

Machinery Loss of Profit Insurance

Insurance Product Information Document



NMU is a trading name of Munich Re Specialty Insurance (UK) Ltd, registered in England: 01262636, Union, 2-10 Albert Square, Manchester, M2 6LW. Authorised and regulated by the Financial Conduct Authority (FRN 310539).

The following summary does not contain the full terms of the contract, which can be found in your policy documentation. The insured values and limits of liability are shown in your policy schedule.

What is this type of insurance?

NMU Machinery Loss of Profit insurance provides cover for the loss of gross profit due to a reduction in turnover in respect of the machinery specified in your policy schedule.



What is insured?

- ✓ Loss of gross profit due to a reduction in turnover following:
 - damage to the machinery by a sudden and unforeseen cause including breakdown which prevents the machinery from undertaking its normal work and necessitates repair or replacement before work can be resumed; or
 - accidental failure of the public supply of electricity, gas or water at the premises for a period exceeding 30 minutes; or
 - accidental failure of the public effluent system from the premises.
- ✓ Increase in cost of working, being additional expenditure to avoid a reduction in profit, providing this cost does not itself exceed the reduction avoided.

How we calculate gross profit and reduction in turnover is fully described in the policy documentation.



What is not insured?

- ✗ Fire, explosion, lightning, earthquake, aircraft or other aerial devices.
- ✗ Flood, inundation, storm, tempest, busting or overflowing of water tanks and pipes.
- ✗ The operation of, or discharge or leakage from a sprinkler installation.
- ✗ Pollution and contamination.
- ✗ Corrosion or erosion.
- ✗ Wear and tear.
- ✗ Riot, strike, lock out or civil commotion.
- ✗ Machinery whilst in transit by sea or air.
- ✗ Failure of public electricity, gas or water supply or effluent disposal services due to deliberate act of the supply authority unless for the sole purpose of safeguarding life or the authority's property.
- ✗ Drought.



Are there any restrictions on cover?

- ! An Excess Period (in hours or days) - being the part of a claim you are responsible for, may apply to your policy.
- ! The policy will contain financial limits on the maximum values we insure.
- ! The policy will be subject to a time limit, after expiry of which we will cease to make any payments for loss of gross profit.



Where am I covered?

- ✓ At the premises shown in the policy schedule.



What are my obligations?

- You must provide us with honest, accurate and complete information – whether you are taking out, renewing or making changes to your policy.
- You must observe and fulfil the terms and conditions of your policy as failure to do so could affect your cover.
- You must pay the premium.
- You should inform us without delay of any material changes to your risk. If you do not inform us about a change it may affect any claim you make or could result in your insurance being invalid. Following a change we may need to apply additional terms and conditions, which you must observe, or require you to pay an additional premium. You may also need to take action, if so we will advise you.
- In the event of a claim, we must be notified as soon as possible and you should contact your insurance broker. If the damage or loss is caused by thieves or by malicious damage you must notify the police immediately.



When and how do I pay?

- Typically, annually at inception. Your premium may be subject to adjustment on expiry, based on a declaration of actual values.



When does the cover start and end?

- Typically, the policy is for a period of 12 months commencing on the date stated in the policy schedule.



How do I cancel the contract?

- The policy includes provision for cancellation by either party giving 7 days' notice. You can give notice at any time by contacting your insurance broker.