

Policy Document

# HSB Energy Efficiency Insurance

**Operational and performance insurance for  
energy efficiency installations**



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## Your contract with us

Thank you for buying the energy efficiency insurance policy from us, HSB Engineering Insurance Limited (HSBEIL). We are pleased that you have chosen our policy, and we will work hard to make sure that you are happy with the cover and service you receive.

The policy is a legal contract between:

- you, the person or organisation shown in the schedule as ‘The insured’; and
- us.

The policy is made up of this document, the schedule setting out details of your cover, and any endorsements shown in the schedule. These make up the entire contract between you and us and must be read together. Please keep them all safely together.

We used the information you gave us in your proposal, and any further information you have provided, as confirmed in our quotation and statement of fact document, to decide whether to insure you. If any of that information was not accurate or was incomplete, this could affect the validity of your policy, the scope of cover available, the terms applicable to your policy or the amount paid out on a claim under the policy (see ‘Your responsibility to provide us with correct information under ‘Important information’).

If you pay the premium shown in the schedule, and keep to the terms and conditions of the policy, you will be covered under the sections of this document shown in the schedule for the **period of insurance**.

Signed for and on behalf of



**Stephen Worrall**  
CEO



**Stephen Morris**  
Underwriting Director

HSB Engineering Insurance Limited

# Important information

## Headings and interpretation

Throughout this policy:

- words or phrases which appear in bold have the meanings shown in the 'Definitions' section;
- headings are only to help you find the information you need, they do not form part of the policy wording;
- words which appear in the singular include the plural and vice versa;
- words which appear in the present tense include the past tense and vice versa; and
- any words after the terms 'including', 'include', 'in particular', 'for example' or any similar expressions are examples and shall not limit the meaning of the words.

## Your policy

This document, together with the schedule and any endorsements shown in the schedule, contains the information you need to know about your insurance. This document contains important information such as the terms and conditions of your insurance and how to contact us. The schedule and endorsements show:

- which sections of this document apply;
- the **sum insured** or limits for each section;
- any extra cover you have; and
- the premium.

Please keep the schedule with this document. We will send you a new schedule whenever there is a change to your insurance.

Your policy provides cover against specified events. Read this policy carefully to make sure that it meets your needs and you understand what is and is not covered. If there is anything you need to change or do not understand, contact the person who arranged this insurance for you, or you can contact us. You can find the contact details for your local HSBEIL office on our website at [www.hsbeil.com](http://www.hsbeil.com).

## Your responsibility to provide us with correct information

You, or anyone acting for you, must answer all the questions we may ask in respect of:

- your proposal of the risk to be insured; and/or
  - information you voluntarily provide;
- both honestly and with reasonable care.

You should therefore, take care to check that the responses provided in the statement of fact prior to its submission to us is complete, accurate and not misleading in any way.

You must do so not only when you first buy your policy, but also if you ask us to make a mid-term change to your policy during the **period of insurance**.

If you do not answer the questions detailed in the statement of fact correctly, or you provide incorrect or misleading information in support of your proposal, this may affect the validity of your policy or the terms on which cover is provided as follows:

- Where there has been a misrepresentation by you prior to entering into the policy and the misrepresentation is deemed to be fraudulent, we will treat your policy as if it never existed, refuse all claims and keep any premium you have paid. If your misrepresentation occurs during a change to your policy we will terminate your policy from the date of that change, refuse subsequent claims and keep any premium you have paid.
- Where there has been a misrepresentation by you prior to entering into the policy and the misrepresentation is deemed to be negligent (but not fraudulent) we will treat your policy in the way we would have done had we been aware of the full facts as follows.
  - Where we would not have entered into the policy on any terms had you provided us with the correct information, we may treat your policy as if it never existed, refuse all claims and return any premium you have paid. If your misrepresentation occurs during a change to your policy we may cancel your policy from the date of that change, refuse subsequent claims and return any extra premium you have paid.
  - Where we would have issued or changed your policy on different terms (other than those relating to premium) had you provided us with the correct information, we may alter the terms of your policy to those we would have imposed (other than those relating to premium). If we would have charged a higher premium, we may reduce the amount paid or payable on any claim in proportion to the amount of any additional premium that we would have charged.
- Where there has been a misrepresentation by you and the misrepresentation is deemed to be innocent, we will not cancel your policy.

## Your rights to cancel your policy

### Cooling-off period

You have 14 working days to make sure that you are happy with the cover provided. You can cancel the policy by telling the person who arranged this insurance for you, or by telling us in writing and returning the schedule. This 14-working day period, known as the 'cooling-off period', starts on:

- the day you receive your policy; or
  - the date the **period of insurance** starts;
- whichever is later.

If you do cancel the policy within the cooling-off period we will treat your policy as if it never existed and refund all the premium you have paid.

This does not alter your rights under the European Union (Insurance and Reinsurance) Regulations 2015 (S.I. No. 485 of 2015) or the European Communities (Distance Marketing of Consumer Financial Services) Regulations 2004 (S.I. No. 853 of 2004), where applicable.

## Important information

### Our rights to cancel your policy

We may cancel your policy if you do not keep to:

- general condition 5 – ‘Caring for the insured property’;
- general condition 11 – ‘Paying the premium’; or
- general condition 13 – ‘Right to survey and request risk improvements’.

