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Contractors All Risks Policy Wording



**Arranged by
Moorhouse Group Limited
Barclay House
2 - 3 Sir Alfred Owen Way
Caerphilly CF83 3H**

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Definitions

Titles and Headings in this Policy are descriptive only and are used solely for convenience of reference and shall not be deemed in any way to limit or affect the provisions to which they relate.

Any words or expressions in the Policy which have a specific meaning appear in bold print and have the same meaning whenever they appear in the Policy (whether expressed in the singular or in the plural, male, female or neutral) unless expressly stated otherwise.

1. **Bodily Injury** shall mean
 - a. in respect of Section 1A & 1B death bodily injury illness disease shock mental injury mental anguish false eviction false arrest wrongful detention discrimination and malicious prosecution
 - b. in respect of Sections 2 death bodily injury illness disease shock mental injury and mental anguish
2. **Territorial Limits** shall mean
 - a. in respect of Sections 1A, 1B & 2 Great Britain Northern Ireland the Channel Islands and the Isle of Man or an offshore Installation within the territorial waters around Great Britain Northern Ireland the Isle of Man and the Channel Islands
 - b. in respect of Section 3A & 3B Great Britain Northern Ireland, the Channel Islands and the Isle of Man
3. **Offshore** shall mean from the time an **Employee** embarks onto a conveyance at the point of final departure to an offshore rig or offshore platform until such time the **Employee** disembarks from the conveyance onto land upon return from an offshore rig or an offshore platform
4. **Pollution** shall mean pollution or contamination of the atmosphere or of any water land or other tangible property
5. **Defence Costs** shall mean all costs fees and expenses incurred by the **Insured** in the defence or settlement of any claim under this Policy
6. **Damages** shall mean monetary compensation capable of being awarded in civil proceedings but excluding aggravated and exemplary damages
7. **Terrorism** shall mean an activity that (1) involves a violent act or the unlawful use of force or an unlawful act dangerous to human life tangible or intangible property or infrastructure or a threat thereof and (2) appears to be intended to (i) intimidate or coerce a civilian population or (ii) disrupt any segment of the economy of a government de jure or de facto state or country or (iii) overthrow influence or affect the conduct or policy of any government de jure or de facto by intimidation or coercion or (iv) affect the conduct of a government de jure or de facto by mass destruction assassination kidnapping or hostage-taking
8. **Product** shall mean any property after it has left the custody or control of the **Insured** which has been designed specified formulated manufactured sold supplied or distributed by or on behalf of the **Insured** in isolation to any contract work executed by or on behalf of the **Insured**
9. **Business** shall mean the Business stated in the Schedule and
 - a. the ownership repair and maintenance of the Policyholder's own property
 - b. the provision of canteen sports social welfare organisations and first aid medical or ambulance services for the benefit of any customer or **Employee**
 - c. fire and security services for the protection of the premises owned or occupied by the Policyholder
 - d. private work undertaken by an **Employee** on behalf of any director or partner of the Policyholder
 - e. attendance at trade fairs shows and exhibitions in connection with the **Business**
10. **Insured** shall mean
 - a. the Policyholder
 - b. the personal representatives of the Policyholder in respect of legal liability incurred by the Policyholder
 - c. at the request of the Policyholder
 - i. any principal of the Policyholder as required under contract in respect of work carried out by the Policyholder
 - ii. any director or partner of the Policyholder
 - iii. any **Employee**
 - iv. any other party where required by contract subject to the prior written agreement of the Underwritersagainst legal liability in respect of which the Policyholder would have been entitled to indemnity had the claim been made against the Policyholder
 - v. any officer committee or member of the Policyholder's canteen sports social welfare organisations and fire security first aid medical or ambulance services in their respective capacities as such but not including medical practitioners while working in a professional capacity each of whom shall as though the Policyholder be subject to the terms and conditions contained herein as far as they can apply
11. **Average** shall mean
If at the time of any loss the total Sum Insured specified in the Schedule is less than 85% of the total value of the property insured Underwriters shall bear only that proportion of the Loss which the total Sum Insured bears to the total of the property insured.
12. **Employee(s)** shall mean

