

The purpose of this Cover Summary is to help you understand the Insurance Policy by setting out the eligibility, extent of cover available, benefits and principal exclusions. It does not describe all the terms and Conditions of your Policy so you will still need to read the Insurance Policy for a full description of the terms of the insurance to make sure that you understand the cover it provides.

**This Cover Summary does not form part of the Policy wording.**

This insurance has been specially negotiated and arranged with HSB Engineering Insurance Limited (FSA reference (FRN) 202738).

### 1. To be Eligible for Cover

- The age of the Insured Machinery must not exceed 10 years old at inception of cover or 15 years old at expiry of cover.
- The Sum Insured must not exceed £1,000,000 per item or £1,000,000 per location.
- The Insured Machinery must be located at premises owned or occupied by the Insured Customer.
- The Insured Machinery cannot consist of any mobile agricultural or forestry equipment or equipment used for recycling, reclamation, or disposal of waste material.
- The Insured Machinery must not be used at any of the following excluded locations: building sites, quarries, open cast mines, waste disposal sites, night clubs, bars and other public houses, fast food takeaways, amusement parks, arcades, leisure centres, gymnasiums or any location where the general public can operate the Insured Machinery.

**If these conditions are not met then acceptance cannot be confirmed unless and until specifically agreed and advised in writing by the Insurer.**

### 2. Extent of Cover

This Policy provides cover against Breakdown and Accidental Damage (including Accidental Damage caused by error or omission of the operator) for Insured Machinery used on premises owned or occupied by the Insured Customer.

Location of Insured Machinery - UK, Channel Isles and Isle of Man (other areas can be considered on referral to the Insurer).

### 3. Definitions

- Breakdown – Physical damage sustained to the Insured Machinery by the sudden and unforeseen breaking, distortion, overheating, electrical burnout of any part or the failure of an electronic component that forms part of the Insured Machinery, resulting in its immediate stoppage of function and requiring repair or replacement before normal working can be resumed.
- Accidental Damage – Physical damage sustained to the Insured Machinery through accidental causes, whilst at the Location of Insured Machinery.
- Operator Error – Physical damage sustained to the Insured Machinery caused by error or omission of the operator(s) during normal operation of the Insured Machinery.

### 4. Benefits (following an insured event)

- Full cost of repairs for partial losses throughout the entire Period of Cover.
- In the event of Total Loss - for Insured Machinery up to 10 years old at time of loss, the New Replacement Value of the item at the time of the occurrence; for Insured Machinery over 10 years old at time of loss, the market value at the time of the occurrence.
- Periodic Finance Repayments for up to 6 months whilst the Insured Machinery is out of action (excluding first 14 days).
- Expediting Costs the lesser of £12,500 or 50% of the normal repair cost (eg. emergency temporary repairs).
- Hire of Alternative Equipment for up to 6 months for an amount not exceeding 15% of the Sum Insured (excluding first 14 days) OR Additional Cost of Working for up to 6 months up to the lesser of 10% of the value of any claim or £10,000 (excluding first 14 days).
- Temporary Removal - cover for physical damage to the Insured Machinery occurring whilst temporarily removed or in transit (excluding sea or air) for the purpose of repair.
- Repair Cost Investigation not exceeding £2,500 relating to repair investigations and tests following damage to Insured Machinery subject to prior written agreement from the Insurer.

**Warranty: the Sum Insured must accurately reflect the New Replacement Value of the Insured Machinery at the time of inception of the Policy.**

### 5. Principal Exclusions

- Loss or damage reported outside 30 days from date of occurrence.
- The Policy Excess.
- Loss or damage caused by fire (howsoever caused), lightning, explosion, earthquake, flood, storm, tempest, inundation or escape of water, aircraft.
- Theft or attempted theft.
- Malicious damage or damage caused by Terrorism.
- Loss or damage whilst hired out or loaned by the Insured Customer.
- Loss due to wear, tear, gradual deterioration, rusting, scratching, intentional overloading, experimentation, testing or commissioning.
- Light sources and consumable items.
- Loss under the manufacturer's warranty, guarantee or maintenance agreement.
- Routine maintenance (including normal recalibration or alignment costs) or losses caused by lack of maintenance as recommended by the manufacturer.
- Damage arising out of the continued use of the Insured Machinery that is damaged.
- Loss or damage to any non standard software or programmes, or software or programmes that were not pre-installed with the Insured Machinery when purchased.
- Consequential loss.

