

Engineering Inspection

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Inspection Services are provided by HSB Engineering Insurance Services Ltd.

In consideration of the **Fees** and subject to the terms, conditions and exclusions of this policy HSB agrees to provide **You** with the Provision of Services specified in this Section.

HSB Engineering Insurance Services Ltd is accredited by UKAS as a type A Inspection Authority in accordance with the recognised international standard ISO/IEC 17020

Definitions

The following Definitions apply to this Section in addition to the General Definitions at the front of this policy and keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Competent Person

A person **We** employ and authorise (or a person employed by an organisation **We** have authorised), having the necessary experience and skill to carry out **Inspection Services**.

Contract Period

The period of time, as shown in the **Schedule**.

Fees

The amount as shown in the **Schedule** **You** must pay for **Your Inspection Services**.

Inspection

An assessment, usually visual in nature, of the safety-related parts of **Plant**, which is not a **Thorough Examination**.

Inspection Services

Carrying out a **Thorough Examination** or **Inspection** at **Site** and providing a **Report**.

Normal Working Hours

8am to 6pm Monday to Friday (not including public, bank and local holidays).

Plant

The machinery, appliances, equipment or installations shown in the **Schedule**.

Report

A document, in **Our** standard format, which **We** issue to **You** either electronically or as a hard copy, with details of the findings of the **Inspection** or **Thorough Examination** that were carried out.

Site

The **Premises** shown in the **Schedule** or as agreed by **Us** in writing.

Statutory Regulations

The specific Regulations which apply to the **Thorough Examination** of **Plant**, in the following statutory instruments (as amended from time to time):

- (a) Safeguarding of Workers (Cranes and Lifting Appliances) (Jersey) Regulations
- (b) Safeguarding of Workers (Chains, Ropes and Lifting Gear) (Jersey) Regulations
- (c) Safeguarding of Workers (Electricity at Work) (Jersey) Regulations
- (d) The Control of Major Accident Hazard Regulations (COMAH)
- (e) The Control of Substances Hazardous to Health Regulations (as amended) (COSHH)
- (f) The Dangerous Substances and Explosive Atmospheres Regulations (DSEAR)
- (g) The Electricity at Work Regulations (EAWR)
- (h) The Health and Safety at Work (Lifts) (Jersey) Regulations
- (i) The Lifting Operations and Lifting Equipment Regulations (LOLER)
- (j) The Mines Regulations
- (k) The Pressure Systems Safety Regulations (PSSR)
- (l) The Provision and Use of Work Equipment Regulations, Part IV (PUWER Part IV)
- (m) The Quarries Regulations
- (n) The Workplace (Health, Safety and Welfare) Regulations.

Thorough Examination

A systematic and detailed examination of the **Plant** and safety-critical parts, or in the case of boiler or pressure **Plant**, an examination of **Plant** in accordance with a **Written Scheme**, carried out at **Set Intervals** by a **Competent Person** in accordance with one of the **Statutory Regulations** which applies. The **Competent Person** will decide what this involves using various sources such as industry and HSE guidance. The results of this examination must be communicated in the form of a written **Report**.

We/US/Our

HSB Engineering Insurance Services Ltd.

Written Scheme

A document that meets the requirements of Regulation 8 of Pressure Systems Safety Regulations, which contains information about certain items of **Plant** that form a pressure system, including the parts which need to be examined and the nature and frequency of those examinations.

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Clauses

The following Clauses apply to this Section:

1. Provision of Services

- (a) **We** will carry out **Inspection Services** as set out in the **Schedule**, within **Normal Working Hours**, in line with the terms and conditions of this contract, and **You** must pay the **Fees**.
- (b) **We** will make reasonable attempts to contact **You**, using the information **You** have provide to **Us**, to arrange an appointment to undertake the **Inspection Services**. If **We** are unable to make contact with **You** or **You** fail to prepare or make the **Plant** available (at a date and time **We** agreed), **We** will notify **You** within **Our Report** and this will be deemed to have met **Our** obligations to provide the **Inspection Services** on this occasion. If **You** then request that **We** make an additional visit to complete the outstanding **Inspection Services**, there will be an additional charge (see 'Fees, Additional Charges and Taxes').
- (c) If required by the applied **Statutory Regulations**, where defects are identified which are or could become a danger to life, the **Competent Person** must immediately notify **You** and forward a copy of the **Report** to the relevant enforcing authority.

2. Our Standard of Care

We will use all reasonable skill and care in carrying out the inspection services.

