

Amethyst 2015 - What's changed?

Policy Wording Reference: AME/0115/PW

The Amethyst 2015 policy wording, the 'Amethyst 2015 What's Changed' document, Key Facts and Product Summary and all previous versions are available to download as PDF documents from the Plum Underwriting Ltd website as follows:

<http://www.plum-underwriting.com/document-centre/>

This document tells **you** what has changed in the Amethyst 2015 **policy** wording from the 2014 version. The changes may or may not affect **you**, but please ensure that **you** read, understand and consider against **your** own personal circumstances and if **you** are not clear about anything and how it will affect **you** speak to **your broker or insurance intermediary** immediately.

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Contents Page

The claims section has been amended to 'How to make a claim' previously 'How to notify a claim'

Your Policy documentation – Page 2

1. Spelling mistake corrected.

This could result in a claim not **being** paid under this insurance.

2. Correct Information and Changes in Circumstances Section

The action for treating your policy if it never existed for fraud has changed in line with FCA expectation and we have therefore removed the fraud from this section as shown below and is dealt with under the cancellation section.

We will treat **your policy** as if it never existed and **we** will not pay **your** claim if **you** or **your** representative has:

- deliberately misrepresented any information given
~~▪ **been in any way fraudulent**~~
- deliberately or falsely overstated information given

Cooling Off & Cancellation – Page 3

1. **We** have clarified the process for cancellation of **your policy** as follows:

- When **you** want to cancel **your policy** **you** must notify **us** via **your broker and insurance intermediary**.
- If **we** want to cancel **your policy** **we** will notify **you** in writing via **your broker or insurance intermediary**.
- If **we** cancel **your policy** **we** will detail the reason in **our** written notice to **your broker or insurance intermediary**.

2. The fraud examples of cancellation has been amended as follows:

- 6. If **you** have ~~**been in any way acted**~~ fraudulent **in any way**.

3. **We** have corrected some numbering to the cancellation section

4. **We** have now introduced a clear action following a fraudulent claim under the cancellation section:

3. Cancellation by **us** following a fraudulent claim

If **you** make a fraudulent claim under this **policy** **we** will cancel **your policy** from the date of the fraudulent act.

5. Section 4 - Premium Refund following cancellation of **your policy**.

We have removed the reference and use of a alternative cancellation condition in **your schedule**.

Customer Services & Complaints Procedure – Page 4

Wording now refers to **your schedule** for details of the complaints procedure and the Financial Ombudsman Service.

Laws Applying – Page 5

Choice of Law has been updated as shown in red:

The parties are free to choose the law applicable to this insurance contract. Unless specifically agreed to the contrary **prior to the inception of this policy**, this insurance shall be governed by English law and subject to the exclusive jurisdiction of the courts of England and Wales.

How to make a claim – Page 5

Previously this section was name 'How to notify a claim'

The section has been re-worded for style and clarity only.

New definitions – Pages 6,7 & 8

The following NEW definitions have been included to ensure clarity of **your policy**, however please ensure that **you** read, understand and consider against **your** own personal circumstances.

Swimming pools

Swimming pools which are permanently installed.

Amended definitions – Pages 6,7 & 8

The following definitions have been AMENDED, please ensure that **you** read, understand and consider against **your** own personal circumstances.

If **you** are not clear about any of the changes in definitions or **your** circumstances change and **you** are unsure how this will affect **your policy** always speak to **your broker or insurance intermediary**.

1. Accidental Damage Definition

Previously defined as: 'Damage caused suddenly and as a result of an external, visible and violent cause'.

For clarity **we** have now defined as:

Accidental Damage

Sudden and unintentional physical damage that occurs unexpectedly and not through wear and tear, breakdown or malfunction.

2. Buildings Definition

Buildings

The **home** including fixtures and fittings, fitted appliances, integral garages, **outbuildings**, greenhouses, sheds, tennis courts, **swimming pools**, hot tubs, septic tanks, domestic oil or gas tanks, paved terraces, ornamental fountains and ponds, lamp posts, house signs, fixed radio and television aerials, fixed satellite dishes and their fittings and masts, drives, patios, paths, walls, gates and fences, solar panels, interior decorations all owned by **you** or for which **you** are responsible at the address shown on **your schedule**

Also included are underground services, sewers, pipes, cables and drains which connect to the public mains.