If we cancel your policy because you have not kept to the general conditions listed above, we will send at least 14 days’ written notice to the last known address we have for you. We will provide the reason for cancellation and refund a percentage of the premium based on the number of days left in the **period of insurance**. There will be no cancellation fee however you must pay us any amount you still owe for the period during which you have been insured.

### Other important terms that may affect your cover

You must meet the requirements contained in any **condition precedent** set out in the policy. If you do not keep to these requirements our liability under the policy will be suspended from the time of the breach until the time when the breach is remedied. During this period, known as the ‘period of suspension’ you will not be able to bring a claim under the policy and we will not be legally liable to pay that claim.

### Our regulators

HSB Engineering Insurance Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, and is authorised and regulated by the Central Bank of Ireland as a third country branch in the Republic of Ireland.

The websites of the Financial Conduct Authority and the Central Bank of Ireland include a register of all regulated firms.

You can contact the Financial Conduct Authority at:

Financial Conduct Authority  
12 Endeavour Square  
London E20 1JN  
Telephone: +44 (0) 207 066 1000  
Website: [www.fca.org.uk](http://www.fca.org.uk)

You can contact the Central Bank of Ireland at:

Central Bank of Ireland  
New Wapping Street  
North Wall Quay  
Dublin 1  
D01 F7X3  
Telephone: +353 1 224 6000  
Website: [www.centralbank.ie](http://www.centralbank.ie)

### What happens if we cannot meet our liabilities

If we cannot pay you what we owe, you may be entitled to compensation under the Financial Services Compensation Scheme (FSCS) in the UK.

You can get more information about the scheme by contacting the FSCS at:

Financial Services Compensation Scheme  
PO Box 300  
Mitcheldean GL17 1DY  
Telephone: +44 (0) 207 741 4100  
Website: [www.fscs.org.uk](http://www.fscs.org.uk)

### Insurance compensation fund

If we cannot pay you what we owe, you may be entitled to compensation from the Insurance Compensation Fund in Ireland.

You can get more information about the scheme by contacting the Insurance Compensation Fund at [www.centralbank.ie](http://www.centralbank.ie).

### How we use your information

We are the controller of any personal information (for example, names, addresses, telephone numbers, job titles or dates of birth) you provide to us, or which is processed in connection with your policy. We collect and process information about you that we consider to be necessary in order to make decisions about the cover we provide to you, any claims you make, or to detect and prevent fraud. We also may record incoming and outgoing telephone calls with you for training, monitoring and quality control purposes.

We may share your information with, and obtain information about you from, companies within the Munich Re Group, other insurers, brokers, loss adjusters, credit reference agencies, fraud prevention agencies or other third parties who provide services on our behalf.

For further details on how your information is used and your rights in relation to your information, please see our Privacy Statement at [www.hsbeil.com](http://www.hsbeil.com).

### The laws and jurisdiction that apply to your policy

Unless otherwise agreed in writing between you and us the laws of Ireland will apply and the Courts of Ireland will have exclusive jurisdiction in any dispute arising under the policy.

Unless you and we agree otherwise in writing, all communications relating to the policy will be in English.

## Contacting us

### Making a claim

When you make a claim, it is very important that you meet all of the requirements of the policy, particularly claim condition 1 - 'Reporting a claim'. You must notify us within the time frames set out in the **condition precedent** otherwise we may be entitled to refuse liability for the claim under the policy.

If you do not keep to the other conditions in the policy we may not pay part or all of your claim.

You must report your claim to either the person who arranged this insurance for you or to us at:

Claims Department  
HSB Engineering Insurance Limited  
28 Windsor Place  
Lower Pembroke Street  
Dublin 2  
Telephone: +1 800 812 363 (Calls to this number are free from a landline or mobile when dialling from the Republic of Ireland)  
Email: [new.loss@hsbeil.com](mailto:new.loss@hsbeil.com)

### Making a complaint

We are committed to providing the highest standards of customer service and treating our customers fairly. If you have a complaint, contact the person who arranged this insurance for you or contact us at:

Regional Manager  
HSB Engineering Insurance Limited  
28 Windsor Place  
Lower Pembroke Street  
Dublin 2  
Telephone: +1 800 200 137 (Calls to this number are free from a landline or mobile when dialling from the Republic of Ireland)  
Email: [complaintsroi@hsbeil.com](mailto:complaintsroi@hsbeil.com)

When we receive your complaint we will:

- confirm this within five business days;
- pass it to our complaints team to be reviewed; and
- do our best to deal with your complaint within 40 business days. If we cannot, we will write to you and let you know when we will be able to give you a final response.

If we cannot resolve your complaint within 40 business days, or you are not happy with our final response, you may be able to complain to the Financial Services and Pensions Ombudsman (FSPO) in Ireland.

You can contact the FSPO at:

The Financial Services and Pensions Ombudsman  
3rd Floor  
Lincoln House  
Lincoln Place  
Dublin 2  
D02 VH29  
Telephone: +353 1 567 7000  
Email: [info@fspo.ie](mailto:info@fspo.ie)  
Website: [www.fspo.ie](http://www.fspo.ie)

The FSPO's service is available to policyholders who are consumers, which means a person or group of persons, but not an incorporated body with an annual turnover in excess of EUR 3 million in the previous financial year; or incorporated bodies having an annual turnover of EUR 3 million or less in the previous financial year. You can get more information from the FSPO.

If you make a complaint to the FSPO, this will not affect your right to take legal action against us.

### Making any other enquiry

If you have any questions about the policy or your cover, contact the person who arranged the insurance or contact us.