3. Limits of the Inspection Services

- (a) Unless **We** agree otherwise in writing, the inspection services will not include:
 - (i) approving or confirming any design or design features of the **Plant** are fit for purpose
 - (ii) providing witness statements
 - (iii) attendance at hearings and interviews
 - (iv) consultancy services
 - (v) preparation or operation of the **Plant**
 - (vi) maintenance or repair of the **Plant**.
- (b) To the extent that the **Inspection Services** include a **Thorough Examination** of the **Plant** item, unless **We** agree otherwise in writing, the **Thorough Examination** will not include:
 - (i) carrying out or witnessing tests which are not routine (unless these are the responsibility of the **Competent Person** in an HSE (Health & Safety Executive) or SAFed (Safety Assessment Federation) Approved Code of Practice or Guidance
 - (ii) for boiler or pressure **Plant** – ultrasonic radiographic hydrostatic or other non-destructive testing, or production of **Written Schemes**
 - (iii) for lifting and handling **Plant** – proof load, stability, anchorage, supplementary or similar testing in accordance with industry guidance or **Thorough Examination** as needed when exceptional circumstances have taken place
 - (iv) for mechanical power press **Plant** subject to the requirements of PUWER Part IV - the examination and testing of enclosed parts; and

- (v) for local exhaust ventilation **Plant** – the initial appraisal of the **Plant** as needed under COSHH.

- (c) To the extent that the **Inspection Services** do not include a **Thorough Examination** of the **Plant** item, unless **We** agree otherwise in writing, the **inspection** will:

- (i) be visual in nature
- (ii) be limited by the design of the **Plant**, the extent to which **You** prepare the **Plant** and the extent to which **You** make available safe access to and from the **Plant**; and
- (i) not include carrying out or witnessing tests which are not routine.

4. Limits of Our Legal Responsibility

We do not make any warranty about the activities described in this contract. In addition:

- (a) **We** are not legally responsible for any special, incidental, indirect, consequential or exemplary damages, including loss of profits or revenue, loss of use, loss of opportunity, loss of goodwill, cost of substitute facilities, goods or services, cost of capital, governmental and regulatory sanctions and claims of others for those damages
- (b) the most **We** will pay for all claims, losses, damages and expenses resulting in any way from this contract will be the total amount of **Fees We** have received during the **Contract Period**; and
- (c) apart from causing death or personal injury by **Our** negligence or in other circumstances where **We** cannot limit **Our** legal responsibility by law, **We** will not pay more than £10,000,000 (ten million pounds).
- (d) **You** will indemnify **Us** against any claims made against **Us** and all damages, costs and expenses **We** may suffer as a result of any third-party claim arising out of **Your** failure to keep to **Your** responsibilities under the contract
- (e) If **You** or someone else makes a claim against **Us** (for example, in relation to any actual or alleged failure to keep to **Statutory Regulations**, any defect in the **Plant** or any damage or injury caused by the **Plant**), unless **We** have been negligent carrying out the **Inspection Services**, **You** must agree **We** are not responsible for, and fully refund **Us** for, all losses and expenses that **We** may suffer
- (f) Neither this contract, or **Us** providing the **Inspection Services**, replace **Your** legal duty under relevant **Statutory Regulations** to have **Your Plant** undergo a **Thorough Examination** or **Inspection**, nor do they relieve **You** of any legal responsibility **You** may have to anyone else as a result of any defect in the **Plant**, or for any change or injury which may be caused by how the **Plant** is used.

5. Fees, Additional Charges and Taxes

- (a) **We** will charge **Fees** for the Provision of Services and any such **Fees** will be subject to Value Added Tax (or any other similar tax or duty levied by any government or other authority) at the appropriate rate. Any such taxes or duties will be payable by **You** in addition to the **Fees**
- (b) The **Fees** will be calculated on **Plant** as notified by **You** to **Us** at the start of the term or as otherwise agreed in writing between the parties

