

Contractors Plant

Essential Business Insurance Your policy wording



Lloyds TSB | for the journey...

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Thank you for choosing Lloyds TSB and their commercial insurer of choice, Allianz Insurance plc.

Introducing Allianz Insurance plc

Our technical expertise built over many years of providing engineering insurance and Inspection products and services means you can trust us to be there when you need us.

If you need further details or have any questions, your help and guidance can be obtained from:

Essential Business Insurance Centre

PO Box 2934
Bristol
BS1 9ES

Tel: 0844 893 9560
Fax: 0844 893 9591

Important

The insurance cover provided by this Policy may be varied by clauses printed in the Schedule.

Please read both the Policy and Schedule to make sure that you have the insurance cover required.

Contractors Plant

Allianz Insurance plc (referred to as 'the Insurers') will indemnify or otherwise compensate the Insured named in the Schedule (referred to as 'the Insured') in accordance with and subject to the terms and conditions of this insurance.

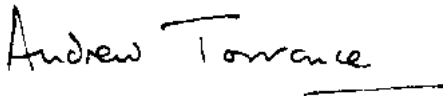
The proposal made to the Insurers by or on behalf of the Insured whether in writing or otherwise shall form the basis of the contract.

The Schedule Exclusions Extensions and Conditions are all part of this Policy and shall be read together as one document.

Any word or expression to which a specific meaning has been given shall have the same meaning wherever it may appear in this Policy.

Please read all the pages of this Policy and Schedule carefully to ensure that your insurance requirements are met.

For Allianz Insurance plc

A handwritten signature in black ink that reads "Andrew Torrance". The signature is written in a cursive style with a horizontal line underneath the name.

Andrew Torrance
Chief Executive

Allianz Engineering is a
trading name used by
Allianz Insurance plc

Cover Options

Cover One

Owned Plant and Machinery

Loss of or damage to

- a Constructional Plant
- b Temporary Buildings
- c Other Plant and Machinery

(or as more specifically described in the Schedule) while at or while in transit to or from any Location specified in the Schedule within the Territorial Limits.

Provided that where Insured Property has been loaned or hired out insurance under Cover One is conditional on the terms of the loan or hire

- i being no less onerous than Model Conditions for the hiring of Plant approved by The Construction Plant-hire Association and
- ii applying during transit to and while at the site until returned to or collected by the Insured.

Cover Two

Hired In Plant

The Insureds' legal liability under the terms of their hiring agreement or otherwise to pay

- a compensation for loss of or damage to Hired In Plant while at or while in transit to and from any Location specified in the Schedule within the Territorial Limits and
- b continuing hire charges as a result of loss of or damage to Hired In Plant for which indemnity is provided by a above.

In addition the Insurers will pay all legal expenses for which the Insured may be liable where legal proceedings have been defended with the written consent of the Insurers.

Provided that the liability of the Insurers under Cover Two for

- a loss or damage and continuing hire charges in respect of any Hired In Plant which is more than one year old shall be no more than the liability which would be incurred under the Model Conditions for the hiring of Plant approved by The Construction Plant-hire Association
- b loss of or damage to Hired In Plant while loaned or hired out is conditional on the terms of the agreement under which the loan or hiring out takes place being no less onerous than the terms under which the Hired In Plant has been hired by the Insured.

Limit of Liability

Cover One

Limit of Liability

The liability of the Insurers under Cover One shall not exceed

- a in respect of any one item the market value of the item at the time of the loss or damage and
- b the Limits of Liability shown in the Schedule in respect of any one accident or series of accidents arising from one occurrence of loss or damage.

Cover Two

Limit of Liability

The liability of the Insurers under Cover Two shall not exceed the Limit of Liability shown in the Schedule in respect of any one accident or series of accidents arising from one occurrence of loss or damage.

Territorial Limits

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

Principal

Any party (other than a director partner or employee of the Insured) on whose behalf the Insured is undertaking work in the course of their Business.

Insured Property

Constructional Plant

Tools tackle and contractors plant and equipment belonging to the Insured or hired to them under a hire purchase or lease agreement.

Temporary Buildings

Site huts and other temporary accommodation and their contents (other than computer or other data processing equipment) belonging to the Insured or hired to them under a hire purchase or lease agreement.

Other Plant and Machinery

Plant and machinery (other than Constructional Plant or Temporary Buildings) belonging to the Insured or hired to them under a hire purchase or lease agreement and specifically described in the Schedule.

Hired In Plant

Tools tackle and contractors plant and equipment site huts and other temporary accommodation hired by the Insured and for which they are responsible under the terms of their hiring agreement or otherwise but not plant on hire purchase or subject to a lease agreement or on free loan.

