

## IMPORTANT - UPDATES TO YOUR POLICY WORDING

**Effective Date:**

**Policy Number:**

**Insured:**

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### How these changes affect your policy.

Because we aim to revise our policies regularly, it is necessary to make changes to the policy we have issued.

These are the amendments that apply to your policy -please keep them with your policy booklet.

If you have any questions please contact us.

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### Summary of changes

The following changes can be found in this document

- 1. Hazardous substances exclusion**
- 2. Third party property damage limitation**
- 3. Terrorism Exclusion**
- 4. Cooling-Off and cancellation**

#### 1. Hazardous Substances exclusion

On both our private and commercial motor policies, we have added exclusions regarding potential incidents that are of such a size and scope that they are not the province of standard motor insurance. Although the exclusions are of most relevance to industrial customers, we must draw your attention to them.

Liability arising from, the bulk transport of oil and liquefied gas and the transport of chemical substances and gases for industrial purposes are now excluded (see below). As with all our exceptions, these will not apply where it is necessary to meet the requirements of any motor legislation.

#### 2. Third party property damage limitation

After a number of high-profile cases, it was necessary for the private car insurance market to apply restrictions for the liabilities you incur to others following damage to their property. In recent years, a 20 million pounds limitation has been introduced within the market. A limit of 5 million pounds now also applies to your policy in respect of legal costs and fees incurred in dealing with claims in respect of third party property. (see below)

For vehicles other than private cars, the limit for damage to third party property remains at 1 million pounds (unless specifically amended on your policy).

Third party **injury** cover remains unlimited for all types of vehicles.

12.04

#### 3. Terrorism Exclusion

We are making changes to our standard policy cover for terrorist-related incidents (see below). These have been introduced after the global insurance industry has been forced to look again at the risks we all now face from acts of terrorism following the attack on the World Trade Center.

01.07.02

## 4. Cooling-Off and cancellation

We have clarified what happens if you (or we) cancel the insurance after you have read through your policy booklet and ensured that the cover provided meets your needs. If you are a policyholder who is an individual e.g. a sole trader, then we provide you with a 'cooling-off' period of 14 days. Under 'cooling-off' we refund any premium you have paid for the cancelled period provided that you comply with your legal obligation to return the certificate of insurance to us.

The policy may also be cancelled outside of the cooling-off period – the Details wording below confirms your rights in these circumstances, including the position on premium refund..

12/04

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## Details of changes to the Policy

### Hazardous Substances exclusion

#### Definitions

The definition for **hazardous substances** is now deleted.

### Section 2 Liability to others (1) Indemnity to the Policyholder

Note 2 is restated as follows:

Note 2: unless otherwise stated in the **schedule** the limit of indemnity under (b) in respect of damage to property is restricted to £250,000 while the **insured vehicle** is at any **high risk premises**.

#### General Exceptions

The following Exception is added

Any liability injury, loss or damage, arising from:

- (a) the bulk transport of oil or liquefied gas
- (b) the transport of chemical substances and gases in liquid, compressed or gaseous state, unless incidental to non industrial activities

### Third party property damage limitation

### Section 2 Liability to others (1) Indemnity to the Policyholder

Note 1 shall now read as follows:

Note 1: where the **insured vehicle** is a **private car**, the limit of indemnity under (b) shall be £20,000,000 excluding legal costs and professional fees and expenses for which the limit of indemnity shall not exceed £5,000,000.

### Terrorism Exclusion

The Terrorism Exclusion is added to the Exceptions in the Section of your policy headed Liability to Others:

Your policy does not insure any liability injury or loss or damage arising out of an act of Terrorism

This policy also excludes liability injury loss or damage directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism.

This exception shall not apply in circumstances where it is necessary to meet requirements of any compulsory motor insurance legislation operative within the geographical limits of this policy.

For the purposes of this exclusion Terrorism shall mean an act including but not limited to the use of force or violence and/or the threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political, religious, ideological, ethnic or similar purposes or reasons including the intention to influence any government and/or to put the public or any section of the public in fear.

If the Company alleges that by reason of this exclusion any liability, injury, loss or damage is not covered by this policy (or is covered only up to a specified limit of liability) the burden of proving the contrary shall be upon the Insured.

