



Key Changes Summary

This notice applies to AXA Property Investors Protection Plan customers on older 'legacy' policy wordings that are now being migrated to our most recent product.

Changes to your policy

We have recently relaunched our Property Investors Protection Plan to ensure it is relevant to our customers' needs and are now in the process of re-issuing the policies of existing customers on previous products to this latest version.

This document tells you about some important changes which will take effect from your renewal date. Your previous policy and your new policy have various differences in definitions, cover, conditions and exclusions but overall, your new policy provides cover more aligned to today's Real Estate customers' needs.

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.

As well as introducing the changes laid out below, we have also taken this opportunity to:

- as far as possible integrate any changes to covers, extensions and exclusions that have previously been applied by endorsement (especially those related to disease, date recognition, cyber and radioactivity)
- update your policy to reflect the most up-to-date excesses that apply rather than these being applied by a variety of different endorsements. As part of this exercise please be aware that we have increased the minimum excess for escape of water from £500 to £650 but please refer to your policy schedule for full details of all excesses applicable to your policy
- modify the definition of the Insured for the purposes of residential properties to ensure that all the parties which the lease stipulates need to be insured are covered by the policy.

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. They will be able to give you all the information and advice you need to make any decision about the cover required.

With kind regards

Your AXA team

Significant changes applicable to all policies

New or revised restrictions and exclusions

The following new or revised restrictions or exclusions now apply to your policy:

Buildings section

- An exclusion applying to deliberate loss or damage
- An exclusion of damage caused by pets
- Flat roof condition – cover for damage to flat roofs is subject to periodic inspection every two years by a competent roofing contractor
- Updated maintenance and reasonable precautions conditions.

Buildings, Rental income and Public liability

- An exclusion of losses arising out of fungal pathogens has been added to these sections of the policy.

Rental Income

- Rental reviews – where the rental income is subject to a rent review during the period of insurance then the sum insured by this section continues to be automatically increased to reflect the revised amount, but this is now limited to a maximum of 200% of the original sum insured.

Subsidence (for policies where this cover is in force)

- We have modified the exclusion contained within the subsidence cover to clarify that garages which are part of a residential development are only covered if damage occurs to the main residential building at the same time from the same cause.

Public liability section – revised exclusions

- Employment dispute exclusion
- Intellectual property exclusion
- Overseas establishment exclusion
- Professional duty exclusion
- Punitive damages exclusion
- Asbestos (some policies)

*Please note, if your previous policy did NOT already exclude liability arising out of asbestos, we have offered a limited alternative cover by applying “Accidental release of asbestos (claims made) cover – Endorsement 690”.

Employers' liability

- A new limitation has been added limiting indemnity in respect of a terrorist act to £5,000,000. This limit applies to any one claim or series of claims by one or more of the employed persons arising directly or indirectly in connection with a terrorist act.
- In respect of any claim or claims, we may at any time pay the limit of indemnity applicable, after deducting any amounts already paid, or any lesser amount for which a settlement can be made. We will not then be liable to make any further payment in respect of the claim or claims.

Meanings of defined terms – Buildings section

- ‘Empty’ is now defined as “Any building that is wholly unoccupied, mainly unoccupied, disused or not in active use by you or any of your tenants for more than 30 consecutive days” (previously unfurnished premises were also treated as being ‘Empty’.

New or Additional Covers and Benefits introduced (subject to policy terms and conditions)

The following additional covers have been added to your policy:

Buildings

- Communal contents – residential building automatically includes cover for up to £20,000 of communal contents
- Cover for alternative residential accommodation cover is now increased from 20% of the buildings sum insured to 33.3% and is now payable in addition to the sum insured on the buildings but is limited to a period of 24 months
- Additional management fees cover – up to £25,000 for additional costs arising out of a claim
- Archaeological discoveries cover – up to £100,000 for statutory additional costs arising out of a claim
- Average waiver cover – we will waive the application of “average” for buildings where a professional valuation has been carried out (subject to the conditions in the policy)
- Debris removal – irrecoverable costs following a loss for removal of debris costs relating to tenants’ contents
- Eviction of squatters cover – up to £15,000 legal costs any one loss
- Fly tipping cover – up to £5,000 or removal costs subject to a £1,000 deductible
- Illegal cultivation of drugs cover – cover for damage caused as a result of illegal cultivation of drugs
- Munitions of war cover – cover now includes damage caused by historic munitions of war
- Removal of vermin – costs up to £5,000 where required by a local authority
- Removal of wasps, bees or hornet nests – costs up to a maximum of £1,000.