Buildings do not include land or water.

3. Contents Definition

We have updated the **contents** definition to simplify and clarified the **valuables** limit particularly in respect of pictures and works of art which are not limited as long as **you** have included in **your** general **contents sum insured**. Additionally **we** have automatically included electric wheelchairs and powerchairs within **contents**.

Contents

Household goods and **other items personal property** that belong to **you** or for which **you** are legally responsible subject to the limits shown under section 2.

This definition includes **fine art and antiques, valuables, home business contents** and **tenant's fixtures and fittings**.

Contents do not include:

- land or water
- any part of the **buildings**
- any property which is more specifically insured by another insurance
- any living creature
- motor vehicles and trailers (except those used for the domestic care of gardens, horses and pets within the boundaries of the **home**, motorised sit-in toys/miniature vehicles, motorised wheelchairs and mobility scooters/**powerchairs**)
- caravans and accessories
- watercraft other than those defined as **watercraft**
- property which **you** use for business purposes other than **your home business contents**
- **Students and boarders possessions**

4. Endorsement

We use **endorsements** to modify the standard **policy** wording under individual clients circumstances. The definition of **endorsement** has been amended to reflect the use of **endorsements** and to ensure **you** are clear to the meaning.

Endorsement

A change in the terms and conditions of this insurance **that can extend or restrict cover**.

5. Money

A minor change to reflect normal everyday language, gift tokens are amended to gift vouchers as shown below:

- Current legal tender, cheques, travellers cheques, postal or money orders
- Travel and seasonal travel tickets
- Premium bonds, savings certificates and share certificates
- Gift **vouchers-tokens**, phone cards, current postage stamps and saving stamps
- Electronic cash prepayment card kept by **you** for private, domestic and charitable purposes for which **you** are
- legally responsible

6. Unoccupied

The definition has been amended to simplify and clarify:

Unoccupied

When the **home** is:

- ~~without sufficient furniture for day to day living purposes, or~~
- ~~sufficiently furnished for day to day living purposes but has not been lived in by **you** (or a person **you** have authorised) for more than 30 days~~

When the **home** has not been lived in and occupied overnight by **you** (or a person **you** have authorised) for more than 30 consecutive days.

General Conditions – Pages 9 & 10

1. Condition No. 4. Index Linking

We do not index link **your valuables sum insured**. This was not clear in our previous Amethyst policy wording so the index linking condition has been amended to say that **valuables** are not included in the **contents** index linking that we apply annually.

Please therefore ensure that **your valuables sum insured** is reviewed at least annually and increased in line with current replacement costs and any acquisitions **you** make during **your period of insurance**.

2. Condition No. 5. Fraud Prevention

As previously detailed in this 'What's Changed' notice, **we** have removed the action of treating a **policy** as if it never existed in the event of fraud. This action has been replaced by cancellation action as detailed under the 2015 cancellation condition also detailed in this notice.

General Conditions – Pages 9 & 10 – Continued...

We have therefore removed the following line from the Fraud Prevention Condition:

~~If a claim is fraudulent in any respect this insurance will become invalid.~~

3. **NEW** Condition No. 9. Fraudulent Claims

This is a new condition and works along side the cancellation section on page 3 of the 2015 Flex Policy Wording giving clarity to when we will cancel a policy following fraud.

9. Fraudulent Claims

If **you** or anyone acting on **your** behalf makes a claim knowing it to be false or fraudulent in amount or in any other respect **we** will cancel this **policy** from the date of the fraudulent act.

We will seek to recover any payments from **you** which **we** have already made in respect of the fraudulent claim.

This action will not affect any previous claims unless the fraudulent act took place before any previous claims in which case the **policy** will be cancelled from the date of the fraudulent act and therefore no cover exists after this date and **we** will seek to recover any payments from any previous claims which **we** paid **you** on or after the date of the fraudulent act.