- a. any person under a contract of service or apprenticeship with the Policyholder
- b. whilst under the direct control and supervision of the Policyholder any
 - i. labour master and persons supplied by him
 - ii. labour only sub-contractors
 - iii. temporary employees
 - iv. self-employed persons
 - v. voluntary workers
 - vi. individual hired to or borrowed by the Policyholder
 - vii. person undertaking study or work experience with the Policyholder

13. **Tool(s)** shall mean

Hand tools and hand held portable power tools the property of or hired in by an Insured Person for use in connection with the Business

SECTION 1 CONTRACTORS ALL RISKS

OPERATIVE CLAUSE

The Underwriters will indemnify the **Insured** as stated in the Schedule by payment or at Underwriters option reinstatement or repair in respect of physical loss or physical damage arising from any cause not otherwise excluded and occurring anywhere within the **Territorial Limits** during the Period of Insurance to property which is being used or is intended for use in connection with the works on any contract site which is the subject of this Policy such property shall include

1. The works whether permanent or temporary materials incorporated or for incorporation therein other than property insured by item 2. below being the property of the **Insured** or for which the **Insured** are responsible including all transits in respect of any contract or work undertaken whether such contract or work was commenced during the Period of Insurance or otherwise Provided that Underwriters shall be under no liability in respect of contracts originally scheduled to be of longer duration than two years (exclusive of the maintenance period) or with an estimated contract value at inception not exceeding GBP 2,000,000 unless otherwise agreed. The Sum Insured by this section is subject to **Average**
2. Contractors` plant tools and equipment demountable and temporary buildings and/or caravans and/or other items of a like nature and materials and/or stores and/or any other property of whatsoever nature used or intended for use in connection with any contract works being undertaken by the **Insured** and insured under this Policy all being the property of the **Insured** or hired by the **Insured** under the Contractors Plant Association conditions or conditions no more onerous including transit by road rail or inland waterways. The Sum Insured by this section is subject to **Average** with the exception of plant Hired in by the **Insured**

EXCLUSIONS TO SECTION 3A

No indemnity is provided in respect of

1. consequential loss of use penalties for delay or non-completion or liquidated damages
2. loss of or damage to
 - a. aircraft aero spatial devices or hovercraft
 - b. waterborne craft or vessels other than safety boats non-self-propelled craft or other craft up to 20 feet in length on or about the contract site
3. loss of or damage to mechanically propelled vehicles other than
 - a. vehicles designed primarily to operate as tools of trade (which shall be deemed to include any plant

primarily designed to operate on or about a contract site)

- b. other vehicles brought on to a site for use only on such site
4. All costs rendered necessary by defects of material workmanship design plan or specification and should damage occur to any portion of the Property Insured containing any of the said defects the cost of replacement or rectification which is hereby excluded is that cost which would have been incurred if replacement or rectification of the Insured Property had been put in hand immediately prior to the said damage.
For the purposes of this Section and not merely this Exclusion the Property Insured shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design plan specification materials or workmanship in the Property Insured or any part thereof
5. the cost of making good
 - a. mechanical or electrical breakdown or derangement
 - b. wear tear gradual deteriorationbut this Exclusion shall be limited to the parts immediately affected and shall not apply to accidental loss or damage arising in consequence thereof
6. the cost of making good any form of corrosion erosion rust oxidation mildew howsoever the same may arise
7. loss of or damage to stock and materials in trade and/or materials for incorporation into the contract works whilst away from any contract site unless in transit
8. loss of or damage to cash notes postal and/or money orders cheques stamps or negotiable instruments of whatsoever nature or other securities for money
9. loss of or damage to any part of the property insured arising out of the works being taken into use or occupation (except for testing and commissioning when applicable) unless the **Insured** shall give notice to Underwriters as soon as possible and shall agree to pay such additional premium as Underwriters may reasonably require

