

CLIENT NEWS

NOTIFICATION OF CHANGES TO YOUR POLICY

At Allianz Insurance plc we constantly review our products. Following our latest review, with effect from the renewal of your Policy, we are updating your policy wording to include the following amendment in order to clarify our intent in relation to cover for losses arising out of diseases and non-damage events.

We have amended your wording to clarify our intent of cover under this wording for losses arising from Contagious and Infectious Diseases, and where applicable we are replacing the existing Extensions for Specified Illness and Non Damage covers.

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

Addition of General Exclusion 5. Contagious and Infectious Disease – (Included under General Exclusions Section of the Policy wording)

Replacement of Clause – Specified Illnesses (Included under Extensions of the Business Interruption All Risks Section of the Policy wording)

CONTAGIOUS AND INFECTIOUS DISEASE EXCLUSION CLAUSE IS ADDED TO YOUR POLICY:

General Exclusion 5. Contagious and Infectious Disease (Not applicable to Employers Liability, Public/Products, Liability, Directors and Officers, Personal Accident, Business Travel, Computer, Breakdown, Legal Expenses and Terrorism Sections)

Loss, damage, destruction, cost, expense, or any consequential loss, directly or indirectly caused by, arising out of, attributable to, or contributed to by:

- a** a **Contagious or Infectious** Disease;
- b** the fear or threat (whether actual or perceived) of a **Contagious or Infectious Disease**;

- c** the presence or suspected presence of **Pathogens** at, in or on the premises or property of any person or entity; or
- d** any action taken or advice given (whether or not by a competent authority) to prevent, reduce, control or mitigate the occurrence, outbreak, spread or effects of a **Contagious or Infectious Disease** or any **Pathogens**,

irrespective of any other cause, occurrence or event operating concurrently, independently or in any sequence to cause the loss.

But this exclusion will not apply to **Physical Damage** to property insured under the Policy and any business interruption directly resulting from such **Physical Damage**, where such **Physical Damage** itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank apparatus or pipe, impact by any road vehicle or animal or theft.



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For the purposes of this exclusion:

Loss includes, but is not limited to financial and business interruption loss, loss of value, marketability or use of property, fines and penalties. Cost or expense includes, but is not limited to any cost to:

- i clean-up, detoxify, decontaminate, or remove **Pathogens** from any property where the property is or is feared to have been affected by **Pathogens** or a **Contagious or Infectious Disease**;
- ii monitor or test for **Pathogens** or a **Contagious or Infectious Disease**; or
- iii provide medical treatment for persons affected by a **Contagious or Infectious Disease**

Physical Damage means

Physical loss, damage or destruction. For the avoidance of any doubt, the presence of a **Pathogen** on property or contamination of property by a **Pathogen** does not constitute **Physical Damage**;

Malicious persons do not include persons who maliciously, deliberately or recklessly:

- i cause **Pathogens** to come into contact with the premises or property of any person or entity; or
- ii cause or attempt to cause another person or persons to contract a **Contagious or Infectious Disease** and, in or by so doing, cause **Pathogens** to come into contact with the premises or property of any person or entity.

Contagious or Infectious Disease

means

Any disease, illness or condition affecting humans or animals which is caused by or can be transmitted by means of any **Pathogen**, where the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms (including from one human to another, one animal to another, from an animal to a human or vice versa, or through contaminated water, faeces or food)

Pathogen means

Any pathogen, including but not limited to a virus, bacterium, parasite, fungus, other organism, micro-organism, any variation or mutation thereof, whether deemed living or not, or any other substance or agent capable of causing a **Contagious or Infectious Disease**

SPECIFIED ILLNESSES EXTENSION IS HEREBY DELETED IN ITS ENTIRETY AND REPLACED AS FOLLOWS:

Specified Illnesses Extension – (applicable to the Business Interruption Section)

For the purposes of this Extension only, any claim resulting from interruption of or interference with the Business caused directly by any of the undernoted Contingencies shall be understood to be Business Interruption by an Event covered by this Section, provided that all of the terms, conditions and provisions of this Section and the Policy (except insofar as they may be expressly varied by this Extension) and the undernoted Definitions and Special Conditions shall apply.

Contingencies

- a the occurrence of a Specified Illness at the Premises or attributable to food or drink supplied from the Premises
- b the discovery of an organism at the Premises likely to result in the occurrence of a Specified Illness
- c the occurrence of Legionellosis at the Premises
- d the discovery of vermin or pests at the Premises
- e any accident causing defects in the drains or other sanitary arrangements at the Premises
- f the occurrence of murder, suicide or rape at the Premises

which causes restrictions on the use of the Premises on the order of a competent local authority during the Period of Insurance.