4. **NEW** condition No. 10. No Claims Discount

Whilst this is a new condition, it simply confirms to **you** how **we** deal with no claims discounts under **your policy**:

10. No Claim Discount

If **you** make a claim under **your policy** **we** will reduce **your** no claim discount at the renewal date of **your policy**.

If **you** do not make a claim under **your policy** **we** will increase **your** No Claim Discount at the renewal date of **your policy** until **you** reach a maximum of 5 years.

General Exclusions – Pages 11 & 12

1. The use of the words 'directly or indirectly'

The FCA has expressed its dissatisfaction with the term 'directly or indirectly' in a consumer policy and therefore we have removed this terminology throughout the general exclusions.

1. Any loss or damage

- that is not ~~directly~~-associated with the incident that caused **you** to claim unless expressly stated in this **policy**

2. Loss or destruction of or damage to any property or any loss or expenses arising from or any legal liability of any nature ~~directly or indirectly~~ caused by or contributed to or by or arising from:

- a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, or
- b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

3. Any loss, damage, expense, or legal liability ~~directly or indirectly~~ caused by, contributed to, or arising from pressure waves from aircraft and other aerial devices travelling at sonic or supersonic speeds.

4. **We** will not pay for:

- a) loss or destruction of or damage to any property whatsoever, or any loss or expenses whatsoever resulting or arising therefrom;
- b) any legal liability of whatsoever nature ~~directly or indirectly~~ caused by or contributed to by or arising from:
 - i. computer viruses, erasure or corruption of electronic data;
 - ii. the failure of any equipment to correctly recognise the date or change of date.

For the purposes of this exclusion "computer virus" means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature.

5. Loss or damage or liability ~~directly or indirectly~~ occasioned by, happening through or in consequence of:

- war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power.
- confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

General Exclusions – Pages 11 & 12 – Continued...

~~directly or indirectly~~ caused by or contributed to by or arising from biological or chemical contamination due to or arising from;

- an **act of terrorism**; and/or
- steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, threatened, suspected or perceived **act of terrorism**.

2. Examples of General Exclusions

Also in line with the FCA **we** have included some examples of some of the usual exclusions to the **policy** such as wear and tear and mechanical and electrical breakdown.

Examples of Wear & Tear

- Damp formed over a period of time
- Blocked or poorly maintained guttering
- Failure of a flat roof due to age
- Worn out carpets

Examples of Mechanical & Electrical Breakdown

- Electrical failure of an electrical components in televisions, computers etc
- Mechanical failure of a clock mechanism

Claims Conditions – Page 13

This section has been updated to ensure clarity of the what you need to do so we can deal with your claim quickly and efficiently. Most of the changes are style, however we have split the section into two as follows:

1. Your duties in the event of a claim – Things you need to do

This section is largely unchanged and only includes style changes other than the following condition:

Abandonment Condition

The term 'abandonment' was not considered clear and have now reworded the condition. The previous condition was as follows:

11. Abandonment

You must not abandon any property to **us** without **our** written permission.

We have now re-written the condition as follows:

j) Your Property

Your property shall remain **yours** at all times. **We** shall not take ownership of or accept liability for any of **your** property unless **we** agree with **you** in writing that **we** shall do so.

2. How we deal with your claim

This section splits out the claims conditions that apply to **us** and how **we** deal with **your** claim. Again this is mainly style but **we** have included the following new conditions which are both positive towards **you** as the policyholder:

a) Payment of claims

Subject to **you** complying with '1. Your duties in the event of a claim' as detailed above, **we** will ensure that **we** will pay sums due to **you** for any valid claim within a reasonable time, allowing for investigation and assessment of the claim.

This is emphasising our commitment to pay genuine claims quickly but recognising that sometimes we do need time to understand the circumstance of what happened.

e). Excess

If **your** claim is in respect of a single event and **we** are paying **you** under multiple sections of **your policy** then **we** will only deduct the highest **excess** of those sections rather than deducting each **excess** under each section.

This new condition recognises that some claims cross more than one **policy** section and **we** will now be only applying the highest **excess** rather than all **excesses** that apply to all the sections that apply to any claim.