This Exclusion shall not apply

- a. to the use of any property as a show house with a value up to GBP 250,000 and contents with a value up to GBP 5,000
- b. during the period of 14 days from the date of issue by the Engineer of a Certificate of Completion when a contract is subject to the Standard Conditions of Contract of the Institute of Civil Engineers or equivalent conditions of contract
10. any loss of property either by disappearance or by shortage if such disappearance or shortage is only revealed when a routine inventory is made or is not traceable to an individual event or occurrence

11. destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds
12. loss or damage for which the **Insured** is relieved of responsibility under the terms of any contract
13. loss or damage arising from directional drilling operations unless otherwise agreed
14. the cost of normal upkeep or normal making good
15. loss or damage which under the terms or conditions of the contract is the responsibility of the Employer unless the **Insured** has agreed under the terms or conditions of the said contract to accept responsibility to indemnify or to arrange insurance on the Employer's behalf in respect of such liability loss or damage
16. loss or damage caused by the wilful act or wilful negligence of the **Insured**
17. loss or damage to existing structures and/or existing property being worked upon unless otherwise agreed
18. loss or damage arising from transits by sea or air
19. loss or damage caused by contamination of asbestos or asbestos dust
20. loss or damage arising from **Terrorism** as follows

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto unless an endorsement is issued that expressly overrides the provisions contained herein the Policy does not provide indemnity

- a. for loss destruction of or damage to any property whatsoever or any loss or cost or expense of whatsoever nature resulting or arising therefrom or any consequential loss
- b. against any legal liability of whatsoever nature

directly or indirectly caused by resulting from or contributed to by or arising from or in connection with

- i. any act of **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss
- ii. any action taken in controlling preventing suppressing or in any way relating to any act of **Terrorism**

If the Underwriters allege that by reason of this Exclusion any loss liability damage cost or expense or consequential loss is not covered by this Policy the burden of proving the contrary shall be upon the **Insured**

21. loss or damage arising from contracts involving work in on over or adjacent to tidal waters tunnels (but not cut and cover) galleries with an estimated contract value greater than GBP 25,000 unless specifically agreed
22. theft from unattended vehicles away from the Insureds premises unless
 - 1) the vehicle is secured by all factory fitted locks and alarm / immobiliser (where fitted) and
 - 2) the keys have been removed from the vehicle and

- 3) the vehicle is in a locked and secure compound or garage

23. loss or damage to any contract or plant or equipment within the High Radio Active Zone (HRZ) of any nuclear installation

24.

- a. any damage to data which shall include but shall not be limited to
 - i. loss destruction or corruption of data whether in whole or in part
 - ii. unauthorised appropriation use access to or modification of data
 - iii. unauthorised transmission of data to any third parties
 - iv. damage arising out of any misinterpretation use or misuse of data
 - v. damage arising out of any operator error in respect of data
- b. any damage to the property insured arising directly or indirectly from
 - i. the transmission or impact of any Virus
 - ii. unauthorised access to a System
 - iii. interruption of or interference with electronic means of communication used in the conduct of the **Insured's Business** including but not limited to any diminution in the performance of any website or electronic means of communication
 - iv. failure of a System
 - v. any of the matters described in paragraph (a) above

but this shall not exclude damage to the property insured caused by fire lightning explosion earthquake aircraft or other aerial devices or articles dropped therefrom riot civil commotion except in Northern Ireland strikers locked-out workers persons taking part in labour disturbances storm flood escape of water from any tank apparatus or pipe impact by any road vehicle or animal accidental escape of water from any automatic sprinkler installation subsidence ground heave or landslip provided that such damage does not arise by reason of any malicious act or omission or theft