You can find the contact details for your local HSBEIL office on the website at [www.hsbeil.com](http://www.hsbeil.com).

## Definitions

Where the words below are printed in bold in this document or the schedule, they have the meanings shown here.

### Act of terrorism

An act committed by, or threat made by, any person or group (whether acting alone or in connection with any organisation or government) for political, religious, ideological or similar purposes, including to influence any government or frighten the public.

### Annual review date

The date shown in the schedule and subsequent anniversaries of that date during the **period of insurance** being the date(s) from which any **shortfall** will be calculated.

### Baseline energy consumption

The amount of energy consumed by any one **initiative** at the **insured location** in the 12 months prior to the **period of insurance** before the implementation of **initiatives** or as detailed in the **project plan** if different.

### Breakdown

This means:

- the actual breaking, failure, distortion or burning out of any part of a piece of equipment whilst in ordinary use which results from a **defect** and causes the equipment to suddenly stop, or not restart and require repair or replacement before it can resume normal work;
- **electronic derangement**; or
- error or omission of the operator during ordinary operation of a piece of equipment other than through the failure to maintain, causing it to suddenly stop, or not restart and require repair or replacement before it can resume normal work.

### Business

Your business activities relating to the 'Business description' shown in the schedule.

### Condition precedent

An important legal term which sets out a step or action you must take. If you do not keep to or meet the requirements set out in a **condition precedent**, this will suspend our liability under the policy from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). We will have no liability to you for any loss which occurs, or which is attributable to something happening, during the period when our liability is suspended (the 'period of suspension') and we will not be legally liable to pay a claim under the policy.

However, we will not rely on a breach of **condition precedent** to decline liability for a claim if you can prove that the failure to keep to the relevant term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

### Damage

This means:

- total or partial physical loss, physical damage or destruction; or
- **breakdown**.

### Defect

A flaw, imperfection, disorder or characteristic of any part of a piece of equipment which prevents or may prevent it working in the way it was intended.

### Electronic data

Facts, concepts, information, ideas, text, recordings and images which are converted to a form which can be processed by computer or other electronic equipment, including software and programs.

### Electronic derangement

Malfunction of the computer equipment or electronic circuitry which controls or operates a piece of equipment, and which:

- is not accompanied by visible damage; and
- requires repair or replacement of that computer equipment or electronic circuitry in order to restore the equipment to normal working.

This does not include:

- the rebooting, reloading or updating of software or programs;
- the item of machinery or equipment being incompatible with any software or equipment installed, introduced or networked within the previous 30 days;
- the item of machinery or equipment not being sufficient in terms of size, specification or capacity; or
- malfunction resulting from causes excluded under general exclusion 1 – Cyber events.

### Energy revenue

Revenue, other than **fiscal incentives**, received for the generation, distribution or supply of any energy generated by **initiatives**.

### Estimated gross income

The amount shown in the schedule as the gross income you expect to earn during the **period of insurance** or a proportionately adjusted amount if the **indemnity period** is less than or more than 12 months.

### Excess

The 'Excess' shown in the schedule, which is the amount of your claim, that we will not pay.

### Financial loss

This means:

- the amount your income reduces during the **indemnity period** as a result of an **insured event**; plus
- the extra expense of:
  - avoiding or minimising the reduction in your **income** (but no more than the amount of reduction avoided);
  - buying energy that would have been provided by your **insured property** if the **insured event** had not happened; and
- if we agree in writing, the extra expense, over the amount of reduction avoided, of continuing your **business**.

## Definitions

### Fiscal incentives

Payments received for the generation, distribution or supply of any energy generated by **initiatives** under a government backed environmental incentive scheme including schemes supporting the use of renewable energy sources.

### Income

Fees paid to you in connection with generating energy at the **insured location** affected by the **insured event**

### Indemnity period

The period during which you suffer a **financial loss** as the result of an **insured event**, starting on the date of the **insured event** and ending no later than the last day of the **indemnity period** shown in the schedule.

### Infectious agent

Any transmissible bacterium, microorganism, virus or other pathogen that induces or is capable of inducing an infectious disease.

### Initiative

An action, collection of actions or a system detailed in the **project plan** intended to reduce energy consumption or generate energy at an **insured location**.

### Insured event

Means **damage** to your **insured property**.

### Insured location

The location shown in the schedule which is:

- where the **insured property** is situated; and
- within the **territorial limits**.

### Insured property

Machinery, equipment and materials used in connection with the generation, storage and transmission, use or saving of energy and installed as part of an **initiative** unless specifically described otherwise.

### Insured saving

The amount declared by you to us and shown in the schedule representing the anticipated **realised saving** to be generated by an **initiative** detailed in the **project plan** over each 12 month period.

### Occurrence

One event or a series of events arising out of or in connection with the same cause, source or event.

### Pandemic

A widespread outbreak of a human infectious disease, into at least three countries on two different continents.

### Pandemic impact

Any of the following if they are caused by, result from, arise out of or related to a **pandemic**:

- sickness, disability or death;
- civil or military actions or orders, including confiscation; curfews; evictions; quarantines; restricted access to buildings or other property and restricted travel;
- strikes, riots or civil commotion;
- actions taken or refused to be taken by individuals or businesses;
- any other actions, advice or restrictions put in place by either the Government or competent, local, civil or military authority in order to hinder, defend against or respond to any **infectious agent** or **pandemic** or fear or threat of an **infectious agent** or **pandemic**.

