



General Liability - Hot Work

Hot Work Warranty (R1513)

Hot Work Away Condition - Roofers and water proofers (R2546)

Effective date

These endorsements will come into effect for:

- Policies with a renewal date from **Sunday 1 October 2023**
- New business from **Monday 10 July 2023**

If you have any questions, please contact your QBE underwriter.

QBE has a long history of covering general liability for the construction industry in New Zealand. Unfortunately, in recent years we have seen an increase in the number and severity of claims in the construction sector arising out of hot works.

Some recent examples:

- Contractors welding pipes, setting the surrounding area alight,
- Roofing contractors working on bituminous membrane of building, setting the surrounding area alight

One of the common themes of these incidents is the business engaged in the work not maintaining industry standards of work. In particular we have seen regular issues with the availability of fire fighting equipment and the failure to keep a fire watch at the site of the works during breaks and after the completion of the works. This means that if anything goes wrong any fire is well established before it can be dealt with.

QBE has no plans to cease providing cover for these customers however we need to be sure that minimum standards are maintained.

Hot Work Warranty (R1513)

We have updated our standard Hot Work Warranty to include the need to maintain a fire watch and have more clearly defined the term Hot Work - the changes are in **bold** below:

Hot Work Warranty

Condition 10 of the Policy is deleted and replaced by the following:

QBE will not indemnify the Insured for any Personal Injury or Property Damage arising out of Hot Work where such Personal Injury or Property Damage could have been avoided or diminished by:

1. the provision of adequate fire-fighting equipment, extinguishing agents of sufficient capacity and a sufficient number of personnel available and fully trained in the use of such equipment;
2. all flammable material, flammable liquids and gases being located at a sufficiently large distance from the area where the Hot Work is being performed. Where flammable materials, flammable liquids and gases cannot be moved to a safe area, then such material must be protected by overlapping sheets of non-combustible protective material;
3. all glass being located at sufficient distance from the area where the Hot Work is being performed. Where glass cannot be moved to a safe area, such glass is to be protected by overlapping sheets of non-combustible protective material;
4. a thorough examination in the vicinity of the Hot Work approximately one hour after the termination of the day's operation;

5. the provision of a Hot Work permit in accordance with the New Zealand Standard 4781:1973 Code of Practice for Safety in Welding and Cutting (or any substitute);
6. **the Insured maintaining a watch of any Hot Work whilst undertaking the work and during any breaks.**

Definition:

For the purpose of this endorsement "Hot Work" means:

Any work away from the Insured's premises involving the use of any process that involves or generates heat, including but not limited to:

1. **welding,**
2. **cutting and grinding equipment using abrasive disks or wheels,**
3. **blow lamp, blow torch, flame gun, hot air gun or hot air stripper,**
4. **asphalt, bitumen, tar, or pitch heater, or**
5. **thermal lance.**

The endorsement will update automatically at renewal on any policy that currently has the Hot Work Warranty applying and your QBE underwriter will add them where appropriate to any new business. This will apply to renewals from **Sunday 1 October 2023**.

Hot Work Away Condition - Roofers and Water Proofers (R2546)

We have developed a new endorsement which will be applied to policies for roofers and water proofers.

Hot Work Away Condition - Roofing and Waterproofing NZ Standard

It is a condition precedent to indemnity that where the Insured is undertaking any Hot Work it is carried in accordance with each of the following:

1. the Waterproof Membrane Association Inc, Code of Practice for Reinforced Modified Bitumen Membrane (RMBM), Systems for Roofs and Decks (as updated or substituted from time to time),
2. the New Zealand Standard 4781:1973 Code of Practice for Safety in Welding and Cutting (as updated or substituted from time to time),
3. the WorkSafe, Health and Safety in Welding, Guidance for PCBU's (as updated or substituted from time to time),
4. compliance with any Hot Work permit for the site,
5. the provision of adequate fire-fighting equipment for the Hot Work being undertaken, including but not limited to:
 - a. at least one (1) appropriate fire extinguisher or hose reel on hand (i.e. a fully charged 3kg fire extinguishers and/or a connected fire hose) and
 - b. sufficient number of personnel available and fully trained in the use of such equipment,
6. all flammable material, flammable liquids and gases being located at a sufficiently safe distance from the area where the Hot Work is being performed. Where flammable materials, flammable liquids and gases cannot be moved to a safe area, then such material must be protected by overlapping sheets of non-combustible protective material,
7. all glass being located at safe distance from the area where the Hot Work is being performed. Where glass cannot be moved to a safe area, such glass is to be protected by overlapping sheets of non-combustible protective material,
8. all equipment used will be lit, ignited, or switched on for the shortest possible time. Such equipment will never be left unattended and will be extinguished immediately after use,
9. the Insured maintaining a watch of any Hot Work whilst undertaking the work and during any breaks, and
10. the Insured undertakes thorough physical examination by the Insured of the vicinity of the Hot Work one hour after the termination of the operation.

Definition:

For the purpose of this endorsement "Hot Work" means:

Any work away from the Insured's premises involving the use of any process that involves or generates heat, including but not limited to:

1. **welding,**
2. **cutting and grinding equipment using abrasive disks or wheels,**
3. **blow lamp, blow torch, flame gun, hot air gun or hot air stripper,**
4. **asphalt, bitumen, tar, or pitch heater, or**
5. **thermal lance.**

The endorsement will be added at renewal on any policy currently coded as a roofer or water proofer from **Sunday 1 October 2023**.

Your QBE underwriter will add them where appropriate to any new business or other policies as needed.