### 6. Important Information

This is only a summary of cover. Please read the full terms and Conditions which are in the Policy document. You may need to review and update your cover periodically to ensure that it remains current.

Lombard North Central PLC. Registered Office: 3 Princess Way, Redhill, Surrey RH1 1NP. Registered in England and Wales Number 337004.

Lombard North Central PLC is an appointed representative of The Royal Bank of Scotland plc, which is authorised and regulated by the Financial Services Authority

### 7. How Do You Claim?

All matters relating to claims should be sent to HSB Engineering Insurance Limited (HSBEIL), Cairo House, Greenacres Road, Waterhead, Oldham, OL4 3JA Telephone 0161 621 5638. E-mail: [assetclaim@hsbeil.com](mailto:assetclaim@hsbeil.com). New claims must be reported to HSBEIL within 30 days of the date of the occurrence.

In the event of an insurance claim, any information you provide to the Insurer, whether on this form, the claim form or otherwise, will be put onto a Register of Claims through which insurers share such information to prevent fraudulent claims. A list of participants and the name and address of the operator are available from the Insurer.

This Policy shall be governed by English Law and English Courts shall have exclusive jurisdiction in any dispute arising hereunder (save where the Insured Customer is domiciled in Scotland in which event Scottish Law shall apply and the Courts of Scotland shall have exclusive jurisdiction).

### 8. Cancellation Rights

You have the right to cancel the insurance cover at any time by giving 30 days notice in writing. If you cancel within 30 days of receipt of your Policy documentation, the Insurer will refund all insurance premium collected, unless you have made a claim during the cancellation period, in which case the Insurer may deduct these from any costs incurred in relation to the cancelled Policy, which may include an amount to cover the time that the Insurer has been on risk, and its selling costs. However as premium is paid monthly, no refund of insurance premium will be made if you cancel after the initial 30 day period.

If you cancel your cover, please write to Customer Services Department, Lombard North Central PLC, PO Box 520, Rotherham S63 3BR.

The Policy will stay in force for as long as payments are maintained. It will terminate automatically once payments cease.

### 9. Complaints Procedure

General matters - Any enquiries and complaints you may have regarding this insurance should be addressed to, in the first instance Customer Services Department, Lombard North Central PLC, PO Box 520, Rotherham S63 3BR. Telephone 0870 544 8888. Calls may be recorded. Calls from other networks may vary.

Claims complaints - Contact Customer Service Department, HSB Engineering Insurance Limited, Cairo House, Greenacres Road, Waterhead, Oldham OL4 3JA. Telephone 0161 621 5555.

Alternatively, should you remain dissatisfied, you may refer your complaint to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaint process. This complaint procedure is without prejudice to your right to take legal proceedings.

### 10. Applicable Law

Both you and we are free to choose the law applicable to this insurance contract. Unless specifically agreed to the contrary, this Policy shall be subject to English Law.

HSB Engineering Insurance Limited is a member of the Financial Services Compensation Scheme (FSCS). In certain circumstances the scheme can pay compensation to customers if a regulated firm is unable to pay claims against it, usually if the firm stops trading or is insolvent. Compensation limits apply. Insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit (maximum 90% of the claim, without any upper limit after 31/12/09).

Further information about the Scheme is available from the Financial Services Compensation Scheme, 7th Floor Lloyd's Chambers, Portoken Street, London E1 8BN and on their website [www.fscs.org.uk](http://www.fscs.org.uk).