### Period of insurance

The period of time, as shown in the schedule, during which you are covered by the policy, unless it is cancelled or treated as though it never existed (see 'Your responsibility to provide us with correct information' on page 4).

### Pollution

Contamination of the air, water, land or property.

### Project plan

The detailed plan, provided by you to us, and as amended from time to time with our prior written agreement, describing the implementation of **initiatives** at the **insured location** with the aim of reducing energy consumption.

### Realised saving

A single amount expressing the aggregate savings, **fiscal incentives** and **energy revenue** generated by **initiatives** in the 12 months prior to each **annual review date**. **Realised savings** will be calculated as an aggregate of the following:

- aggregated savings calculated as follows:
  - for each **initiative**, combine recorded periodic measurements to obtain a single measurement of actual performance;
  - for each **initiative**, compare actual performance to its **baseline energy consumption** as stated in the **project plan** and calculate a measurement of performance shortfall or surplus;
  - for each **initiative**, translate the performance shortfall or surplus into a monetary shortfall or surplus using the fixed unit prices detailed in the **project plan**;
  - aggregate all of the individual **initiative** shortfalls and surpluses into one aggregated number;
- fiscal incentives** received by you and generated by **initiatives** during the 12 months prior to the **annual review date**; and
- energy revenue** received by you and generated by **initiatives** during the 12 months prior to the **annual review date**.

## Definitions

### **Shortfall**

Means, on any **annual review date**, the amount, if any, by which the **realised savings** falls short of the **insured savings** over the previous 12 months solely because of deficiencies in the design, construction, installation, implementation, testing, commissioning, operation, maintenance, renewal or replacement of one or more **initiatives**. If the **realised savings** equals or exceeds the **insured savings** there is no **shortfall**.

### **Sum insured**

The amount, as shown in the schedule, for which you are insured for each **occurrence**, regardless of the number of people or organisations insured by your policy.

### **Territorial limits**

The **territorial limits** shown in the schedule within which the **insured location** is situated.

### **Time excess**

The time period, as shown in the schedule, we will not pay any **financial loss** for.

## Section 1 - Equipment damage

As well as the claim conditions, general conditions and general exclusions, the following terms and conditions apply under section 1.

### What we will pay for

#### 1. Insured property

We will pay you for **damage to insured property** owned, leased, hired or rented by you, during the **period of insurance**, while it is at an **insured location**.

#### 2. European Union and local authorities legislation

If we accept a claim for **damage to insured property**, we will pay the reinstatement cost necessary to keep to any building law or regulation, or any requirement of the European Union, act of parliament or local authority, that applies to the **damaged insured property** or its replacement.

We will not pay for:

- any cost relating to undamaged property or any undamaged **insured property**;
- any tax, charge or assessment which arises out of capital appreciation (that is, any increase in the value of the **insured property**); or
- the cost of keeping to any notice issued before the **damage** happened.

### How much we will pay

#### Partial loss

If the **insured property** is partially **damaged**, we will pay the cost of repairing or restoring the **damaged** part to return it to a condition similar to the condition it was in when new. We will not pay more than the amount we would have to pay for a total loss (see below).

#### Total loss

If your **insured property** is **damaged** beyond economical repair (that is, if the cost of repairs is higher than the cost of replacing the **insured property**), we will pay the following.

- If, at the time of the **damage**, items which are the same as your **insured property** are still being produced by the manufacturer, we will pay the cost of a new replacement that is as good as, but not better than, your **damaged insured property**.

However, if your **insured property** has a measurable output and can be replaced with a new item which performs a similar function, we will pay:

- the cost of a new replacement item that has the same output or less; or
- the cost of a new replacement item with a greater total output, if the cost of the replacement is no more than the cost of your **damaged insured property**; or
- the proportion (based on output) of the new replacement cost of an item which has a greater output and higher cost than that of your **damaged insured property** (you will have to pay the difference).

- If, at the time of **damage**, items which are the same as your **insured property** are no longer produced by the manufacturer, we will pay the market value of your **insured property** (that is, the estimated amount your **insured property** would reasonably have been expected to sell for immediately before the **damage** occurred).

#### Maximum we will pay

For all **damage** arising from each **occurrence** we will not pay more than 130% of the **sum insured** shown in the schedule, regardless of the number of people or organisations insured by the policy.

Any 'Extra cover limits' will be on top of the **sum insured** shown against 'Section 1' in the schedule.

#### Series loss

If the discovery of a **defect** in any item of the **insured property** indicates that a similar **defect** exists in any other item of the **insured property**, the amount we will pay for **damage** caused by or resulting from the **defect** will be calculated on the following scale:

100%	of the first <b>occurrence</b> ;
75%	of the second <b>occurrence</b> ;
50%	of the third <b>occurrence</b> ;
25%	of the fourth <b>occurrence</b> ; and
0%	of any further <b>occurrence</b> .

### Extra cover

If we have agreed to provide any of the extra cover below, this will be shown in the 'Extra cover limits' in the schedule and we will not pay more than these limits for each **occurrence**.

#### 1. Contamination

If we accept a claim for **damage**, we will pay for the reasonable cost of repairing, replacing, disposing of or cleaning up **insured property** that is contaminated or polluted as a result of that **damage**.

#### 2. Debris removal, dismantling and demolition

If we accept a claim for **damage to insured property** we will pay the reasonable cost and expense you incur in:

- removing debris;
- dismantling or demolition;
- shoring or propping up;
- clearance of drains and sewers;
- dewatering.