Section 1 – Buildings – Pages 15 to 17

1. The use of the words 'directly or indirectly'

As noted in the General Exclusions section above, the FCA has expressed its dissatisfaction with the term 'directly or indirectly' in a consumer policy and therefore we have removed this terminology throughout Section 1 – Buildings.

2. Special Extension 2 – Alternative Accommodation

The cover has been amended as follows:

The cost of alternative accommodation substantially the same as **your** existing accommodation, necessarily incurred by **you** and **your domestic** pets if **your home** is made uninhabitable as a **direct** result of damage insured under this Section.

3. Special Extension 3 – Loss of Rent

The wording of this extension has been updated although there is NO change to the cover being provided.

The wording is now as follows:

~~The loss of rent you would have received but are unable to recover as a result of the home being made uninhabitable as a direct result of damage insured under this Section.~~
The rent **you** would have received but are unable to recover while the **home** cannot be lived in following loss or damage which is covered under this Section

The previous wording was as follows:

~~The loss of rent you would have received but are unable to recover as a result of the home being made uninhabitable as a direct result of damage insured under this Section.~~

4. Special Extension 15 – Squatters

The cover has been amended as follows:

The cost of alternative accommodation for **you**, **your** family, and **your domestic** pets while **your home** is occupied by squatters.

5. Special Extension 13 – Fatal Injury

We have REMOVED the following exclusion to this extension:

We will not pay for:

~~b) Injury or death of any domestic employees.~~

6. New definition 'Swimming Pools'

This new definition has been included throughout the buildings section.

Section 1 – Buildings – Exclusion – Page 18

1. Section 2 Exclusions as amended as follows:

- the process of **cleaning**, dyeing, repair or renovation or whilst being worked on
- general wear and tear, rusting, corrosion, gradual or general deterioration, ~~extremes of temperature or exposure to light~~ or anything that happens gradually
- termites, woodworm, or wood boring insects, invertebrate, molluscs', moths, insects, vermin, wet or dry rot, damp, mould, fungus, infestation ~~or any dryness, dampness~~ or contamination caused by atmospheric or temperature changes
- chewing, scratching, tearing, fouling, vomiting by **your domestic** pets

2. Section 5 Exclusions are amended as follows:

- Arising from ~~defective design~~, defective materials or faulty workmanship

3. Section 6 Exclusion - Pair/Set/Suite or Part of a Common Design

This section has been changed and increased to reflect what we have seen from the Financial Ombudsman Service:

More than ~~25%~~ **50%** of the cost of replacing ~~or repairing~~ any undamaged parts of the **buildings** which form part of a pair, set, suite or part of a common design or function when the loss or damage is restricted to a clearly identifiable area or to a specific part.

1. The use of the words ‘directly or indirectly’

As noted in the General Exclusions section above, the FCA has expressed its dissatisfaction with the term ‘directly or indirectly’ in a consumer policy and therefore we have removed this terminology throughout Section 2 – Your Contents including Fine Art, Antiques and Valuables.

2. Special Extension 1 – Alternative Accommodation

The cover has been amended as follows:

1. Alternative accommodation The cost of alternative accommodation, substantially the same as **your** existing accommodation, necessarily incurred by **you** and **your-domestic** pets if **your home** is made uninhabitable as a **direct** result of damage insured under this Section.

3. Special Extension 2 – Rent Owed

The wording of this extension has been updated although there is NO change to the cover being provided.

The wording is now as follows:

The rent **you** have to pay as occupier of the **home**, if the **home** cannot be lived in following loss or damage which is covered under this Section.

The previous wording was as follows:

~~The loss of rent payable by **you** as occupier that **you** are unable to recover as a result of the **home** being made uninhabitable as a result of damage insured under this Section.~~

4. Special Extension 7 – Fatal Injury

We have REMOVED the following exclusion to this extension:

We will not pay for:

~~b) Injury or death of any **domestic employees**.~~

5. Special Extension 14 – Students and boarders possessions

The word ‘buildings’ was not being used in the context of a defined word in this policy wording and therefore should not be in bold. The bolding has been removed in this version of the wording.

