

# NOTICE TO POLICYHOLDER

## INSPECTION CONTRACT

At Allianz Engineering, Construction & Power we constantly review our products to ensure we remain at the forefront of the market. As part of a recent review, we are launching a refreshed Inspection Contract that replaces your existing Inspection Contract.

### BACKGROUND

We have made a number of improvements to our Inspection Contract to ensure the rights, obligations and liabilities of both parties are set out clearly so our clients are clear on what the Inspection Service will and will not include. These changes are focused around our desire to make our Contract clear and easy to understand as well as necessary amendments to ensure we continue to embrace the latest changes in both regulation and market practice. Where there are any amendments, we have made this clear in the comparison table below.

The changes included within the comparison table below are changes that potentially make a material difference to the Inspection Contract. We have also made a number of minor changes that simply clarify the Inspection Contract which are not detailed below. These include a number of reworded paragraphs to make them easier to read.

**The guidance provided below does not nor is intended to represent the complete terms and conditions of the revised Inspection Contract. Please read this guidance in conjunction with your revised Inspection Contract and Schedule. If you have any questions, please refer these to your Broker.**

To download a copy of the revised Inspection Contract (ACE1281\_20 03.19) please visit the below link or contact your Broker or Allianz Engineering contact to obtain a hard copy.

<http://www.allianzengineering.co.uk/policywordings>

## COMPARISON TABLE – INSPECTION CONTRACT

Page no•	Inspection Contract	Difference from previous Inspection Contract	Why it has changed
2	Definitions	A definition of <b>Enforcing Authority</b> has been added.	To clarify the regulatory body or organisation that is responsible for ensuring that the Health and Safety Law is enforced.
2	Definitions	A definition of <b>Fee</b> has been added.	To clarify the inspection Fee is the amount shown in the Schedule.
2	Definitions	A definition of <b>Health &amp; Safety Law</b> has been added.	To clarify the Health & Safety Law that is applicable which includes the Health and Safety at Work etc Act 1974.
2	Definitions	A definition of <b>Moved About Plant (MAP)</b> has been added.	To clarify that Moved About Plant is any item of Plant that is not inspected at a permanent Site during an inspection cycle.
2	Definitions	<b>Normal Working Hours</b> definition has been updated to include travel time.	To clarify that normal working hours includes travel time.
3	Definitions	<b>Territorial Limits</b> definition has been update to include:  '(to the extent only where the Inspection Company provide the Inspection Service to an office or branch of a UK domiciled Client).'	To clarify that the Inspection Service can only be provided to an office or branch of a UK domiciled Client.
4	The Contract	A new clause <b>ii</b> has been added and the subsequent roman numerals have been renumbered:  <b>ii</b> the Inspection Company may, if requested by the Client and without prejudice to the exclusion in Clause <b>iii 1</b> ), provide a "Combined Report and Written Scheme of Examination" but only for a single item pressure system included within the Inspection Service. The Client must advise the Inspection Company immediately in writing of any changes or modifications to its single pressure system, its use and operation which occur between the date of this Contract and the issuance of the WSE by the Inspection Company to the Client;	To clarify that when the Inspection Company provides a Combined Report and Written Scheme of Examination the Client has a responsibility to advise the Inspection Company of any changes to the pressure system for which it has been provided.

- the page number shown in the table refers to the applicable page number in the revised Inspection Contract.