#### 3. Emergency services

If we accept a claim for **damage to insured property**, we will pay any charge you have to pay the emergency services as a result of that **damage**.

## Section 1 - Equipment damage

### 4. Investigation cost

If we accept a claim for **damage**, and we agree in writing, we will pay the reasonable cost of investigating possible repair, replacement or restoration.

### 5. Loss-prevention measures

We will pay the reasonable cost of preventing or minimising actual or expected **damage** covered by the policy, as long as:

- **damage** would be expected if the measures were not taken;
- we are satisfied that the **damage** has been prevented or minimised by these measures; and
- the cost is limited to the cost of **damage** which would have been caused.

The full terms and conditions of the policy apply as if **damage** had arisen.

### 6. Reinstating programs and data

We will pay the reasonable cost of reinstating, restoring and recreating **electronic data** (except when the damage is from a cause excluded by general exclusion 1 – Cyber events) which is held and used on management and control systems, and is used in connection with your **insured property**, as long as:

- this is necessary as a result of **damage to insured property**; and
- where possible, you keep a back-up copy of the original **electronic data**.

### 7. Temporary and fast-tracked repair

If we accept a claim for **damage**, we will pay the reasonable cost of making temporary repairs and fast-tracking a permanent repair, replacement or restoration.

### 8. Temporary removal

We will pay for **damage** to your **insured property** while it is:

- being loaded unloaded and transported (other than by air or sea); or
- temporarily removed from any **insured location**;
- for the purposes of replacement, repair, restoration, service or modification anywhere within the **territorial limits**.

## Special conditions applying to section 1

### 1. Transfer of interest

If, at the time of any **damage**, you are contracted to sell your interest in your **insured property** and the sale has not been completed, the purchaser will be insured by the policy, with the same rights as you, until the sale has completed.

## What we will not pay for

We will not pay for the following.

### 1. Application of tools

**Damage** caused by the proper use of tools during maintenance, servicing or repair.

### 2. Cessation of operation

**Damage** that occurs where your **business** has ceased operations during a continuous period of more than 30 days, unless we agree in writing. However, we will pay for **damage** during the first 30 consecutive days of your **business** ceasing.

### 3. Defects

The cost of repairing any **defect** of materials or workmanship, design, plan or specification in the **insured property**, but we will pay for **damage to insured property** as a result of that **defect**.

### 4. Excess

The amount shown as the 'Excess' in the schedule.

### 5. Experiments and overload

**Damage** caused by intentional overloading, testing, experiment or deliberate misuse.

### 6. Guarantee, warranty or maintenance contract

The cost of repairing, putting right or restoring any **damage** recoverable under any manufacturer's or supplier's guarantee or warranty, or any maintenance contract.

### 7. Lightning and over voltage protection

**Damage** caused by lightning or over voltage, unless the **insured property** is fitted with zone protection in accordance with the IEC or DIN VDE regulations, or alternative standard agreed by us in writing.

### 8. Normal upkeep

The cost of normal maintenance of your insured property.

### 9. Solidification

**Damage to insured property** caused by solidification unless that **damage** results from **damage to the insured property**.

### 10. Unexplained damage

**Damage** which is discovered when carrying out checks or inventories and cannot be accounted for.

### 11. Wear and tear

Losses due to:

- wear and tear, gradual deterioration or rust;
- scratching or chipping of painted or polished surfaces;
- erosion or corrosion; or
- reduction in performance.

However, we will pay for **damage** to your **insured property** resulting from the causes above which we would otherwise have paid under your policy.

## Section 2 - Loss of income

As well as the claim conditions, general conditions and general exclusions, the following terms and conditions apply if the schedule shows that you have cover under section 2.

### What we will pay for

If section 2 is shown as insured in the schedule, we will pay your **financial loss** resulting from an **insured event** during the **period of insurance**.

### How much we will pay

We will pay your **financial loss** during the **indemnity period** as a result of an **insured event**.

When we are working out the amount to pay, we will take account of circumstances that would have affected **income** at an **insured location** as if the **insured event** had not happened.

If a replacement for your **damaged** item of **insured property** is no longer being produced or is no longer available, and repairing the **damage** would not be economical (that is, if the cost of repairs is higher than the cost of replacing the **insured property**), the maximum **indemnity period** will be:

- six months; or
- the **indemnity period** shown in the schedule;

whichever is shorter.

If this is your first year of trading, we will pay the difference between your **income** during the **indemnity period** and during the period immediately before the loss, less any savings resulting from reduced costs.

#### Maximum we will pay

For each **occurrence** of an **insured event** we will not pay more than 130% of your **estimated gross income**, as shown in the schedule, regardless of the number of people or organisations insured by the policy.

Any 'Extra cover limits' will be on top of the **estimated gross income** shown against 'Section 2' in the schedule.

### Extra cover

If we have agreed to provide any of the extra cover below, this will be shown in the extra cover 'limits' in the schedule and we will not pay more than these limits for each **occurrence**.

#### 1. Claims preparation cost and accountants' fees

We will pay the reasonable cost of you providing the information we need to work out the amount we should pay as a result of:

- extra staffing costs; and
- extra fees charged by your usual auditors or accountants; or
- any goods used to provide the information we need.

#### 2. Public relations cost

If we accept a claim for **financial loss**, and we agree in writing, we will also pay the reasonable cost of a professional public relations firm to help you create and distribute communications to the media, the public or your customers and clients.