This Policy is extended to cover

1 Indemnity to Principal

any Principal to the extent that a contract between the Insured and the Principal so requires subject to the terms and Conditions of this Policy.

2 Payments on Account

payment as agreed between the Insured and the Insurers in advance of final settlement of a claim under this Policy where the Insurers have admitted liability.

Exclusions Applicable to Cover One

Cover One does not cover

1 Breakdown

loss of or damage to the Insured Property caused by its own electrical or mechanical breakdown or its own explosion.

2 Consumables

loss of or damage to cutting edges tools trailing cables flexible pipes driving belts and chains or conveyor bands unless accompanied by loss of or damage to the complete item.

3 Foreign Bodies

loss or damage caused by materials processed or treated by the Insured Property or foreign bodies entering the Insured Property with the materials.

4 Maintenance/Faulty Workmanship

the cost of

- a maintenance
- b rectification of faulty workmanship occurring during the execution of repairs

but not damage resulting from a or b unless otherwise excluded

- c damage by direct application of tools.

Exclusions Applicable to Covers One and Two

This Policy does not cover

1 Excess

the amount stated in the Schedule as the Excess in respect of each and every occurrence for which the Insured is indemnified by this Policy.

2 Sea or Air Transit

loss or damage occurring during transit by sea or air.

3 Wear and Tear

the cost of rectification of

- a inevitable wear and tear erosion corrosion or other deterioration caused by or naturally resulting from ordinary work use or exposure
- b gradually developing flaws or fractures which do not necessitate immediate stoppage

but not damage insured by this Policy resulting from

- a or b unless otherwise excluded
- c scratching of painted or polished surfaces unless accompanied by other indemnifiable damage to the item.

4 Excluded Items

loss of or damage to

- a scaffolding access towers or ladders and aluminium trackway
- b tyres by the application of brakes or by punctures cuts or bursts.

5 Underground Items

loss of or damage to any item situated underground.

6 Motor Vehicles

loss of or damage to any mechanically propelled vehicle and any trailer attached thereto other than any vehicle which is

- a not licensed for road use and used in circumstances which do not require insurance or security under any road traffic legislation or
- b designed or adapted primarily for use as a tool of trade.

7 Multiple Lifting Operations

loss or damage arising during any lifting or lowering operation in which a load is shared between two or more machines unless the prior consent of the Insurers has been obtained.

8 Overloading

loss of or damage to any item of Insured Property

- a caused by or arising from the imposition of abnormal conditions deliberate overloading or overload testing other than overload testing in accordance with the Code of Practice for the Safe Use of Cranes BS 7121 including any subsequent amendments or revisions
- b during overload testing in accordance with the Code of Practice for the Safe Use of Cranes BS 7121 including any subsequent amendments or revisions caused by or arising from a defect in the item.

9 Inventory Losses

loss of the Insured Property

- a by its disappearance or by shortage if such disappearance or shortage is only revealed when an inventory is made or
- b due to its being stolen or otherwise missing unless such loss is identifiable by the Insured with a specific occurrence which has been the subject of notification under the terms of the Claims Conditions and which has been reported to the Police.

Exclusions Applicable to Covers One and Two

This Policy does not cover

10 Waterborne Vessels

waterborne vessels or Insured Property mounted on or while being loaded onto or unloaded from a waterborne vessel other than vessels on inland waterways or canals.

11 Consequential Losses

liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency or loss of use or any other form of consequential loss not specifically provided for by this Policy.

12 Money

loss of or damage to Deeds Bonds Bills of Exchange Promissory Notes Cash Bank Notes Treasury Notes Cheques Postal Orders Stamps or Securities.

General Exclusions

This Policy does not cover loss damage liability or cost consisting of or in consequence of

1 War and Kindred Risks

loss or damage directly or indirectly caused by war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power confiscation nationalisation requisition or destruction of or damage to property by order of the Government or any Public Municipal or Local Authority.

2 Radioactive Contamination

loss or damage directly or indirectly caused by or contributed to by or arising from

- a ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- b the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

3 Sonic Bangs

damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

4 Terrorism

loss or damage directly or indirectly caused by resulting from or in connection with

- a in respect of England Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987:
 - i any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - ii any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism

In respect of a above an act of Terrorism means:

Acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto.

- b in respect of territories other than those stated in a above:
 - i any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - ii any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism
 - iii riot or civil commotion in Northern Ireland

In respect of b above an act of Terrorism means:

Any act including but not limited to the use of force or violence and/or the threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

In any action suit or other proceedings where the Insurers allege that by reason of this Exclusion any loss damage or liability is not covered by this Policy (or is covered only up to a specified Limit of Liability) the burden of proving the contrary shall be on the Insured.