Any reference to an Event within the Section of the Policy to which this Extension relates shall, for the purposes of this Extension, mean the restrictions (or series of related restrictions) imposed on the use of the Premises by the competent local authority resulting from any occurrence, discovery or accident constituting any of the aforementioned Contingencies. An Event will be deemed to occur on the date on which the restrictions associated with the Contingency are first imposed on the use of the Premises, irrespective of the period of time during which such restrictions remain in place and whether they are lifted and re-imposed or varied at a later date.

However, the Policy requirement that the Insured shall have in force an insurance covering its interest in the property at the Premises against such Event shall be deemed to have been complied with if the Insured has a valid claim under this Extension.

Definitions

Specified Illness means

Illness sustained by any person resulting from:

- 1 food or drink poisoning, or
- 2 acute encephalitis, acute infectious hepatitis, acute meningitis, acute poliomyelitis, anthrax, botulism, brucellosis, chickenpox, cholera, diphtheria, dysentery, enteric fever (typhoid or paratyphoid fever), haemolytic uraemic syndrome (HUS), infectious bloody diarrhoea, invasive group A streptococcal disease, leprosy, leptospirosis, malaria, measles, meningococcal septicaemia, mumps, plague (caused by the bacteria *Yersinia pestis*), rabies, rubella, scarlet fever, smallpox, tetanus, tuberculosis, typhus, whooping cough or yellow fever

an outbreak of which the competent local authority has stipulated shall be notified to them.

Legionellosis means

Illness sustained by any person resulting from the discharge, release or escape of legionella from water tanks, water systems, air-conditioning plants, cooling towers and the like at the **Premises**

Indemnity Period means.

The period during which the results of the Business shall be affected in consequence of any of the aforementioned contingencies numbered **i** to **vi**, beginning with the date from which the restrictions on the use of the **Premises** are first imposed and ending not later than the Maximum Indemnity Period thereafter. The **Indemnity Period** shall comprise a single, continuous period. It cannot be divided into more than one period or increased so as to exceed the Maximum Indemnity Period, where restrictions on the use of the **Premises** forming part of the contingency are lifted and then reimposed at a later date or otherwise varied over time.

Maximum Indemnity Period means

1 month

Premises means

premises owned, leased or occupied by the Insured within the United Kingdom, as declared to and accepted by the Insurer (and will not include any Extended Premises shown in the Extensions to this Section).

Special Conditions applicable to this Extension only

- 1 General Exclusion 5 Contagious and Infectious Disease shall not apply to this Specified Illness Extension.
- 2 The **Insurer** shall not be liable under this Extension for any loss resulting from interruption or interference with the Business
 - a consequent upon a Specified Illness that has been declared by the World Health Organisation (or, if the World Health Organisation ceases to exist, any successor, replacement or equivalent body) to be a public health emergency of international concern under the International Health Regulations 2005 (or any other regulations or codes of practice supplementing, amending or replacing the International Health Regulations 2005) or a pandemic
 - b that does not involve use of the **Premises** being restricted on the order of a competent local authority for at least 24 consecutive hours
 - c incurred during any period other than the actual period during which use of the **Premises** is restricted on the order of the competent local authority
 - d where the restrictions (or series of related restrictions) on the use of the **Premises** were first imposed prior to the Period of Insurance.

- 3 The **Insurer** shall not be liable under this Extension for any costs incurred in the decontamination, cleaning, repair, replacement, recall or checking of any property.
- 4 The liability of the **Insurer** under this Extension shall not exceed £50,000 in total in respect of all Events combined occurring during any one Period of Insurance, irrespective of whether such **Incidents** arise out of the same or different contingencies or involve more than one **Premises**. For the avoidance of any doubt, and notwithstanding any provision of the **Policy** to the contrary, the limit of liability will not be reinstated following a claim, such that any payment made on a claim under this Extension shall reduce the limit of liability available in respect of future claims.
- 5 The **Insured**, in so far as is reasonably practical, shall ensure compliance with the Health and Safety Executive's Approved Code of Practice – Legionnaire's Disease: The control of legionella bacteria in water systems, and any supplementary, replacement or amending Code of Practice issued by the Health and Safety Executive. Payment of any claim arising out of contingency **iii** (Legionellosis) is conditional upon compliance with this Code of Practice.