For the purposes of this Exclusion

Damage

means accidental loss or destruction of or damage to the property insured and any accidental loss or destruction or damage to data

Data

means information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

Failure of a System

means the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a System whether or not owned by the **Insured** to operate at any time as desired as specified or as required in the circumstances of the **Insured's Business**

System

includes computers other computing and electronic equipment linked to computer hardware electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation

Microchip

a unit of packaged computer circuitry manufacture in small scale and made for program logic and/or computer memory purposes and expressly including integrated circuits and microcontrollers

Virus

programming code or series of instructions designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a System transmitted between Systems by transfer between computer systems via networks extranets internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMS or otherwise and whether involving self-replication or not

- a. wear tear rust corrosion mildew or other gradual deterioration or vermin or insect
 - b. any process of cleaning repair or restoration
 - c. its own mechanical electrical or electronic breakdown failure or derangement
2. Damage which is not traceable to an identifiable occurrence or which is caused by deception
 3. Damage to **Tools** caused by theft or attempted theft if it is left unattended unless it is contained in a securely locked motor vehicle trailer or room or box and there is evidence of forcible or violent entry to or exit from the motor vehicle trailer or room or box
 4. Damage to **Tools**
 - a. occurring while lent to or being used by anyone other than an Insured Person or an Employee
 - b. while hired out
 5. Damage to ladders generators transformers or any other equipment or **Tool** not designed to be applied directly to the work by hand
 6. Damage to portable computers and ancillary equipment and/or portable telecommunication equipment

SECTION 2 TOOLS

OPERATIVE CLAUSE

The Underwriters will indemnify the **Insured** as stated in the Schedule by payment or at Underwriters option reinstatement or repair in respect of physical loss or physical damage arising from any cause not otherwise excluded and occurring anywhere within the **Territorial Limits** during the Period of Insurance to property which is being used or is intended for use in connection with the works on any contract site which is the subject of this Policy such property shall include

Employees Tools and Effects for which the **Insured** is responsible whilst on any site or for which the **Insured** is responsible under the terms of any joint working agreement. Our liability in respect of the amount payable to any one Insured Person shall not exceed:

1. the Sum Insured stated in the Schedule
2. £500 in respect of any one Tool.

The Sum Insured by this section is subject to **Average**

EXCLUSIONS TO SECTION 3B

No indemnity is provided in respect of

1. indirect loss of any kind
1. Damage to **Tools** due or attributable to

MEMORANDA TO SECTION 1 & 2

1. PROFESSIONAL FEES

This Section includes architects' surveyors' consulting engineers' and other professional fees necessarily incurred in connection with the reinstatement of property insured

Provided that

- a. such fees shall not exceed those authorised under the scale of the appropriate professional body or institute regulating such charges subject to a maximum of 15% of the estimated contract value or GBP 250,000 whichever is the less
- b. the Underwriters shall not provide indemnity against any fees incurred in preparing or pursuing any claim

2. DEBRIS REMOVAL

This Section includes costs and expenses necessarily incurred in respect of removal of debris dismantling demolition (including off site storage) shoring propping and clearance of drains and sewers following loss or damage insured up to 10% of the amount of the loss

3. SPECULATIVE HOUSING

In the event of speculative housing being completed but unsold cover under this Section shall continue for a period of three months unless otherwise agreed from the date of practical completion but the Underwriters liability shall not exceed GBP 250,000 any one occurrence

4. PLANS

The property insured by Paragraph 1. of the Operative Clause shall be deemed to include plans and specifications or other contract documentation of the works or temporary works but only for the cost of reproducing such plans specifications and documentation up to maximum limit of GBP 10,000

5. GENERAL INTEREST

This Section duly notes the interest of any Bank Finance Company Building Society and any other institution or concern that have a financial interest in the property insured by this Section

6. MAINTENANCE

Where required by contract this Section includes physical loss or physical damage

