



**Insurance**  
INSTITUTE OF EAST AFRICA  
— Insurance Education Anywhere Anytime —

## Engineering Insurance – Professional Insights



**Public Training**

## Overview

This Engineering Insurance with Industrial All Risks Insurance and Machinery Breakdown (MB) insurance concentration training program is designed to equip prospective delegates with the essential knowledge and skills needed to navigate the complex world of this class of insurance.

Over two days, participants will explore key topics such as the basis for engineering covers, machinery breakdown, boiler and pressure vessels, deterioration of stock, loss of profit insurance, electronic equipment insurance, general conditions and exceptions, types of engineering insurance policies, underwriting conditions and claims management for engineering insurance and related policies.

Our expert instructors will bring a wealth of experience from both the insurance and industrial sectors, ensuring that you receive practical, real-world knowledge. By the end of this course, you will be well-prepared to address the challenges and opportunities in engineering insurance.

## Learning Outcomes

By the end of this workshop, participants should be able to: -

- Explain the important aspects and the background of engineering insurance and the relevant insurance principles;
- Relate the evolution of machinery from mechanical and electrical to electromechanical machines, future development and reasons for insurance against failures and breakdown;
- Discuss the important aspects of surveys for engineering insurance underwriting.
- Describe the coverage, exclusions, and underwriting provisions of engineering-related coverages: -
  - a) Machinery Breakdown Loss of Profit insurance
  - b) Machinery Breakdown insurance
  - c) Boiler and Pressure Vessels insurance
  - d) Electronic Equipment insurance
  - e) Deterioration of Stocks insurance
  - f) Storage Tank insurance
- Describe claims management for engineering and related policies.



## Day One

### Basis for Engineering Covers, General Conditions and Exceptions

#### Learning Outcomes

On completion of this module, participants should be able to: -

- Describe the basis of cover, the general conditions attached to it, and the exceptions or exclusions for the Engineering class;
- Interpret the fundamental policy conditions that all losses must be 'sudden' and 'unforeseen'; and
- List the exceptions that apply to this risk class.

#### What is covered

- Coverage
- Deductibles and excess
- Consequential loss (loss of use and increased cost of working)
- Mechanical or electrical breakdown or explosion of the plant
- Exclusion of design, defective workmanship or materials
- Work handed over or taken into use by the principal
- Sudden and unforeseen physical loss or damage

### Types of Engineering Insurance

#### Learning Outcomes

On completion of this module, participants should be able to: -

- Describe the coverage, conditions, and exclusions of Machinery Breakdown (MB) and Boiler & Pressure Vessel (B&PV) insurance;
- Explain the considerations that the underwriters need to address when underwriting such policies, taking into account the exposure for common losses; and
- Apply the policy terms and conditions imposed, including applicable deductibles, warranties and special conditions imposed by the insurer.

#### What is covered

- Machinery Breakdown (MB)
- Boiler & Pressure Vessel (B&PV)

## Other Specific Policies

### Learning Outcomes

On completion of this module, participants should be able to: -

- Describe the coverage, conditions, and exclusions of Deterioration of Stock (DOS), Loss of Profits following Machinery Breakdown (MBLOP), and Electronic Equipment Insurance (EEI) insurance;
- Explain the considerations that the underwriters need to address when underwriting such policies, taking into account the exposure for common losses; and
- Apply the policy terms and conditions imposed, including applicable deductibles, warranties and special conditions imposed by the insurer.

### What is covered

- Deterioration of Stock (DOS)
- Loss of Profits (LOP) Following Machinery Breakdown
- Electronic Equipment Insurance (EEI)



## Day Two

### Underwriting Considerations and Risk Management

#### Learning Outcomes

On completion of this module, participants should be able to: -

- Explain the constraints and challenges Engineering underwriters;
- Explain the considerations that the underwriters need to address when assessing risks involving machines and equipment common to the Engineering class; and
- Apply the necessary terms and conditions, including clauses applicable to underwriting machineries and equipment.

#### What is covered

- Underwriters Evaluation
  - Age of machine
  - Maintenance and service arrangement
  - User training
  - Non-destructive testing and commissioning
  - Redundancy
  - Machinery of proven record (No Longer Prototype)
  - Availability of spare parts and repairs
  - Obsolescence
  - List of machinery and manufacturers
  - Sum insured based on new replacement value

### Claims Management for Engineering and Related Policies

#### Learning Outcomes

On completion of this module, participants should be able to: -

- Explain how the conditions of an insurance policy affect claims;
- List the notification conditions on claims validity; and
- Outline the validity of a claim and apply your knowledge in processing insurance claims.

#### What is covered

- Role of adjusters
- Appointing specialists – Forensic accountants
- Adjustment examples
- Application of legal principles
  - Insurable interest
  - Utmost good faith
  - Duty of disclosure

- Misrepresentation
- Waiver
- Indemnity
- Proximate cause
- Subrogation
- Contribution
- Warranties
- Conditions
- Exclusions

## Course Summary

<b>Location:</b>	Fairmont, The Norfolk, Nairobi
<b>Duration:</b>	2 Days
<b>Fee:</b>	Kshs 58,500 Per Delegate (Non-Residential)
<b>Dates:</b>	6 <sup>th</sup> – 7 <sup>th</sup> March, 2025

## About Insurance Institute of East Africa

The Insurance Institute of East Africa (IIEA) is a leading provider of insurance education across the various functional areas of the insurance industry and is an approved training provider by National Industrial Training Authority (NITA) under Ref: NITA/TRN/1365.

IIEA has partnered with leading global providers of insurance education to offer a wide range of professional insurance qualifications, designations and certifications developed by industry experts. These partners include the Insurance Institute of America (The Institutes), America's Health Insurance Plans (AHIP), The Digital Insurer (TDI), Cambridge International College (CIC) Britain, Australian and New Zealand Institute of Insurance and Finance (ANZIIF), International Compliance Associations (ICA), International Fraud Training Group (IFTG), Frankfurt School of Finance and Management, Academy for International Modern Studies (AIMS) and the Institute of Chartered Shipbrokers. IIEA also offers fraud management programs to the insurance industry in East Africa. These programs are highly regarded across the industry and provide learners with the skills and knowledge to succeed in their careers across functional areas of the insurance industry.

**Contact us to book for the training**

**Phone: +254 20 6530128 | Safaricom: +254 723 334 408 | Airtel: +254 733 812 695**

**Email: [training@iiea.co.ke](mailto:training@iiea.co.ke) or [info@iiea.co.ke](mailto:info@iiea.co.ke)**



Insurance Institute of East Africa  
Brunei House, 3<sup>rd</sup> Floor | Witu Road off Lusaka Road  
P.O. Box 16481-00100 Nairobi, Kenya  
Tel: +254 20 6530128 | 6530298  
Mobile: +254 723 334 408 | 733 812 695  
Email: [info@iiea.co.ke](mailto:info@iiea.co.ke) | [www.iiea.co.ke](http://www.iiea.co.ke)