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Page no*	Inspection Contract	Difference from previous Inspection Contract	Why it has changed
4	The Contract	Sub clauses <b>iii 4 &amp; 5</b> have been amended to: <b>4</b> provision of a professional to give consultancy Services to include but not be limited to advice; guidance and training; <b>5</b> any inspections beyond the scope of the Client's Schedule relating to this Contract	To clarify that, unless specifically detailed within the Contract, these services are not included in the Inspection Service although such services may be available subject to additional charges.
5	The Contract	The previous <b>ix</b> now <b>x</b> (with renumbering) has been amended to include: 'but not limited to Disclosure and Barring Service (DBS) checks; supply chain assessments; Safety Assessment Schemes.'	To provide further clarity where the client has an additional requirement or request which may involve payment of an adjusted Fee.
6	Inspection Service Conditions	Condition <b>2.2 The Inspection Company: i</b> has been amended to include: 'including but not limited to where there is no responsible person on site who can advise of any event (planned or unplanned) or in the event of an emergency, can initiate emergency procedures; or'	To provide further clarity when the Inspection Company may decline to carry out an Inspection.
6	Inspection Service Conditions	Condition <b>2.3 The Inspection Company: iii</b> has been amended to remove the words 'non-standard'.	Amended for clarity as there is an additional charge for any paper reports and/or special reporting regimes.
7	Inspection Service Conditions	A new condition <b>3.2 The Client shall: v</b> has been added. <b>v</b> access to suitable welfare facilities and first aid arrangements;	To clarify what facilities the Client has to provide the Competent Person with.
7	Inspection Service Conditions	A new condition <b>3.9 The Client shall:</b> has been added. <b>3.9</b> notify the Inspection Company in writing of any change to their contact details;	To clarify the clients responsibilities.
7	Inspection Service Conditions	A new condition <b>3.10 The Client shall:</b> has been added. <b>3.10</b> provide the Inspection Company with the location details in writing of any MAP plant at least ten (10) working days, prior to the Inspection due date; and	To clarify the clients responsibilities.
7	Inspection Service Conditions	A new condition <b>3.11 The Client shall:</b> has been added. <b>3.11</b> notify the Inspection Company in writing at least twenty-one (21) days prior to an Inspection of any identification or security requirements necessary for a Competent Person to gain access to the Site. Any data of the Competent Person obtained from such request shall not be kept by the Client longer than is strictly necessary.	To clarify the clients responsibilities.

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8	Inspection Service Conditions	Condition <b>4.6 Fees</b> has been amended to include Condition <b>4.7</b> and <b>4.8</b> . The subsequent clauses have been renumbered.	To clarify when the client adds or deletes plant there may be an adjusted fee payable or refundable.
8	Inspection Service Conditions	A new condition <b>5.3 Termination of Contract: iv</b> has been added. <b>iv</b> has a change in control, which shall mean an event involving the transfer of more than fifty percent (50%) of voting common stock.	To further clarify where either the Client or the Inspection Company may terminate the Contract by giving written notice to the other if the other has a change in control.
9	Inspection Service Conditions	A new condition <b>5.4 Termination of Contract</b> has been added and the subsequent clauses have been renumbered: <b>5.4</b> In the event that the Client has a Long Term Undertaking (LTU) with the Inspection Company, the terms relating such LTU will be set out in the Schedule.	New condition to highlight where the terms of a Long Term Undertaking will be detailed.
9	Inspection Service Conditions	Condition <b>6 Anti Bribery &amp; Modern Slavery</b> title has been renamed to include the words 'Modern Slavery'.	Condition amended to include Modern Slavery Act.
9	Inspection Service Conditions	Previous Condition <b>6.2 Anti Bribery</b> has been moved to <b>6.1 vi</b> .	To ensure consistency in the contract.
9	Inspection Service Conditions	A new Condition <b>6.2 Anti Bribery &amp; Modern Slavery</b> has been added: <b>6.2</b> Both parties shall comply with all applicable laws; regulations; codes and sanctions relating to anti-slavery including but not limited to the Modern Slavery Act 2015 and shall not engage in any activity, practice or conduct which could constitute an offence under the Modern Slavery Act 2015 (regardless of where such activity; practice or conduct is carried out).	To clarify the applicable laws that both parties should comply with.
10 & 11	Inspection Service Conditions	Condition <b>10.1 – Transfer of Employees</b> has been amended.	This clause has been amended to reflect the latest changes in both regulation and market practice.

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