## Special conditions applying to section 2

### 1. Equipment damage requirement

We will only pay a claim for **financial loss** resulting from **damage** if that **damage** is covered under section 1, or if we would not pay the claim under section 1 purely because the 'Excess' or 'Guarantee, warranty or maintenance contract' clause in section 1 applies.

### 2. Excess

The **excess** and **time excess** will apply separately if both sections 1 and 2 provide cover following an **insured event**.

## What we will not pay for

We will not pay for the following.

### 1. Indirect losses

**Financial loss** or any other cost resulting from:

- any lease, contract, licence or order ending or being suspended or cancelled;
- penalties of any kind;
- lack of, or guarantees of, performance;
- inefficiency or delay; or
- measures to eliminate or reduce losses from any of the causes above.

### 2. Time excess

**Financial loss** or any other cost arising during the **time excess**.

## Section 3 - Asset performance

As well as the claim conditions, general conditions and general exclusions, the following terms and conditions apply if the schedule shows that you have cover under section 3.

### What we will pay for

If section 3 is shown as insured in the schedule, we will pay for the amount of any **shortfall** incurred by you during each 12 month period prior to the respective **annual review dates** within the overall **period of insurance**.

### How much we will pay

We will pay the amount of the **shortfall**.

The most we will pay in respect of any **shortfall** is the amount of the **insured saving** shown in the schedule, regardless of the number of people or organisations insured by the policy.

### Special conditions applying to section 3

#### 1. Books, records and audit

You must maintain books and records in such a manner that the exact degree of **realised savings** can be accurately determined. We may examine and audit such books and records at any reasonable time, upon our prior request.

#### 2. Contract and specification changes

There will be no change, including any change in parties, in:

- the **project plan**;
- the **initiatives**; or
- any other agreements or specifications;

without our prior written consent.

#### 3. Failure to complete project

No cover will be provided by this section for the **initiatives** at each **insured location** contained in the **project plan** until the **project plan** has been fully executed for that **insured location**.

#### 4. Modifications and corrections

We have the right at any time to require, and pay for, modifications to any **initiative** to bring it into compliance with the **project plan**, as long as the modifications are allowed under the terms of the **project plan**.

#### 5. Project implementation

It is a **condition precedent** to liability that the you must execute the tasks and the timing of the **project plan** and comply with its terms and conditions in full.

#### 6. Reports of asset performance

You must:

- review the performance of **initiatives** against the **project plan**, and in accordance with the International Performance Measurement and Verification Protocol, on a quarterly basis; and
- report to us, as soon as practical, potential or identified **initiative** performances which may adversely affect **realised savings**.

### What we will not pay for

We will not pay for the following.

#### 1. Asset modification

**Shortfall** resulting from modifications or alterations of any kind to assets at the **insured location** that adversely influence the execution of an initiative unless approved by us in writing.

#### 2. Business interruption

Any **shortfall** for which indemnity is provided under section 2 of this policy.

#### 3. Excess

The amount shown in the schedule as the **excess**.

#### 4. Fines, damages and penalties

Fines or damages for breach of contract, for late or non-completion of orders, or for any penalties.

#### 5. Insolvency

Financial default or insolvency of you or any person, company or organisation acting on behalf of you in accordance with a written agreement expressly appointing them as an authorised agent.

#### 6. Legal claims

Legal claims, suits or actions affecting the **initiative**, including claims, suits and actions alleging patent or other intellectual property right infringement or the violation of statutes, regulations or permits.

#### 7. Ordinance or law

The enforcement of, or change in, any ordinance, law, regulation, rule or ruling.

#### 8. Outside causes

**Shortfall** resulting from any cause outside the **insured location** including the cost or availability of feedstock or any variance of type, quantity, or quality of fuel, water, electricity or feedstock from specifications; or the pricing of, or loss of market for, the product or products.

#### 9. Project plan

**Shortfall** resulting from any modification of the **project plan** unless we have, in advance, supplied written approval of such modification.

#### 10. Unrest

**Shortfall** resulting from riot, labour slowdown, strike or lockout.

# Claim conditions

You must comply with the following conditions whenever you need to make a claim under the policy. If you do not meet these conditions, we may refuse to pay part or all of your claim.

## 1. Claims co-operation

It is a **condition precedent** of your policy that as soon as you know about any incident or circumstance that may give rise to a claim you must also:

- take all reasonable steps and precautions to prevent further **damage to insured property, deterioration of insured stock, financial loss** or other loss covered by your policy;
- immediately tell An Garda Síochána about any **damage to insured property, deterioration of insured stock, financial loss** or other loss relating to crime and get a crime reference number;
- keep any **damaged insured property** and other evidence and allow us to inspect it; and
- give us details of any other insurances you may have which may cover **damage to insured property, deterioration of insured stock, financial loss** or other loss insured by this policy.

In addition, for any incident or circumstance that may give rise to a claim it is a **condition precedent** that you must:

- immediately send us every letter, writ, summons or other document you receive in connection with the claim;
- co-operate with us fully and provide in a timely manner all the information and assistance we may require to investigate your claim; and
- not admit responsibility or liability, or agree to pay any money on our behalf without our written permission.

## 2. Enforcing your rights

We may, at our expense, take all necessary steps permitted by law to enforce your rights against any third-party. We can do this before or after we pay a claim. You must not do anything before or after we pay your claim to affect our rights and you must give us any help and information we ask for.

You must take reasonable steps to make sure that you protect your rights to recover amounts from third parties.

