

HSB Machinery Inherent Defects Insurance

Insurance Product Information Document

Company: HSB Engineering Insurance Limited

Registered in England and Wales: 02396114, Chancery Place, 50 Brown Street, Manchester M2 2JT.

Registered as a branch in Ireland: 906020, 28 Windsor Place, Lower Pembroke Street, Dublin 2.

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.

Product: HSB Machinery Inherent Defects (loss of rental income) Insurance

This Insurance Product Information Document provides an overview of the main features of the HSB Machinery Inherent Defects (loss of rental income) Insurance policy, and does not go into detail about all of the terms and conditions. You should read the policy document and the policy schedule for full details of cover, the policy limits and any endorsements which will be specific to you.

What is this type of insurance?

The HSB Machinery Inherent Defects (loss of rental income) Insurance policy is a commercial product which provides cover for damage to your newly installed, fixed building services equipment resulting from a defect. In addition, the policy provides cover for your loss of rental income resulting from these events.



What is insured?

There are two sections of cover available, however in order to have the cover provided by section 2, you must have first selected cover under section 1. You can also choose different levels of cover, within the sections, to ensure you get the protection that you require for your business.

Section 1 - Mechanical and electrical defects

- ✓ Damage resulting from a defect in your equipment, while at the property, while in transit, or while temporarily removed from the property.
- ✓ Additionally, the cost of preventing or minimising damage, and removing debris following damage.

Section 2 - Loss of rental income

- ✓ Loss of rental income following damage.
- ✓ The cost of reinstating lost data to computer equipment controlling or operating the equipment.



What is not insured?

Below you will find information that highlights the main exclusions within each section of the policy.

Section 1 - Mechanical and electrical defects

- ✗ We will not pay for damage caused by:
 - property perils (for example fire, water damage or theft);
 - intentional overloading, testing, experiment or deliberate misuse of equipment;
 - solidification, unless resulting from damage to the equipment; or
 - wear and tear, or any fault known about at the start of the period of insurance.

Section 2 - Loss of rental income

- ✗ Loss resulting from the suspension or cancellation of a lease, contract or license.
- ✗ Loss resulting from penalties or guarantee of performance.

All sections

- ✗ Loss or cost resulting from your intentional act or failure to act.
- ✗ Loss or damage resulting from infectious agents or pandemics.
- ✗ The excess.



Are there any restrictions on cover?

If you do not comply with certain conditions of the policy it may be cancelled or we may not pay your claim. Below you will find details of restrictions that apply to the policy.

- ! If you (or anyone acting for you) make a claim that you know is in any way false or exaggerated, we will not pay the claim and we may cancel the policy.



- ! Any requirements for alterations or risk improvements resulting from the technical audit must be fully complied with.
- ! The limit of liability, total insured value, annual rental income and the excess are subject to an inflationary increase at each anniversary of the period of insurance.



Where am I covered?

- ✓ You are covered at the premises, and within the territorial limits; these are shown in the quotation or schedule.



What are my obligations?

– Your responsibility to provide us with a fair presentation of the risk

You must do everything reasonably possible to make sure that the information you give us is a fair presentation of the risk and you must make sure that you tell us immediately about any changes that may affect your cover. This is important before you take out the policy as well as during the period of insurance. You should also regularly review the cover provided to make sure it meets your needs, if your circumstances change you must tell the person who arranged your insurance for you, or us.

– If you have a claim or an incident has occurred

As soon as you know about any incident or circumstance that may result in a claim you must tell us, providing full details, as soon after the incident or circumstance as possible.

When making a claim it is very important that you meet all of the requirements of the policy, particularly claim condition 1 – 'Reporting a claim'. If you don't, 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.

Tel: +44 (0) 330 100 3432
(calls to this number are charged at the same standard landline rate as 01 or 02 numbers)

E-mail: new.loss@hsbeil.com

Address: Claims Department,
HSB Engineering Insurance Limited
Chancery Place
50 Brown Street
Manchester M2 2JT

– Change in circumstances of alteration in risk

As soon as you (or anyone acting for you) become aware of any change in circumstance which may affect your policy, you must tell us as soon as possible and keep to any extra terms and conditions.



When and how do I pay?

You must pay the premium on or before the start date of the period of insurance, or on dates agreed by us, to the person who arranged this insurance for you. If you do not pay the premium on time, we may cancel the policy.



When does the cover start and end?

The length of time covered by the policy will be shown in the schedule (usually for a single period of 5, 10 or 12 years). This policy does not renew.



How do I cancel the contract?

You have 14 days to make sure that you are happy with the cover provided – this 14 day period is known as the 'cooling-off period'. 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.

If you do cancel the policy within the cooling-off period, as long as you have not made a claim, we will refund all the premium you have paid. If you have made a claim, you will not get a refund.