- a. occurring during the maintenance period (not exceeding twenty four months unless otherwise agreed) from a cause arising before the issue of a certificate of practical completion
- b. occasioned by the Insured in the course of fulfilling his obligations during the maintenance period as required by the terms of the contract

7. OCCURRENCE

The word "occurrence" shall mean all individual losses arising out of and directly occasioned by one event However the duration and extent to any "occurrence" so defined shall be limited to

72 consecutive hours as regards hurricane typhoon windstorm rainstorm hailstorm and/or tornado

72 consecutive hours as regards earthquake seaquake tidal wave and/or volcanic eruption

8. EMPLOYEES EFFECTS DEFINITION

It is understood and agreed that for the purpose of this Section the **Insured's Employees** effects shall include physical loss of or physical damage to tools clothing and personal effects (but not furs money and jewellery) belonging to any

- a. director or **Employee** of the **Insured**
- b. clerk of works resident engineer or his **Employee** whilst on or about any contract site

9. ADJUDICATION AWARDS CLAUSE

- a. The Underwriters will indemnify the **Insured** against an award (or any part thereof) made in respect of a construction dispute and resulting from an adjudication procedure which complies with the provisions of the Housing Grants Construction and Regeneration Act 1996
 - i. indemnity shall only apply to the extent that such an award relates to loss damage or liability for which an indemnity is provided by this Section
 - ii. any payment made by the Underwriters in respect of such an award shall be made without prejudice to any other rights of the Underwriters under this Section
- b. It is a condition precedent to any liability of the Underwriters to make any payment under this Memorandum where there is a construction contract dispute relating to loss damage or liability for which an indemnity is or may be provided by this Memorandum
 - i. any notice received by the **Insured** from any party of intention to refer such a dispute for adjudication shall be forwarded to the Underwriters within five days of receipt
 - ii. the **Insured** shall provide prior notice to the Underwriters of any intention by them to refer any such dispute for adjudication
 - iii. the **Insured** shall not accept any award made by an adjudicator to such a dispute as being final without the prior agreement of the Underwriters

10. JOINT CODE OF PRACTICE

In respect of all contracts or work whose estimated value (including free issue materials) exceeds GBP 1,000,000 the **Insured** undertakes to comply with the Joint Code of Practice on the Protection from Fire of Construction Sites

and Buildings Undergoing Renovation Fifth Edition dated January 2000 (the Joint Code) or any subsequent edition thereof

The appointed representative of the Underwriters shall have the right at all reasonable times to enter and inspect any such contract site for the purpose of ensuring that the conditions of such sites or work in all respects comply with the Joint Code

For the purpose of Paragraph 6.3 of the Joint Code any building site including those where demolition alterations fitting out renovations refurbishment or repair work is carried out whose estimated value (including free issue materials) exceeds GBP 20,000,000 shall be deemed to be a "Large Project"

In the event of a breach of the Joint Code the Underwriters may inform the Employer and management of the **Insured** the nature of the breach and may specify the required remedial measures (the Remedial Measures) and the reasonable period of time in which such Remedial Measures are to be completed. If the **Insured** should fail to complete such Remedial Measures within the specified time the Underwriters may confirm the same by notice in writing given by actual delivery or by registered post or by recorded delivery to both the Employer and the **Insured** at their respective addresses nominated by the Insured at the inception of cover or as otherwise subsequently amended

Such notice shall at the discretion of the Underwriters either suspend or cancel the Policy from the date named in the notice which shall not be less than 30 days from the date of delivery of such notice it being understood the Policy may be reinstated with effect from the date on which the Underwriters are satisfied that the Remedial Measures have been completed

This Memorandum shall prejudice waive or remove the rights of the Underwriter or the **Insured** under the terms exceptions and conditions of this Section