Public liability

- Contingent motor liabilities cover – your liability arising out of employees driving in connection with the business in vehicles not supplied by you
- Environmental clean-up cover – to a limit of £1,000,000 subject to policy terms and conditions
- Financial loss liability cover – automatically included to a limit of £250,000 with a 10% deductible subject to a minimum of £2,500 and maximum of £10,000
- Libel and slander cover – to a limit of £250,000 with £1,000 deductible.

Additional covers applicable to Section 1 – Buildings and Section 2 – Rental Income

- Inadvertent omission cover – cover for premises where there has been an inadvertent omission to insure subject to a maximum limit of £5,000,000.

Environmental/Climate Change enhancements to your policy

We have also included the following new coverages to help support environmental changes:

- The definition of Buildings has been changed to give cover for up to £5,000 of electric vehicle charging points and cables automatically
- Additional debris removal cover to allow for recycling costs
- Additional costs relating to building back resiliently following flood.

Terrorism update

We have taken the opportunity to amend our Terrorism cover to cater for those customers who were previously not eligible for coverage because they:

- Are private individuals who own residential property
- Own property in the Channel Islands and Isle of Man

Cooling-off periods

Customers will now benefit from a 14-day “cooling-off period” at renewal as well as inception of the policy.

Other changes to the Public liability section of the policy

Deliberate acts – we have reworded the exclusion of Liability arising as a result of deliberate acts to clarify the intention of the policy as follows:

Deliberate act exclusion

We will not cover claims

- 1 caused by or arising from any deliberate act, error or omission
 - a where the results are intended or expected, or are reasonably foreseeable by you
 - b by anyone other than you, so far as cover is requested for their own liability
- 2 for clean-up costs in circumstances where you have knowingly
 - a deviated from any regulatory notice, order or protection ruling
 - b omitted to inspect, maintain or perform necessary repairs to plant or machinery for which you are responsible.

Limit of indemnity – we have reworded the Limits of liability under the Public liability section to make the intention of the policy clearer.

Limit of indemnity

- 1 The public liability limit of indemnity shown in your schedule is the maximum amount we will pay for all damages arising from one event.
- 2 The public liability limit of indemnity is also the maximum amount we will pay for all damages as a result of all occurrences during any one period of insurance caused by or originating from release or escape of pollutants.
- 3 If you become legally liable for bodily injury or personal injury as a result of the growth of biological agents in water systems, water installations or cooling systems the maximum amount we will pay for all damages and claims costs as a result of all occurrences during any one period of insurance is £1,000,000*.
**Subject to compliance with the Legionella precautions condition*
- 4 The maximum amount we will pay for all damages as a result of all occurrences during any one period of insurance, arising directly or indirectly in connection with a terrorist act is £2,000,000.
- 5 If we cover more than one person, firm, company or organisation, the amount payable by us in total, on behalf of all entitled to cover, shall not in any circumstances exceed the limit of indemnity shown in your schedule.
- 6 We will pay claim costs in addition to the limit of indemnity applicable to the claim or claims, except if an action for damages is started or brought in the United States of America or Canada.
- 7 If an action for damages is started or brought in the United States of America or Canada, we will not pay more than the limit of indemnity shown in your schedule, for the total of all damages and claim costs arising from the action.
- 8 In respect of any claim or claims, we may at any time pay the limit of indemnity applicable, after deducting any amounts already paid, or any lesser amount for which a settlement can be made. We will not then be liable to make any further payment in respect of the claim or claims. If we have agreed to pay claim costs in addition to the limit of indemnity, we will pay the costs incurred before the date of the claim payment.

