

# Machinery Options

## product information



For Intermediary Use

This document should be used for intermediary reference only, as it does not detail the conditions, limitations or exclusions of the cover. Please see the policy wording or proposition brochure for further details.

# Machinery Options insurance policy

Many companies across a range of industry sectors have machinery that is essential to the running of their business. When these machines suffer a breakdown or another form of loss or damage it can result in unexpected and costly repair bills. Our Machinery Options Policy combines an Inspection Service with cover for the cost of repair or replacement of this inspected machinery.

## Inspection service

The Inspection Service provided under this policy is provided by Allianz Engineering Inspection Services Ltd. They offer a wide range of inspection services and special services, details of which can be requested separately.

use of cranes and lifting plant insured under Cover One, Cover Two or Cover Three.

## What are the territorial limits?

Great Britain, Northern Ireland, the Isle of Man and the Channel Islands.

## What is the policy cover?

### Cover One - Sudden and Unforeseen Damage

Cover for sudden and unforeseen damage, including accidental damage, breakdown, explosion and collapse.

### Cover Two - Breakdown Explosion and Collapse

Cover for breakdown, explosion or collapse as defined within the policy wording.

### Cover Three - Accidental Damage

Cover for accidental damage other than by breakdown, explosion or collapse.

### Cover Four - Own Surrounding Property (Pressure Plant)

Cover for damage to property whether belonging to the Insured or in their care, custody or control where the damage is solely due to damage to pressure plant insured under Cover One or Cover Two.

### Cover Five - Own Surrounding Property (Cranes and Lifting Plant)

Cover for damage to property (other than property being carried or handled by the Insured Property) whether belonging to or in their care, custody or control where the damage is solely due to an accident error or fault in the ordinary

## Are there any policy conditions?

### For Inspection

- Conditions apply clarifying the responsibilities of both parties in ensuring that the Inspection Service is undertaken in a safe and timely manner.
- Termination, Confidentiality and Complaints conditions apply.
- Allianz Engineering, Construction & Power also confirm that their liability under contract is limited to £10,000,000.

### For Insurance

Standard insurance Conditions apply which clarify the responsibilities of each party in terms of the provision of risk and claims information, and how cancellation is handled including the circumstances that may result in the insurance being avoided. The Insured must also:

- take all reasonable precautions to safeguard the insured property against loss or damage
- allow the Insurer to subrogate and protect their rights to do so.

In addition:

The Insurers will not indemnify the Insured if dual insurance is in force other than in respect of any potential difference of excess between the two Policies.

**What are the main extensions?**

<b>Temporary Removal</b>	Up to £100,000	<b>Hired in Plant</b>	Up to £20,000. Subject to a maximum new replacement value of £10,000 per item
<b>Additional Plant</b>	The policy limit	<b>Claims Preparation Costs</b>	Up to £5,000
<b>Additional Costs</b>	Up to £25,000	<b>Fuel Storage Tanks Loss of Contents</b>	Up to £25,000. Subject to a maximum value in any one tank of £25,000 and a maximum in all tanks of £100,000

**What is the basis of settlement?**

We will provide cover for most items and own surrounding property on a reinstatement as new basis.

However, the basis of settlement will be indemnity only for the following items:

- Insured Property used for the generation of electricity
- glass lined vessels
- Insured Property mainly used or installed outdoors.

**Own Surrounding Property – Cover Four**

We will cover the Insured for the reinstatement value of property following explosion of pressure plant plus any additional reinstatement costs that are incurred in order to comply with local authority regulations.

**What are the main exclusions?**

- Perils commonly covered under a property policy such as fire, explosion, lightning, flood, theft are excluded
- The policy excess
- Cost of maintenance or rectification of faulty workmanship occurring during the execution of repairs
- Wear and tear

- Excluded parts and components such as cutters, bits, tools, moulds, driving belts, etc.
- Damage to safety devices
- Damage to Insured Property arising from multiple lifting operations
- Vessels, craft, vehicles or devices designed to float on in or travel under or through water, air or space
- Any consequential losses such as penalties for delay or loss of profits
- Damage to any item arising during installation or testing
- Pollution and Contamination
- Terrorism and E Risks.

