

JANUARY 2019

NEWSLETTER



DiOT
Est

TOPICS

- News about insurers
- Legal news
- Legal evolution
- Civil commotion and insurance
- Indexes updates



announces the acquisition of



and becomes the world's leading
property and casualty insurer!



FOS Nightmare



- QUDOS Insurance
- CBL Insurance
- Gable Insurance
- Alpha Insurance
- Elite insurance Company
- SFS (Broker)

**They all have failed and left over
100 000 policies (Dommage
ouvrage, 10-years liability)
without coverage for construction
sites in France !**

CHUBB



move in France completed!
This operation, which is part of its
Brexit plan, was approved by the
regulators in July 2018. It allows
Chubb's clients to have an uninterrupted
service, regardless of the outcome of the
Brexit negotiations between the United
Kingdom and the European Union.



Supreme Court – Decision 21/11/2018

Road transport and inexcusable fault, defined as :

"deliberate fault involving the awareness of the probability of damage and its reckless acceptance without valid reason".

Corresponds to a vehicle parked in an isolated place, in the countryside, unattended and in contradiction with the instructions => carrier assignment

No value policies

Royal Insurance, Radian Europe (GB) and Quanta Europe (Ireland) placed insurance policies on the French market in 2018 but they lost their authorization in their respective countries : no value for the policies ! Insured have to find a new insurer and file a complaint



Supreme Court – Decision 07/06/2018

In case of a lack of decennial insurance policy for a construction company, the personal liability of its legal representative can be engaged !

Juridical basis : Article Nr L223-22 of the French Commercial



State Council – Decision 09/11/2018

The constructor's ten-year liability can't be engaged when the damages don't make the property unfit for its intended purpose. (case of separable equipment such as a boiler : no decennial liability)

Adoption of the finance law project for 2019 :

-> tax increase for home loan insurance

-> increase of insurer's contribution to the FGAO, from 12% to 14%



Supreme Court – Decision 25/10/2018

If the contract doesn't mention the two-year limitation period, then it cannot be invoked against the insured for his actions.



Biodiversity recovery - Law of 08/08/2016

- Ecological damage is “a significant damage to the elements or functions of ecosystems or to the collective benefits derived by man from the environment.”
- Companies are responsible for such damages they might cause, even if there’s no third party involved !
- This new liability can be covered through insurance, most of insurers have updated their policies to include it.

Ecological damage is different from :



Environmental liability :
damage to third parties due to contamination of protected soil, water, species and natural habitats

Environmental damage civil liability : damages to the neighborhood due to pollution caused by the insured

Legal evolution



Since 01/01/2019, any registered vehicle must be registered immediately in the “Register of Insured Vehicles” in order to be able to drive, under penalty of a fine ranging from 750 euros for a private owner to 3750 euros for a Professional. This obligation is in addition to the obligation to have a green card.
=> Important monitoring required for insurers and brokers

Social movement : « Gilets Jaunes » in France



As you probably know, a social movement started several weeks ago in France and it's difficult to predict when it will come to an end. A lot of damages are caused during the « riots », shops have to close because of vandalism, broken windows...

For information : “Vandalism, sabotage, riots and civil commotion” is a coverage which is most of the times automatically included in the local property damage policies. It covers material damages to building, contents and stocks.

Regarding “Business Interruption”, insurers usually give a basic coverage which only covers BI following fire and related events. Other options can be subscribed such as BI after electrical damages, denial of access and BI after riots and civil commotion.

In any cases, it's necessary to refer the particular conditions and check if the guarantee is provided.

!/\ Coverage doesn't apply if protection measures specified in the policy are not observed.

Property damage policies Indexes update

It means automatic increase of values insured,
deductibles and premiums of most PD policies

01/01/2019

- **Index « Risques industriels » : 6134**
+ 2,5% compared to 01/01/2018 (5987)
- **Index « Bris de machine » : 1109,9**
+ 2,6% compared to 01/01/2018 (1081,7)
- **Indexe « FFB » : *not published yet***
981,8 on 01/01/2018

Any questions ?

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