11. EUROPEAN UNION AND PUBLIC AUTHORITIES REQUIREMENTS

The Underwriters will indemnify the **Insured** for such additional costs of reinstatement of the works as may be incurred with the Underwriters written consent in complying with the stipulations of European Union legislation or building or other regulations under or framed in pursuance of any Act of Parliament or bye-laws of any public authority first imposed upon the **Insured** following damage provided that the reinstatement is completed within twelve months of the occurrence of the loss or damage or within such further time as the Underwriters may in writing allow

Provided that the Underwriters shall not be liable in respect of costs for

- a. requirements relating to any undamaged part of the works other than foundations (unless foundations are specifically excluded from this Section)
- b. any rate tax duty development or other charge or assessment which may arise out of capital appreciation as a result of complying with any of the regulations or requirements referred to

12. EXPEDITING EXPENSES

In the event of loss of or damage to Items 1 and 3 of the property insured the cost of repair reinstatement or replacement admitted under this Section shall subject to the consent of the Underwriters include the additional costs of overtime weekend shift working plant hire charges express delivery (including air freight) necessarily and reasonably incurred in expediting repair reinstatement or replacement of such loss or damage (but excluding any such costs to expedite the completion of any construction erection or installation of property not lost or damaged) provided that the liability of the Underwriters shall not exceed GBP 50,000 in respect of each and every loss or series of losses arising out of one originating cause

13. CONTINUING HIRE CHARGES

Cover under this Section is extended to indemnify the **Insured** in respect of their legal liability for the payment of hiring charges in respect of plant hired in by the **Insured** under Contractors Plant Association and/or British Crane Hire Corporation Conditions of Hire or conditions imposing similar liability whilst such plant is out of use following loss or damage for which an indemnity is provided by this Section (or which would be provided thereunder but for the application of an Excess Clause)

The Underwriters will not be liable under this extension for

- a. liability for a period longer than three months or GBP 50,000 whichever is the least
- b. the first 7 days such plant is out of use

14. NEGLIGENT BREAKDOWN

The Underwriters will indemnify the **Insured** in respect of liability assumed under Clause 9(d) of the Model Conditions for the Hiring of Plant of the Construction Plant-Hire Association or any similar liability assumed under the Scottish Plant Owners Association Conditions or other Conditions no more onerous than these

15. IMMOBILISED PLANT

In the event of constructional plant and/or equipment becoming unintentionally immobilised in any physical situation in or about the site of an insured contract the necessarily incurred cost of recovery and/or withdrawal shall be "damage" within the meaning of this Section

Always provided that the total liability in respect of the actual damage and the recovery cost shall not exceed the total value of the item at the time of the damage

No indemnity shall be provided hereon in respect of the cost of recovery and/or withdrawal following electrical or mechanical breakdown or derangement where such is the sole reason for the recovery and/or withdrawal

16. INCREASE

If during the Period of Insurance the actual reinstatement value of the property insured shall be in excess of the sum insured stated in the Schedule then the sum insured shall be deemed to be increased by the amount of such excess but

not exceeding in all 20% of the sum insured stated in the Schedule

17. PILING CONDITION

Notwithstanding anything contained herein to the contrary it is a condition of this Policy that the Underwriters shall not be liable to indemnify the Assured in respect of

1) foundation piles and/or casings and/or sheet pile constructions which are

- a) misplaced and/or misaligned
- b) lost or damaged during driving and/or extraction
- c) the subject of individual or block disconnection or declutching

For the purpose of this Policy loss or damage to foundation piles and/or casings and/or sheet pile constructions shall be deemed to have occurred during driving extraction disconnection or declutching unless the Assured can produce satisfactory evidence to demonstrate otherwise

2) the cost of repair replacement or rectification of piling work necessitated by leakage or infiltration of liquid fluids or material at seams joints connections and/or beneath sheet pile constructions or into casings unless such leakage or infiltration is a direct consequence of other physical loss or physical damage for which indemnity is provided by this Policy

