

DISTRIBUTOR PRODUCT GUIDE

Property Engineering

- This guide is for intermediary reference only.
- It doesn't contain the full terms and conditions of the contract of insurance.
- You can find more information about the product within the [policy overview](#).
- Full terms and conditions are within the policy documents; you can request to have a copy of these.

Product design

We've provided property engineering solutions for over 25 years and work with industry experts such as, the Association of British Insurers (ABI) and the British Electrotechnical and Allied Manufacturers Association (BEAMA), in addition to our global partners across the Allianz Group. We continually draw upon this experience and insight, as well as customer research to ensure our products continue to add value and meet the evolving needs of our engineering customers

Property Engineering is a Commercial Lines General Insurance product designed for property owners and managers who want insurance protection for essential machinery used in the day-to-day operations of their property. As well as insurance protection the policy also provides customers with a machinery inspection service.

The product is designed to provide the customer value by offering them the flexibility to buy a combination of covers that meet their specific needs. The policy overview provides details of the cover available.

Target market

We've a wide target market for Property Engineering which includes the following types of buildings :

- cinemas
- department stores
- educational establishments
- gyms
- national health service establishments
- hotels
- leisure/sports centres
- local authority establishments
- museums
- offices
- religious establishments

- restaurants/bars/public houses
- retail shop/shopping precincts
- warehousing with non-automated order picking
- water supply/ drainage/ utilities/building services

The following risk features/cover requirements would make the overall risk unacceptable or require specific underwriting with additional or non-standard terms applied: chemical/petrochemical works/refineries

- cover for production and process equipment
- cover in respect of office machinery computers or other electronic data processing equipment
- extensions of cover not specified in the Property Engineering policy wording.
- chimneys/emission stacks and similar structures
- obsolete plant
- prototype, experimental or unproven plant
- reinstatement cover, other than as provided under the standard policy cover
- plant/machinery situated underground including but not limited to submersible pumps

- storage tanks (except where used to store boiler fuel)
- risks incorporating turbines or similar high value high speed machines
- risks with poor, restricted or no evidence of plant maintenance
- risks outside the standard territorial limits.
- machinery forming the majority of the plant where there is no access to UK/EU agents or spares availability
- new ventures which have been trading for less than twelve months with an unknown loss history
- air conditioning plant more than 15 years old
- lock/slucice gates
- cast iron sectional boilers more than 15 years old
- fire, specified perils and theft cover unless specifically provided under the policy as standard cover
- plant insured on an itemised basis without inspection service

Potential conflicts

The policyholder could be conflicted if they wish to make lots of small claims, just above the excess limit, as this may impact the terms offered at subsequent renewals.

Product value assessment

Our product value assessment is based on the premium we charge for the cover and the services we Provide. We take a wide range of factors into consideration, such as historical and expected claims frequencies, incurred and projected claims costs, plus scenario analysis including likely economic and climatic trends, along with customer feedback.

We also consider how the premium is affected by the commission we pay the placing intermediary for the activities they conduct on our behalf. Any additional charges within the distribution chain may potentially erode the intended value of our product.

Distribution strategy

Our Property Engineering product has been designed for distribution by insurance intermediaries that hold commercial agency facilities with us. They must have the appropriate level of understanding about the risks and exposures faced by their customers in the operation of their business.

This product isn't suitable for:

- a person acting for purposes outside their trade, business or profession
- non-going concerns or the retired
- businesses that operate outside the UK and require a global insurance solution

We wouldn't expect this product to provide fair value to:

- businesses with very low level sums insured or exposures where we need to apply minimum premiums