## **Cooling-off and Cancellation of the Policy**

The following replaces the existing Cancellation condition (11) in "General conditions"

### **Paragraph 1- Individuals\* only.**

**\*The following paragraph (1) applies when the policyholder is an individual e.g. a sole trader.**

#### **1 Your right to cancel in the cooling-off period**

If after insuring with us and receiving the full written policy documentation including the schedule you subsequently change your mind you have 14 days to write to the sender confirming that you do not wish to continue and return your certificate of motor insurance. Provided that you do this no charge will be made and any premium you have already paid will be refunded.

After this cooling-off period your right to cancel the policy is as described in paragraph 2 below.

#### **Paragraphs 2 and 3 – all customers**

#### **2 Your right to cancel the policy**

You can cancel the policy providing you give Ecclesiastical Insurance notice in writing and return the certificate of motor insurance. As long as you have not made a claim you will receive a refund of the part of your premium which covers the cancelled period, calculated from the date of return of the certificate of motor insurance. If you have made a claim then the full annual premium is due.

#### **3 Our right to cancel**

We have the right to cancel the policy by giving you 7 days notice by recorded delivery to your last known address (and in the case of Northern Ireland to the Ministry of Home Affairs Northern Ireland). If we cancel the policy you must return the certificate of motor insurance to us within 7 days after which we will refund the part of your premium which covers the cancelled period. Note: under road traffic legislation you are legally obliged to return the certificate of motor insurance within 7 days of policy cancellation.

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### **Details of other information we think you should know**

The following are not changes to your policy but useful information we need to tell you about.

#### **The Financial Services Authority**

Ecclesiastical Insurance Office plc is authorised and regulated by the Financial Services Authority.

Our FSA register number is 113848

Our permitted business is general insurance

You can check this on the FSA's register by visiting the FSA's website - [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234.

#### **Financial Services Compensation Scheme:-**

As with all FSA regulated companies, should a situation arise where Ecclesiastical Insurance were unable to pay claims against it you may be entitled to compensation from the FSCS. For further information on the scheme you can visit the website at [www.fscs.org.uk](http://www.fscs.org.uk) or write to Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, Portsoken Street, London E1 8BN. Tel: 020 7892 7300

The scheme was set up under the terms of the Financial Services and Markets Act 2000. They are an independent, non-profit making organisation and cover deposits, insurance and investments.

FSCS may arrange to transfer your policy to another insurer, provide a new policy or, if these actions are not possible, provide compensation. The maximum level of compensation you can receive from the Scheme for a claim against an insurance firm depends on the type of insurance policy.

Compulsory insurance, such as third party motor insurance, is covered in full. For non-compulsory insurance (such as damage to your own vehicle) the first £2,000 of a claim or policy is protected in full. Above this threshold, 90% of the rest of the claim or value of unused premiums will be met.

### **The Motor Insurance Database**

Your policy details will be added to the Motor Insurance Database (MID), run by the Motor Insurers' Information Centre (MIIC). MID data may be used by the DVLA and DVLNI for the purpose of Electronic Vehicle Licensing and by the Police for the purposes of establishing whether a driver's use of the vehicle is likely to be covered by a motor insurance policy and/or for preventing and detecting crime. If you are involved in an accident (in the UK or abroad), other UK insurers, the Motor Insurers' Bureau and MIIC may search the MID to obtain relevant policy information.

Persons pursuing a claim in respect of a road traffic accident (including citizens of other countries) may also obtain relevant information which is held on the MID.

As a fleet policyholder, you are obliged by the Motor Vehicles (Compulsory Insurance) (Information Centre and Compensation Body) Regulations 2003 to advise of changes to your vehicle schedule as soon as possible, to allow the MID to be accurately updated.

You can find out more about this from us, or at [www.miic.org.uk](http://www.miic.org.uk).

Ecclesiastical Insurance Office plc. (EIO) Reg. No. 24869. Ecclesiastical Insurance Group plc. (EIG) Reg. No. 1718196. Ecclesiastical Life Ltd. (ELL) Reg. No. 243111. Ecclesiastical Group Asset Management Ltd. (EGAM) Reg. No. 2170213. Allchurches Investment Management Services Ltd. (AIMS) Reg. No. 2170173. Allchurches Mortgage Company Ltd. (AMC) Reg. No. 1974218. All companies are registered in England at Beaufort House, Brunswick Road, Gloucester GL1 1JZ UK. Tel: 01452 528533. EIO, ELL, EGAM & AIMS are authorised and regulated by the Financial Services Authority and are members of the Financial Ombudsman Service. EIO & ELL are members of the Association of British Insurers and AIMS is a member of the Investment Management Association.