3) any abandoned piling work unless such abandonment is a direct consequence of other physical loss or physical damage for which indemnity is provided by this Policy

4) piles which have failed to pass a load test or to reach the required bearing load unless such failure is a direct consequence of physical loss or damage for which indemnity is provided by this Policy

5) loss or damage to any property directly resulting from the failure of piles or piling work which were known by the Assured to fail to meet the specification prior to the occurrence of the loss or damage unless the specification had been amended to allow for this weakness

18. AUTOMATIC REINSTATEMENT

In consideration of the sum insured not being reduced by the amount of any loss or damage the **Insured** shall pay the appropriate additional premium calculated at pro rata of the applicable rate on the amount of the loss or damage from the date thereof to the expiry of the period of insurance such additional premium to be disregarded for the purposes of adjustment in accordance with General Condition 3

19. OFFSITE STORAGE

notwithstanding Exclusion 7 Underwriters will indemnify the **Insured** in respect of physical loss of or physical damage to finished materials or goods designated for and awaiting incorporation into specific contract works while such goods are temporarily held In store away from the contract site but

not while such materials or goods are being worked upon subject to a limit of GBP 5,000 any one occurrence

20. COMPLETED PENDING SALE – PRIVATE DWELLING HOUSES

This Section includes physical damage to private dwelling houses constructed as part of the Contract for one hundred and eighty days from

completion of the individual house or until the date of sale whichever occurs first

21. EXCLUSIONS TO ALL SECTIONS

No indemnity is provided

1.
 - a. in respect of liability or loss of or damage to property directly or indirectly occasioned by happening through or in consequence of war invasion acts of foreign enemies hostilities (whether war be declared or not) civil war rebellion revolution insurrection military or usurped power or confiscation or nationalisation or requisition
 - b. in respect of liability or loss of or damage to property directly or indirectly caused by or contributed to or arising from
 - i. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - ii. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof but as far as concerns Section 2 this Exclusion will only apply where such legal liability is
 - 1) that of any principal
 - 2) accepted under agreement and would not have attached in the absence of such agreement
2. for the amount of any excess shown in the Schedule including costs and expenses
3. in respect of liability or loss of or damage to property arising in connection with
 - a. any work of demolition involving
 - i. ball and chain
 - ii. a method designed and/or intended to demolish any structure or part thereof in one sudden and uninterrupted process
 - iii. the use of explosives
 - b. structural construction alteration or repair of transport tunnels
 - c. the construction or critical maintenance of hydroelectric or reservoir dams
 - d. the construction alteration or repair of blast furnaces
 - e. work in connection with rail signalling equipment the laying maintenance and/or repairing of the permanent way and/or any work in connection with any system providing power to trains
 - f. any shipbuilding or ship repairing other than contractors working on board a vessel unless such work is critical to the safety of the vessel
 - g. work on the structure or controls of any aircraft
 - h. work on motor vehicles licensed for road use where such work is critical to the safety of the vehicle
 - i. other than in relation to road haulage vehicles owned by the **Insured**
 - i. excavations below 3 metres in depth;
 - j. any work carried out at a height in excess of 10 metres
4. in respect of liability directly or indirectly arising out of the failure to adequately remove, treat or control invasive species of vegetation
5. any work undertaken Offshore
6. any manual work undertaken in the United States of America
7. the operations of any incorporated entity in the United States of America or the ownership of any property or physical assets in the United States of America
8. any travel to any location which is contrary to Foreign Commonwealth Office advice
9. loss of or damage to property lifted and/or moved by cranes or other lifting devices

Sanction Limitation and Exclusion Clause

Underwriters will not provide cover be liable to pay any claim or provide any benefit if to do so would expose Underwriters (or any parent company direct or indirect holding company of Underwriters) to any penalty or restriction (including extraterritorial penalties or restrictions so far as such do not contradict laws applicable to the Underwriters) arising out of any trade and economic sanctions laws or regulations which are applicable to Underwriters

