6 a.m.

CLCC0001K-B (04/24) 1291354