In the event any part of this Exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect.

General Exclusions (continued)

This Policy does not cover loss damage liability or cost consisting of or in consequence of

5 E Risks

loss of or damage to

- a any computer or other equipment or component or system or item which processes stores transmits or retrieves data or
- b any part of a computer or other equipment or component or system or item which processes stores transmits or retrieves data

whether tangible or intangible (including but without limitation any data information or programs or software) and whether part of the Insured Property or not caused directly or indirectly by

i Virus or Similar Mechanism

program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self replication or not. This includes but is not limited to viruses trojan horses worms and logic bombs

ii Hacking

unauthorised access to any computer or other equipment or component or system or item whether part of the Insured Property or not which processes stores transmits or retrieves data

but this Exclusion shall not apply to the subsequent loss or damage arising from or caused by a Specified Event which would but for the application of this Exclusion be insured by this Policy.

Definition

Specified Event

fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked out workers persons taking part in labour disturbances earthquake storm flood escape of water from any tank apparatus or pipe or impact by any road vehicle or animal.

Conditions

1 Right to Survey

It is a Condition of this Policy that the Insurers have the right to carry out a survey of the risks insured at any time mutually agreed with the Insured.

2 Observance of Policy Terms

The liability of the Insurers will be conditional on the Insured complying and as appropriate any other person entitled to indemnity complying as though they were the Insured with the terms of this Policy.

3 Policy Voidable

This Policy shall be voidable in the event of misrepresentation misdescription or non-disclosure in any material particular.

4 Alteration In Risk

The insurance provided by this Policy shall be avoided in respect of any Insured Property where there is any alteration after the commencement of this Insurance which increases the risk of loss or damage unless continued cover is agreed by the Insurers in writing.

5 Reasonable Precautions

The Insured shall take all reasonable precautions to safeguard the Insured Property against loss or damage.

The Insured shall also maintain the Insured Property in an efficient condition and take all reasonable steps to ensure that all Government and other Regulations relating to the operation and use of the Insured Property are observed.

6 Applicable Law

English law will apply to this contract of Insurance unless the Insured and the Insurers agree otherwise.

7 Cancellation

This Policy may be cancelled by the Insurers sending thirty days notice to the Insured at the last known address of the Insured.

Provided the premium has been paid in full the Insured shall be entitled to a proportionate rebate of premium in respect of the unexpired Period of Insurance.

For cancellation following a default in payment of the premium or any agreed instalment the period of notice may be reduced to seven days.

8 Declarations

Where the premium is a deposit and has been calculated on estimates supplied by the Insured they shall keep an accurate record of information on matters for which estimates have been given.

This record shall be supplied to the Insurers within one month following expiry of the Period of Insurance to enable the adjustment of premium to be calculated.

9 Adjustment of Premium

If the premium calculated on the basis agreed between the Insurers and the Insured on the declarations made for the Period of Insurance exceeds or falls short of the deposit then the Insured shall pay or the Insurers shall refund the difference as the case may be

a in respect of Cover One 50% (fifty percent) of the difference and

b in respect of Cover Two the whole of the difference

subject to a minimum retention of 75% (seventy five percent) of the deposit or the minimum annual premium retention specified in the Schedule whichever is the greater.

How to Make a Claim

Claims under this Policy should be notified to the insurer in accordance with the Claims Conditions of the Policy at the following Allianz Office.

Please provide your Policy number and as much information as possible about the claim:

Essential Business Insurance Claims

500 Avebury Boulevard
Milton Keynes
MK9 2XX

Tel: 0844 893 9580

Lines are open from Monday to Friday

Claims Conditions

1 Claims Procedures

In the event of any occurrence giving rise or likely to give rise to a claim under this Policy the Insured shall

- a notify the Insurers as soon as practicably possible by telephone and in writing
- b preserve any damaged or defective Insured Property for inspection by the representatives of the Insurers
- c in the case of Insured Property lost stolen or wilfully damaged take all steps (including immediate notification to the Police) to discover any guilty person and recover the property
- d carry out and permit to be taken any reasonable action to prevent further loss damage liability or cost
- e in the case of any claim made against the Insured by any third party forward every claim writ or other document immediately and unacknowledged to the Insurers
- f not pay or offer or agree to pay any money or make any admission of liability without the prior consent of the Insurers
- g furnish at their own expense all particulars and information as the Insurers require
- h allow the Insurers in the name of and on behalf of the Insured to take over and during such periods as they think proper to have the absolute conduct and control of all negotiations and proceedings which may arise in respect of any claim and its settlement and the Insured shall give the Insurers all necessary assistance for that purpose.