## 3. Fraudulent claims

If you make a claim that you know is in any way false or exaggerated, or if any claim contains information that is false or misleading in any material respect, or if any **damage** is caused by a wilful act by you or you are knowingly involved, or knowingly abetted or colluded in the fraudulent act of another person, or consented to the fraudulent act of another person, then we shall be entitled to:

- not pay the claim;
- recover from you any sums previously paid by us in respect of the claim;
- treat this policy as being terminated with effect from the date of the fraudulent act; and
- cancel any other policies you have with us.

We may also report the matter to An Garda Síochána and notify any other relevant organisations of the circumstances.

If the policy is treated as having been terminated on grounds of fraud, we shall:

- be entitled to refuse all liability under the policy in respect of any losses occurring after the time of the fraudulent act; and
- not be liable to refund any premiums paid under the policy.

However these remedies will not be available against any other party insured under the policy that was not implicated in the fraudulent act.

## 4. Other insurance

If there is any other insurance covering your claim either wholly or in part we will not pay for **damage to insured property** or legal liability other than in respect of any excess beyond the amount which would have been covered under the other insurance policy had this policy not been taken out.

## 5. Proving the loss (asset performance)

In respect of claims for shortfall under section 3, it is your responsibility, at your own expense, to provide documentation to us:

- demonstrating that the shortfall is the sole result of deficiencies in the design or implementation of one or more initiatives; and
- calculating the amount of the shortfall that you are claiming.

## 6. Reporting a claim

It is a **condition precedent** of your policy that as soon as you know about any incident or circumstance that may result in a claim you must tell the person who arranged the policy (or us), providing full details, as soon after the incident or circumstance as possible. In the event that we suffer any prejudice by any delay in notification, we will be entitled to refuse liability for the claim.

## 7. Salvage and recoveries

If you have made a claim and you later recover your **insured property**, or recover money from a third party, you must tell us immediately. If we have paid the claim, you must give the **insured property** or money to us.

If we have paid a claim and we then recover your **insured property**, or recover money from a third party, we will give you any proceeds over and above the amount we paid you in connection with the claim after the deduction of any administrative and legal costs incurred in pursuing the third party for a recovery.

Any amount due from you or us must be paid as soon as reasonably possible.

## General conditions

The following conditions apply to the whole policy. If you do not keep to any condition of the policy, and that condition is relevant to your claim, we may refuse to pay part or all of the claim.

### 1. 72-hour clause

For any claim resulting from earthquake, storm or flood, all **damage to insured property** arising within a 72-hour period will be considered to be a single **occurrence of damage** to that **insured property** and so there will be a single **sum insured** and a single **excess**. You can choose the moment the 72-hour period starts, as long as it ends within the **period of insurance**.

### 2. Abandonment

You are not entitled to abandon your **insured property**, whether or not we have taken possession of it.

### 3. Advice

We do not provide advice about the insurance products that we sell.

### 4. Alteration in risk

As soon as you (or anyone acting for you) become aware of any change in circumstance which may affect the policy, you must notify us of the change in writing immediately. We will decide if the change alters the nature of the risk insured and if we need to change the terms and conditions of your policy, including the premium, as a result. This applies to any material change in the subject matter of the policy which arises, whether it is before or during the **period of insurance**, including before we renew your policy.

If you do not inform us of a change in circumstance which alters the risk, this may result in a claim being declined or a reduction in any claim settlement.

Your cover will not be affected by any change in circumstance where the risk of **damage** has altered either without your knowledge or was beyond your reasonable control.

### 5. Caring for the insured property

You must:

- keep to any law or regulation relevant to the **insured property**;
- make sure that your **insured property** is maintained, inspected and tested as recommended by the manufacturer;
- keep records of all maintenance procedures and maintenance carried out, and make them available to us when we ask for them;
- take all reasonable steps and precautions to prevent or reduce **damage, financial loss** or **shortfall**; and
- not continue to use **insured property** after **damage**, unless we have given our written permission.

If you do not keep to this condition we may be entitled to decline your claim and/or cancel your policy. (see 'Our rights to cancel your policy' on page 5).

### 6. Contracts (Rights of Third-Parties)

Any person or company who is not named in the schedule has no right to enforce any term of the policy, unless under section 21 of the Consumer Insurance Contracts Act 2019 and/or unless allowed by the law applying to this policy.

### 7. Discovering a defect

If you find out about a **defect** in the **insured property** which has not yet resulted in **damage**, you must investigate it as soon as possible and, if necessary, correct the **defect** in all **insured property** at your own expense.

### 8. Fuel quality

You must make sure that any fuel supply meets and is used and maintained within the manufacturers' or suppliers' specifications and operating guidelines.

### 9. Monies payable by us

All monies which become payable under this policy shall, in accordance with Section 93 of the Insurance Act 1936 and Regulation 310 of the European Union (Insurance and Reinsurance) Regulations 2015, be payable and paid in Ireland.

### 10. More than one insured

If more than one 'insured' is named in the schedule, the first named insured will receive all notices and agree any changes to the policy and will be treated as acting for all the named insureds. We will not remove any named insured without their permission.

For any claim, the total amount we will pay will not be more than 'How much we will pay' shown in each section of the policy, regardless of the number of people or organisations insured by the policy.

### 11. Paying the premium

It is a **condition precedent** that you must pay the premium on or before the start of the **period of insurance** or on dates agreed by us.