THE FOLLOWING EXCLUSION IS ADDED TO ENGINEERING BREAKDOWN EXTENSION WHERE CLAUSE APPLICABLE:

The Insurer will not pay for

19 Loss, damage, destruction, cost, expense, or any consequential loss, directly or indirectly caused by, arising out of, attributable to, or contributed to by:

- a** a **Contagious or Infectious Disease**;
- b** the fear or threat (whether actual or perceived) of a **Contagious or Infectious Disease**;
- c** the presence or suspected presence of **Pathogens** at, in or on the premises or property of any person or entity; or
- d** any action taken or advice given (whether or not by a competent authority) to prevent, reduce, control or mitigate the occurrence, outbreak, spread or effects of a **Contagious or Infectious Disease** or any **Pathogens**,

irrespective of any other cause, occurrence or event operating concurrently, independently or in any sequence to cause the loss.

But this exclusion will not apply to **Physical Damage** to Insured Property insured under the Policy.

For the purposes of this exclusion:

Loss includes, but is not limited to financial and business interruption loss, loss of value, marketability or use of property, fines and penalties. Cost or expense includes, but is not limited to any cost to:

- i** clean-up, detoxify, decontaminate, or remove **Pathogens** from any property where the property is or is feared to have been affected by **Pathogens** or a **Contagious or Infectious Disease**;

- ii** monitor or test for **Pathogens** or a **Contagious or Infectious Disease**; or
- iii** provide medical treatment for persons affected by a **Contagious or Infectious Disease**

Physical Damage means

Physical loss, physical damage or physical destruction. For the avoidance of any doubt, the presence of a **Pathogen** on property or contamination of property by a **Pathogen** does not constitute Physical Damage; **Physical Damage** does not include any damage, accidental or otherwise, that is not physical, to tangible Insured Property or include any legal liability, compensation or claimants costs for any loss, damage or injury

Malicious persons do not include persons who maliciously, deliberately or recklessly:

- i** cause **Pathogens** to come into contact with the premises or property of any person or entity; or
- ii** cause or attempt to cause another person or persons to contract a **Contagious or Infectious Disease** and, in or by so doing, cause **Pathogens** to come into contact with the premises or property of any person or entity.

Contagious or Infectious Disease

means

Any disease, illness or condition affecting humans or animals which is caused by or can be transmitted by means of any **Pathogen**, where the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms (including from one human to another, one animal to another, from an animal to a human or vice versa, or through contaminated water, faeces or food)

Pathogen means

Any pathogen, including but not limited to a virus, bacterium, parasite, fungus, other organism, micro-organism, any variation or mutation thereof, whether deemed living or not, or any other substance or agent capable of causing a **Contagious or Infectious Disease**

THE FOLLOWING EXCLUSION IS ADDED TO ENGINEERING BREAKDOWN EXTENSION (BI) WHERE CLAUSE APPLICABLE:

The Insurer will not pay for

1 Loss, damage, destruction, cost, expense, or any consequential loss, directly or indirectly caused by, arising out of, attributable to, or contributed to by:

- a** a **Contagious or Infectious Disease**;
- b** the fear or threat (whether actual or perceived) of a **Contagious or Infectious Disease**;
- c** the presence or suspected presence of **Pathogens** at, in or on the premises or property of any person or entity; or
- d** any action taken or advice given (whether or not by a competent authority) to prevent, reduce, control or mitigate the occurrence, outbreak, spread or effects of a **Contagious or Infectious Disease** or any **Pathogens**,

irrespective of any other cause, occurrence or event operating concurrently, independently or in any sequence to cause the loss.

But this exclusion will not apply to any business interruption Financial Loss directly resulting from **Physical Damage**.

For the purposes of this exclusion:

Loss includes, but is not limited to financial and business interruption loss, loss of value, marketability or use of property, fines and penalties. Cost or expense includes, but is not limited to any cost to:

- i clean-up, detoxify, decontaminate, or remove **Pathogens** from any property where the property is or is feared to have been affected by **Pathogens** or a **Contagious or Infectious Disease**;
- ii monitor or test for **Pathogens** or a **Contagious or Infectious Disease**.

Physical Damage means

Physical loss, physical damage or physical destruction. For the avoidance of any doubt, the presence of a **Pathogen** on property or contamination of property by a **Pathogen** does not constitute Physical Damage; **Physical Damage** does not include any damage, accidental or otherwise, that is not physical, to tangible Insured Property or include any legal liability, compensation or claimants costs for any loss, damage or injury

Malicious persons do not include persons who maliciously, deliberately or recklessly:

- i cause **Pathogens** to come into contact with the premises or property of any person or entity; or
- ii cause or attempt to cause another person or persons to contract a **Contagious or Infectious Disease** and, in or by so doing, cause **Pathogens** to come into contact with the premises or property of any person or entity.

Contagious or Infectious Disease

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Pathogen means

Any **pathogen**, including but not limited to a virus, bacterium, parasite, fungus, other organism, micro-organism, any variation or mutation thereof, whether deemed living or not, or any other substance or agent capable of causing a **Contagious or Infectious Disease**