2 Options for Claims Settlement

- a The Insurers may at their option repair reinstate or replace what is lost or damaged or pay for the loss or damage in money. If any Insured Property is to be reinstated or replaced by the Insurers the Insured shall at their own expense provide all plans documents books and information as may reasonably be required. The Insurers shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner.

- b The Insurers shall not be liable for the cost of any repairs undertaken without their written consent except in urgent cases where it has been necessary to put minor repairs in hand provided that
 - i the requirements of Claims Conditions 1 and 5 have been complied with and
 - ii the repairs are carried out to the satisfaction of the Insurers.
- c Where loss or damage is confined to a part of a machine or structure the Insurers shall be liable for the value of that part plus the cost of any necessary dismantling and erection for which the Insured is responsible.
- d The Insured shall not be entitled to abandon any property to the Insurers whether taken into the possession of the Insurers or not.

3 Fraud

If a claim is fraudulent in any respect or if fraudulent means are used by the Insured or by anyone acting on their behalf to obtain any benefit under this Policy or if any loss or damage is caused by the wilful act or wilful neglect of the Insured all benefit under this Policy shall be forfeited.

4 Other Insurances

The Insurers will not indemnify the Insured in respect of loss damage or liability which is insured by or would but for the existence of this Policy be insured by any other policy except in respect of any excess beyond the amount payable under the other policy or which would have been payable under the other policy had this insurance not been effected.

5 Subrogation

Any claimant under this Policy shall at the request and expense of the Insurers take or permit to be taken all necessary steps for enforcing rights against any other party in the name of the Insured before or after any payment is made by the Insurers.

6 Arbitration

If any difference arises as to the amount paid under this Policy the difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this condition to be referred to arbitration the making of the award shall be a condition precedent to any right of action against the Insurers.

Complaints Procedure

Our aim is to get it right, first time, every time. If we make a mistake we will try to put it right promptly.

We will always confirm to you the receipt of your complaint within five working days and do our best to resolve the problem within four weeks. If we cannot we will let you know when an answer may be expected.

If we have not resolved the situation within eight weeks we will provide you with information about the Financial Ombudsman Service.

Should you wish to make a complaint then it should be directed to the Customer Satisfaction Manager at the Allianz location shown below:

Essential Business Insurance Centre

PO Box 2934
Bristol
BS1 9ES

Tel: 0844 893 9590

Fax: 0844 893 9591

Email: CSM@essentialbusinessinsurance.co.uk

Using our complaints procedure or referral to the Financial Ombudsman Service does not affect your legal rights.

Financial Services Compensation Scheme

Allianz Insurance plc contributes to the Financial Services Compensation Scheme (FSCS)

You may be entitled to compensation from the FSCS if we are unable to meet our liabilities. Further information about compensation scheme arrangements is available from:

Financial Services Compensation Scheme

7th Floor, Lloyds Chambers
Portoken Street
London E1 8BN

Tel: 020 7892 7300

Fax: 020 7892 7301

Email: enquiries@fscs.org.uk

www.fscs.org.uk

Data Protection Act

We may use the personal and business details you have given us or which are supplied by third parties including any details of directors, officers, partners and employees to provide you with a quotation; deal with your policy; to search credit reference and fraud agencies who may keep a record of the search; to share with other insurance organisations to help offset risks, to help administer your policy and to handle claims and prevent fraud; to support the development of our business by including your details in customer surveys, and for market research and compliance business reviews which may be carried out by third parties acting on our behalf. You agreed when you applied for the policy that your directors, officers, partners and employees consent to our using their details in this way.

We may need to collect data relating to Insured Persons, which under the Data Protection Act is defined as sensitive (such as medical history of Insured Persons) for the purpose of evaluating the risk or administering claims which may occur. You must ensure that you have explicit verbal or written consent from the Insured Persons to such information being processed by us and that this fact is made known to the Insured Persons.

We may share your details with other companies within the Lloyds TSB Insurance Services Ltd and Allianz group of companies or pass them to third parties so that we may tell you by telephone, email or post of products and services which we think may be of interest to you. If you do not want to know about these products please write to: Customer Satisfaction Manager, Essential Business Insurance Centre, PO Box 2934, Bristol, BS1 9ES to let us know. Your details will not be kept for longer than is necessary.

Under the Data Protection Act 1998 individuals are entitled to a copy of all the personal information Allianz Insurance plc holds about them. Please contact the Customer Satisfaction Manager at the address above.

Personal details may be transferred to countries outside the EEA. They will at all times be held securely and handled with the utmost care in accordance with all principles of English law.

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