The above detail is a summary of the cover provided under our standard machinery options policy. If you wish to see the full terms and conditions please contact your local Allianz Engineering, Construction & Power office for a specimen wording.

**Why should your clients buy Machinery Options cover from Allianz Engineering, Construction & Power?**

The main features and benefits of our Policy wording are:

<b>Insured Property</b>	<ul style="list-style-type: none"> <li>A wide range of plant and/or machinery can be covered under our Machinery Options policy. Businesses across all sectors will be reliant on items of plant and can therefore benefit from the cover. The policy could cover cranes and forklift trucks in a manufacturing warehouse or refrigeration equipment and lifts in a retail outlet for example.</li> </ul>
<b>Hired in Plant</b>	<p>Where the Insured is required to hire in machinery or plant we will automatically provide cover (subject to limitations) for the Insured’s legal liability in respect of:</p> <ul style="list-style-type: none"> <li>loss or damage to the hired in plant</li> <li>any continuing hire charges resulting from this loss or damage</li> <li>in addition to this, cover is automatically extended to cover any legal expenses which may be incurred by the Insured in defending legal proceedings in respect of loss or damage to hired in plant.</li> </ul>
<b>Loss Settlement</b>	<ul style="list-style-type: none"> <li>Reinstatement for all Insured Property (other than the categories below) and the Insured’s own surrounding property where the loss or damage has been caused by the explosion of pressure plant.</li> <li>Indemnity where property is used for the generation of electricity, glass lined vessels and mainly used or installed outdoors.</li> </ul>
<b>Extensions</b>	<ul style="list-style-type: none"> <li>10 extensions (6 being detailed on the previous page) written to meet the needs of today’s businesses.</li> </ul>
<b>Interim Payments</b>	<ul style="list-style-type: none"> <li>We aim to pay claims as quickly as possible. Where a large claim is made that requires further attention we will make an interim payment to the Insured where we have admitted liability.</li> </ul>
<b>Avoidance of Impending Damage</b>	<ul style="list-style-type: none"> <li>The policy is automatically extended to cover the costs of any measures that are taken in order to reduce impending damage, limited by the amount that would have been incurred as a claim had these measures not been taken.</li> </ul>
<b>Additional Plant</b>	<ul style="list-style-type: none"> <li>Where the Insured changes or purchases additional plant the extra items are automatically covered by the policy so long as they are of the same type as those already insured, are free of defects so far as the Insured is aware and have been successfully tested and/or commissioned.</li> </ul>
<b>Debris Removal</b>	<ul style="list-style-type: none"> <li>Automatic cover is provided all reasonable costs incurred by the Insured in respect of the removal of any Insured Property following loss or damage insured under this policy.</li> </ul>
<b>Claims Investigation Costs</b>	<ul style="list-style-type: none"> <li>With our prior approval we will pay the cost in conducting investigations and tests in respect of possible repair or replacement options following loss or damage up to a limit of £25,000.</li> </ul>
<b>Other Products Available</b>	<ul style="list-style-type: none"> <li>Where there is loss or damage to machinery there exists a potential for financial losses not only through repair costs but also the loss of profit whilst the plant is out of use. Our Machinery Business Interruption policy will provide cover for any reduction in profit or revenue caused by breakdown, accidental damage or collapse of plant and/or machinery.</li> <li>Our Deterioration of Stock policy can be arranged to provide cover for loss or damage to refrigerated stock.</li> </ul>

**Allianz Insurance plc.**

Registered in England number 84638.  
Registered office: 57 Ladymead, Guildford,  
Surrey, GU1 1DB, United Kingdom.

Allianz Insurance plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Financial Services Register number 121849.

**Allianz Engineering Inspection Services Ltd.**

Registered in England number 5441840.  
Registered Office: 57 Ladymead, Guildford,  
Surrey, GU1 1DB, United Kingdom.

Allianz Engineering, Construction & Power and Allianz Engineering are trading names used by both Allianz Insurance plc and Allianz Engineering Inspection Services Ltd.