



Policy Briefing

Former Industrial Special Plant Insurance Policy (ISP01.2004) wording vs New Industrial Special Plant Insurance Policy (QM2003-1209)

Following extensive research and feedback UAA is proud to announce the release of their upgraded Industrial Special Plant Insurance Policy (ISP). This wording will supersede the previous ISP (version ISP 01.2004). The following policy briefing has been prepared to identify the upgraded benefits in the new ISP (version QM2003-1209) wording.

This document is designed to be a summary document only. Please refer to the full policy wording for specific details.

There have been numerous changes to the overall wording and UAA has prepared a series of Policy Comparison charts which provides a more detailed outline of the changes made.

Refer to the internal tables for a full policy comparison.

Summary of Changes

<u>Policy Section</u>	<u>Summary of Change</u>
<u>General</u>	<ul style="list-style-type: none"> • Non-Aggregation of Excesses across all Sections of ISP Policy. If one event or occurrence triggers multiple sections of the policy, then the highest single excess shall apply.
<u>Policy Section 1 – Damage</u>	<ul style="list-style-type: none"> • “Excess” – in a situation where 2 or more machines are damaged arising from the one event then the highest single excess shall apply. • “Machine” definition has been extended to allow coverage for unspecified attachments to a value of \$10,000 or 10% of sum insured whichever is the lesser. • “Substitute Machines” – provides automatic cover for a similar machine whilst the Insured machine is undergoing repair or maintenance.
<u>Policy Section 2 – Hired In Plant (Liability To Owner)</u>	<ul style="list-style-type: none"> • “Excess” – in a situation where 2 or more machines are damaged arising from the one event then the highest

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<u>Policy Section</u>	<u>Summary of Change</u>
	<p>single excess shall apply.</p> <ul style="list-style-type: none"> • “Machine” definition has been extended to allow coverage for unspecified attachments to a value 10,000 or 10% of sum insured whichever is the lesser. • “Legal Costs” – automatic cover up to a limit of \$50,000 in the event of disputes between the owner of the hired machine and the hirer in relation to damage to the insured machine. <p>Optional Extension:</p> <ul style="list-style-type: none"> • “On Hire on Dry Hire Terms” – material damage cover for items hired in then dry hired to another hirer (commonly known as cross hire, on-hire or re-hire)
<p><u>Policy Section 3 – Additional Benefits</u></p>	<p><u>New Automatic Benefits:</u></p> <ul style="list-style-type: none"> • “Recovery Costs – Damage” in the event of physical damage or destruction of a machine for an amount of \$250,000 or an amount as stated in the Schedule in relation to the protection, clean-up, dismantling or transportation of the damaged machine. • “Employees Property Damage” for employee’s personal property that is damaged or destroyed by an event causing damage to an insured machine up to a limit of \$5,000. • “Extra Costs of Re-instatement” in the event of damage to an insured machine. Includes a provision of up to \$50,000 or 10% of the sum insured (whichever is the lesser) where legislation requires a machine to be upgraded from its previous condition or where repair of a part requires betterment because that part is no longer in existence.
	<p><u>Updated Automatic Benefit:</u></p> <ul style="list-style-type: none"> • “Additions/Deletions of Machines” – additional

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	<p>benefit applying to Section 1 – Damage; allows for a 60 day notification period, after the purchase of a similar machine up to the nominated sum insured as shown on the policy schedule (normally \$250,000).</p> <p><u>New optional extension:</u></p> <ul style="list-style-type: none"> • “Market Value Plus”- In the event of a total loss we will pay the sum insured as stated in the schedule provided the actual market value of the machine was within a 85% range of the nominated sum insured. If the market value figure falls outside of that range, we will pay the market value figure plus a 15% loading.
<u>Policy Section 4 – Financial Protection</u>	<p>This Policy Section now includes five cover options:</p> <ul style="list-style-type: none"> • Loss of Revenue and Increased Cost of Working • Loss of Revenue • Increased Cost of Working • Lease Payments Protection • Lease Value Protection <p>This Policy Section has also been extended to provide coverage in the event of Breakdown Damage, as well as normal material damage events (provided both forms of cover have been taken)</p>
<u>Policy Section 5 – Breakdown</u>	Coverage Remains Unaltered
<u>Policy Section 6 – Road Risk</u>	<p><u>Additional benefits:</u></p> <ul style="list-style-type: none"> • “Extended Road Risk cover for vehicle additions and deletions” – notification period has been increased to 60 days after acquisition of the Motor Vehicle by the Insured • “Cover for principals” – automatic cover for a principal in respect to their vicarious legal liability for property damage caused by an Insured’s road vehicle. • “Cover as principal” - Includes cover for a Motor

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	<p>Vehicle not owned by an Insured against Legal Liability for Property Damage arising from a person other than the Insured using the Motor Vehicle on behalf of the Insured and with the authority of the Insured and in connection with the Insured's Business</p> <ul style="list-style-type: none"> • “Hired out Road Vehicles – damage waivers” Provides Road Risk (property damage) cover for items on dry hire where the hire conditions state that the hirer will be indemnified for the use of that road vehicle.
<u>Policy Section 7 – Broadform Liability</u>	<ul style="list-style-type: none"> • “Property in an Insured’s physical possession or legal control” - sublimit increase to \$250,000 • “Vibration, removal or weakening of or interference with supports” sublimit increase to \$500,000 • “Defence Costs” (formerly known as Legal Costs) capping of \$5million has been removed to now allow for Defence Costs in addition to the Sum Insured. • Inclusion of cover for Australian employees, executive officers, directors, partners of the Insured or a subsidiary company performing non manual work or supervision whilst visiting North America on business. • “Advertising Injury” - subject to limitations of the Advertising liability exclusion