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- (c) **You** agree that **We** may adjust the **Fees**:
- (i) to take into account any **Site** or individual items of **Plant** added to or deleted from the **Schedule**
 - (ii) after a **Site** visit to take into account any differences between the **Plant** **You** told **Us** about at the start of the term and that identified during **Our Site** visit
 - (iii) if **You** ask, and **We** agree, to carry out the **Inspection Services** outside **Normal Working Hours**
 - (iv) annually, if the **Contract Period** is greater than 12 months
 - (v) to account for any changes to the **Plant** or to the frequency of the **Inspection Services**; or
 - (vi) for anything beyond our reasonable control (for example a change in **Statutory Regulations** or legislation) that increases **Our** costs in providing the **Inspection Services**.
- (d) If **We** change the **Fees**, **We** will also make an extra charge, which **You** must pay, to cover **Our** reasonable administration costs.
- (e) As well as the adjustments to fees set out above, **We** will charge **You** if:
- (i) **You** receive **Your Reports** electronically and **You** also then ask **Us** to provide a hard copy **Report**
 - (ii) **You** ask **Us** to provide **Reports** in a format that is not **Our** standard format
 - (iii) **You** ask **Us** to re-examine an item of **Plant** sooner than the next due date outlined in the **Schedule**
 - (iv) **You** ask **Us** to return to undertake an **Inspection** or **Thorough Examination** which was not completed because **You** had failed to prepare or make the **Plant** available (at a date and time **We** agreed)
 - (v) **You** fail to prepare or make the **Plant** available at the date and time agreed
 - (vi) **You** ask for services, on top of those forming part of the **Inspection Services**
 - (vii) **You** ask **Us** to carry out training or a risk assessment specific to **Your Premises** or to **Your** health, safety and welfare procedures
 - (viii) **You** ask for, or safety requirements dictate that, more than one **Competent Person** undertake an **Inspection** or **Thorough Examination** on an individual item of **Plant**
 - (ix) **We** are required to undertake training/ familiarisation before accessing the **Site**
 - (x) there is a delay which prevents **Us** from commencing with the **Inspection** or **Thorough Examination** and **You** then request that **We** make an additional visit to complete any outstanding **Inspection Services**.
- (f) **You** must also pay VAT on any fees and any additional charges and any other similar tax or duty charge made by any government or other authority ('duty') at the appropriate rate.

6. Your Responsibilities

During the term of this policy **You** must:

- (a) allow **Us** access to the **Site** and **Plant** during **Normal Working Hours** or as agreed between **Us**. If plant can be moved, **You** must tell **Us** the precise location of the **Plant** with enough notice as agreed in writing between **Us**
- (b) **You** must keep full responsibility for the care, custody and control of the **Plant** at all times and especially when **We** are providing the **Inspection Services**
- (c) When asked, **You** must give the **Competent Person** all information relating to the **Plant** they may need to complete the **Inspection Services**. This information could include any changes to the **Plant** since the last **Thorough Examination** or **Inspection**
- (d) **You** must have the **Plant** properly prepared, dismantled and reassembled as necessary so **We** can carry out the **Inspection Services**
- (e) **You** must provide the **Competent Person** with:
 - (i) safe access to and exit from the **Site**
 - (ii) a safe working environment at the **Site**
 - (iii) safe access to the **Plant** to carry out the **Inspection Services**; and
 - (iv) suitable rescue arrangements if the **Competent Person** is required to work at heights or other places with restricted access.

Conditions

These Conditions are in addition to the General Conditions and Claims Conditions shown at the front of the policy.

After the Contract Ends

When the contract ends, the conditions relating to indemnity, waivers, limits of remedies and limits of legal responsibilities, including but not limited to those in this section, will stay in full force.

Confidentiality

Neither **You** nor **We** will release to any third party any technical, business, intellectual property or similar information relating to the business affairs of the other which are known as a result of this contract.

Neither **We** nor **You** will use the other's information for any purpose other than to carry out the responsibilities under this contract unless required to do so by law or regulation.

Nothing in this section will place an obligation of confidentiality on either **You** or **Us** for information that was already in the public domain, that was rightfully in the possession of either **Us** or **You** before the start of the contract.

The responsibilities under this Section will come into effect at the start of the term of this contract and will continue for 6 years after the contract ends.

Contracts (Rights of Third-Parties) Act 1999

Any person or company who is not named in the **Schedule** has no right under the Contracts (Rights of Third-Parties) Act 1999 (or any other law) to enforce any term of this contract.

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Enforcing Terms

If any term of this contract is found to be illegal or cannot be enforced, it will not affect any of the other terms of the contract.

Force Majeure

We will not be legally responsible for any delay, or the results of any delay, in carrying out the **Inspection Services** if the delay is due to any cause beyond **Our** reasonable control. **We** will be entitled to a reasonable extension of time to carry out the **Inspection Services** under this contract.

Health & Safety at Work Act 1974

You must provide **Us** with a safe working environment at the **Site** where the **Plant** is located and a safe way of getting access to carry out the **Inspection Services**.

We will:

- (a) keep to **Your** safe systems of work, as long as **You** tell **Us** about the systems in writing before we carry out any **Inspection Services**; and
- (b) refuse to carry out any **Inspection Services** if **We** believe there is a health, safety or welfare risk.