If you do not pay a premium on time, we may cancel the policy (see 'Our rights to cancel your policy' on page 5).

### 12. Remuneration

Our employees do not receive remuneration in relation to this policy.

## General conditions

### 13. Right to survey and request risk improvements

If we ask, you must provide us with access to the **contract site** at an agreed date and time to carry out a risk survey.

Following the survey or in the event that full cooperation is not provided to ensure that the surveyor is given full access to the **contract site** in order to undertake a risk survey we reserve the right to:

- cancel the policy (with immediate effect) (see ‘Our rights to cancel your policy’ on page 5);
- alter the premium; and/or
- alter the terms and conditions of the policy.

If the premium and/or terms and conditions are altered you will have 14 days to accept or reject the alterations. If you choose to reject the alterations or we cancel your policy we will refund a percentage of the premium based on the number of days left in the **period of insurance**.

In the event that risk improvement requirements are recommended by the surveyor, we will provide you with a detailed list of these risk improvements in writing and the timescales within which they must be completed. It is a **condition precedent** to our liability under the policy that you comply with all risk improvement requirements we request following any survey. If you do not complete these risk improvement requirements within the set timescales then all cover under the policy will be suspended automatically and remain inoperative unless we otherwise agree in writing:

- to waive the risk improvement requirement and leave the premium, terms and conditions unaltered; or
- to an extension of the set timescales to have the risk improvement requirement completed.

All other terms and conditions of the policy continue unless otherwise agreed by us in writing.

### 14. Stamp duty

Stamp duty has been or will be paid to the Revenue Commissioners in accordance with Section 5 of the Stamp Duties Consolidation Act 1999.

### 15. Tax

Any claim we pay will not include value added tax (VAT), unless you cannot recover part or all of the VAT you have paid.

# General exclusions

The following exclusions apply to the whole of your policy.

## 1. Cyber events

We will not pay for damage caused by a **cyber event** including but not limited to:

- a virus (a program, code, programming instruction or any set of instructions intended to damage, interfere with or have a negative effect on computer programs, data or operations);
- hacking (unauthorised access to any computer or other electronic equipment);
- a denial of service attack (any actions or instructions intended to damage, interfere with or affect the availability or performance of networks, network services, network connectivity or telecommunication systems);
- electronic equipment not being able to correctly recognise, process or store any data.

## 2. Infectious agents and pandemics

Any loss, damage, cost or expense caused by, either directly or indirectly, in connection with, or any action taken to hinder, defend against or respond to any infectious agent, pandemic or pandemic impact or the fear or threat (whether actual or perceived) of any infectious agent, pandemic or pandemic impact.

This exclusion applies regardless of any other cause or event that in anyway contributes concurrently or in any sequence to the loss, cost or expense, and regardless whether or not there is any declaration of an outbreak of a pandemic by the World Health Organisation or any authorised national or international body or legal jurisdiction.

## 2. Intentional acts

Any intentional act or failure by you, unless this is a measure to prevent or reduce **damage** to your **insured property, financial loss, or shortfall**.

## 3. Micro-organism

Mould, mildew, fungus, spores or other micro-organisms.

## 4. Nuclear risks

**Damage** caused by:

- ionising radiation from, or contamination by, radioactivity from any nuclear material, or from burning nuclear material;
- the radioactive, toxic, explosive or other dangerous properties of any nuclear installation, reactor or other nuclear equipment, or any nuclear part of them;
- any weapon or device using atomic fission, fusion or similar reaction, or radioactive force or material;
- the radioactive, toxic, explosive or other dangerous properties of any radioactive material; or
- any chemical, biological, bio-chemical or electromagnetic weapon.

## 5. Nuclear sites

**Damage** to any:

- nuclear material;
- **insured property** in the high radioactivity zone or area of any nuclear installation;
- **insured property** at sites or installations directly involved in the production, use or storage of nuclear material.

## 6. Pollution

**Pollution**, except as shown in extra cover 1 - 'Contamination' in section 1.

## 7. Property being confiscated

Your property being confiscated or **damaged** by, or under the order of, any government, public authority or local authority.

## 8. Sanction limitation

We will not make any payment under the policy if doing so would expose us to any sanction, prohibition or restriction under any United Nations resolutions, or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

## 9. Strike riot and civil commotion

Strike, riot or civil commotion

## 10. Telecommunication systems

Atmospheric or environmental conditions causing temporary interference with any satellite systems

## 11. Terrorism

- Any **act of terrorism**, regardless of any other cause or event contributing to the **damage, financial loss or shortfall**;
- Civil commotion in Northern Ireland; or
- Any action taken to control, prevent, suppress or in any way deal with any **act of terrorism**.

## 12. Trading risk

Your commercial decision to stop trading, or the decision of a service provider, customer or supplier of yours to stop or reduce trade with you or restrict services.

## 13. War

War, invasion, hostilities (whether war is declared or not), civil war, rebellion, revolution or uprising.

This general exclusion does not apply to any **damage, financial loss, personal injury or third party property damage** resulting from, or caused by, weapons of war which were not discovered before the start of the **period of insurance**, as long as there is no war in the country your **insured property** is in during the **period of insurance**.

## 14. Your insolvency or bankruptcy

Any loss, **damage**, liability, cost or expense of whatsoever nature directly or indirectly caused by, resulting from, arising out of or in connection with your insolvency or bankruptcy.

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HSBEI-1813-0622-2

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Policy wording reference: POL-ROI-EEI-001-TRA-1.00

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