6. Special Extension 15 – Tenants Liability

The wording of this special extension has been re-written to ensure the consumer understands the intent of the cover, it also ensures consistency with our other products.

7. Special Extension 16 – Guests, visitors and domestic employees personal effects

We have now includes ‘Guests’ within this special extension for clarity of cover.

8. Special Extension 27 – Storage

The single item limit of £1,000 has been increased to £2,500.

1. Section 2 Exclusions as amended as follows:

- general wear and tear, rusting, corrosion, gradual deterioration, ~~extremes of temperature or exposure to light~~ or any gradually operating cause
- chewing, scratching, tearing, fouling, vomiting by **your domestic** pets
- theft **or disappearance** of any item from an unattended vehicle unless hidden from view within a concealed boot, concealed luggage compartment, a closed glove compartment or under a manufacturer's internal fitted cover/parcel shelf that is locked and forcible and violent entry is used to break into the vehicle
- termites, woodworm, or wood boring insects, invertebrate, molluscs, moths, insects, vermin, wet or dry rot, damp, mould, fungus, infestation ~~or any dryness, dampness~~ or contamination caused by atmospheric or temperature changes
- process of ~~cleaning~~, dyeing, repair or renovation or whilst being worked on

2. Section 7 Exclusions are amended as follows:

- Arising from ~~defective design~~, defective materials or faulty workmanship

Section 2 – Your Contents including Fine Art, Antiques and Valuables – Exclusions Page 24

3. Section 8 Exclusion - Pair/Set/Suite or Part of a Common Design

This section has been changed and increased to reflect what we have seen from the Financial Ombudsman Service:

More than ~~25%~~ 50% of the cost of replacing ~~or repairing~~ any undamaged parts of the **buildings** which form part of a pair, set, suite or part of a common design or function when the loss or damage is restricted to a clearly identifiable area or to a specific part.

Section 3 – Your Legal Liability to the Public – Exclusions – Page 25

1. The use of the words ‘directly or indirectly’

As noted in the General Exclusions section above, the FCA has expressed its dissatisfaction with the term ‘directly or indirectly’ in a consumer policy and therefore we have removed this terminology throughout Section 3 – Your Legal Liability to the Public.

2. Updated Exclusion

As shown in red, exclusion 5 has been updated as follows:

5. Liability arising out of the ownership, possession or operation of:

- a) any mechanically propelled or horse-drawn vehicle other than a domestic gardening machine operated within **your home**, pedestrian controlled domestic gardening machines operated elsewhere and motorised wheelchairs/~~powerchairs~~ and mobility scooters
- b) any power operated lift (other than domestic stairlifts)
- c) any aircraft or watercraft other than what **we** have defined as **watercraft**
- d) any animal other than horses, cats or dogs provided such dogs are not designated dangerous under the terms of the Dangerous Dogs Act 1991, the Dangerous Dogs Amendment 1997, the Dogs (Northern Ireland) Order 1983, the Dangerous Dogs (Northern Ireland) Order 1991, or the Control of Dogs (Scotland) Act 2010 or any amending legislation

Section 4 – Your Liability to your Domestic Employees – Page 27

There are NO changes to this section of **your policy**.

Section 5 – Home Emergency – Pages 28 & 31

1. The use of the words ‘directly or indirectly’

As noted in the General Exclusions section above, the FCA has expressed its dissatisfaction with the term ‘directly or indirectly’ in a consumer policy and therefore we have removed this terminology throughout Section 5 – Home Emergency.

2. New definition ‘Swimming Pools’

This new definition has been included throughout the Home Emergency section.

Section 6 – Legal Expenses & Identity Theft – Pages 32 to 41

1. The use of the words ‘directly or indirectly’

As noted in the General Exclusions section above, the FCA has expressed its dissatisfaction with the term ‘directly or indirectly’ in a consumer policy and therefore we have removed this terminology throughout Section 6 – Legal Expenses & Identity Theft.

End of ‘Amethyst 2015 - What’s changed?’ Document.

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