Our Right to Subcontract

We may appoint subcontractors to support the **Inspection Services** but **We** will still be responsible for any subcontracted work.

Waiver of Rights

Failure by either party to enforce any of the rights under this Section shall not be taken as or deemed to be a waiver of such rights.

Previous Contracts Between You and Us

This contract represents the entire agreement between the parties and supersedes all prior agreements and representations made by either party whether oral or written.

Important Information

Making an Enquiry

You can contact **Us** about the **Inspection Services** under this Section at:

Customer Solutions Centre
HSB Engineering Insurance Services Ltd
Chancery Place
50 Brown Street
Manchester M2 2JT

Telephone: **+44 (0)330 100 3432**

(Calls to this number are charged at the same standard landline rate as 01 or 02 numbers)

Email: client_services@hsbeil.com

You can find the contact details of **Our** local office on the website at www.munichre.com/hsbeil.

How to make 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 the policy for **You** or contact **Us** directly at the following address:

Customer Relations Leader
HSB Engineering Insurance Services Ltd
Chancery Place
50 Brown Street
Manchester M2 2JT

Telephone: **+44 (0)330 100 3433**

(Calls to this number are charged at the same standard landline rate as 01 or 02 numbers)

Email: complaints@hsbeil.com

When **We** receive **Your** complaint **We** will:

- confirm this within five business days
- pass it to **Our** complaints team to be reviewed
- do **Our** best to deal with **Your** complaint within four weeks. If **We** cannot, **We** will write to **You** and let **You** know when **We** will be able to give **You** a final response.

We are also accredited to ISO/IEC 17020:2012 by the United Kingdom Accreditation Services (UKAS). If **You** are unhappy with **Our** response for any technical matters with **Our Inspection Services**, **You** may be able to refer **Your** complaint to UKAS at:

United Kingdom Accreditation Services
2 Pine Trees
Chertsey Lane
Staines-upon-Thames TW18 3HR

Telephone: **+44 (0)1784 429 000**

Website: www.ukas.com

Email: info@ukas.com

How We Use Your Information

We may use the information **You** give **Us** for a number of reasons (for example, to make decisions about how to arrange the **Inspection Services**, to manage risk and to detect and prevent fraud). **We** may share **Your** information with, and get information about **You** from, **Our** immediate parent company, HSB Engineering Insurance Services Ltd and other companies within the Munich Re Group, credit-reference agencies, fraud-detection agencies, regulatory authorities and agents who provide services on **Our** behalf. **We** may share **Your** information with other people and organisations outside of the European Economic Area (EEA).

If the information **You** give **Us** is personal information (such as names, addresses, telephone numbers or dates of birth), **You** give **Us** permission to use that information as explained above. If **You** give **Us** personal information relating to anyone other than **You**, **You** must have that person's permission to give **Us** their information and for **Us** to use it as set out above.

Law Applicable

Before the **Inspection Services** contract starts, **You** can tell **Us** in writing which of the following laws **You** want to apply to the contract.

Option 1: The laws that apply in the part of the United Kingdom, Channel Islands or Isle of Man where the **Plant** is kept (at a **Site** shown on the **Schedule**).

Option 2: The laws that apply in the part of the United Kingdom, Channel Islands or Isle of Man where **You** live or where **Your** business is located.

Option 3: The laws of England and Wales.

If **You** do not tell **Us** a preference, option 3 will apply.

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All disputes in connection with **Your** contract will take place in the relevant courts of the option that applies to the contract.

Unless **You** and **We** agree otherwise in writing, all communications relating to the contract will be in English.

Termination

- (a) **We** may terminate this Section at any time by giving 30 days' written notice to **You**
- (b) Either **You** or **Us** may terminate this Section with immediate effect at any time by giving written notice to the other:
 - (i) where the other has committed a material breach of the terms of this Section which is incapable of remedy
 - (ii) where the other has committed a material breach of the terms of this Section which is capable of remedy and fails to remedy such breach within 30 days after receipt of a written notice by the other party giving full particulars of the breach and requiring it to be remedied
 - (iii) where the other goes into liquidation, or in the case of an individual or partnership, the individual(s) become(s) bankrupt, make(s) a voluntary arrangement with his(their) creditors or has(have) a receiver or administrator appointed
 - (iv) where an event of Force Majeure delays a scheduled **Thorough Examination/Inspection** for more than 30 days.

Registration and Regulatory Information

HSB Engineering Insurance Services Ltd. Registered in England and Wales. Registration No. 03010292.

Registered office:
Chancery Place
50 Brown Street
Manchester M2 2JT