CONDITIONS APPLICABLE TO ALL SECTIONS

(Conditions 1, 2, 3, and 16, are precedent to Underwriters' liability to provide indemnity under this Policy)

1. Claims Procedure

The **Insured** shall give written notice to the Underwriters as soon as reasonably practicable of any incident that may give rise to a claim under this Policy and shall give all such additional information as the Underwriters may require every letter of claim writ summons or process and all documents relating thereto **and any other written notification of claim** shall be forwarded **unanswered** to the Underwriters immediately they are received

The Insured shall at all times in addition to their obligations set out above afford such information to and co-operate with the Underwriters or their appointed agents to allow the Underwriters to be able to comply with such relevant Practice directions and Pre-action Protocols as may be issued and approved from time to time by the Head of Civil Justice

In the event of any occurrence giving rise to loss or damage under Section 3 of this Policy the **Insured** shall take such immediate action as is necessary to minimise the loss and in the case of property which has been lost stolen maliciously or wilfully damaged the **Insured** shall give immediate notice to the Police and take all practicable steps to recover property lost and to discover the person or persons responsible for such loss or damage. If Condition 16 of this Policy is operative the **Insured** shall notify the National Plant & Equipment Register Bath and West Buildings Lower Bristol Bath BA2 3EG Tel No. 01225 464599 in respect of any theft of any plant or equipment

No admission offer promise or payment shall be made or given by or on behalf of the **Insured** without written consent of the Underwriters who shall be entitled to take over the conduct in the name of the **Insured** the defence or settlement of any claim or to prosecute in the name of the **Insured** for their own benefit any claim for indemnity or **Damages** or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the **Insured** shall give all such information and assistance as the Underwriters may reasonably require

If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an Arbitrator to be appointed by the parties in accordance with the statutory provisions for the time being in force. Where any difference is by this Condition to be referred to arbitration the making of an Award shall be a condition precedent to any right of action against the Underwriters

2. Alterations in Risk

The **Insured** is required to notify the Underwriters of all material facts or alterations in the risk which come to his knowledge or arise during the currency of this Policy

3. Choice of Law Clause

It is hereby agreed between Underwriters and the **Insured** that indemnity provided by this Policy shall apply only to judgements of first instance against the **Insured** in the Courts of Law of Great Britain Northern Ireland the Isle of Man and the Channel Islands and not to judgements obtained elsewhere nor to judgements or orders obtained in the said courts for the enforcement of foreign judgements whether by way of reciprocal agreements or otherwise unless the **Insured** has requested that there shall be no such limitation and has accepted the terms offered by Underwriters in granting such cover which offer and acceptance must be signified by specific endorsement to this Policy

4. Discharge of liability

The Underwriters may at any time pay to the **Insured** in connection with any claim or series of claims under this Policy to which a Limit of Indemnity applies the amount of such Limit (after deduction of any sums already paid) or any lesser amount for which such claims can be settled and upon such payment being made the Underwriters shall relinquish the conduct and control of and be under no further liability in connection with such claims

5. Apportionment of Defence Costs

Except where the Limit of Indemnity is inclusive of **Defence Costs** if a payment exceeding the Limit of Indemnity has to be made to dispose of a claim the liability of the Underwriters to pay all **Defence Costs** in connection therewith shall be limited to such proportion of the said **Defence Costs** as the Limit of Indemnity bears to the amount paid to dispose of a claim

6. Policy Interpretation

Any phrase or word in this Policy and the Schedule will be interpreted in accordance with the laws of England and Wales. The Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear

7. Other Insurance

If any claim covered by this Policy is also covered in whole or in part by any other insurance Underwriters shall have no liability to contribute to such claim

8. Fraudulent Claims

If the **Insured** shall make any claim knowing the same to be fraudulent or false as regards the amount or otherwise (including the provision of false or fraudulent documents or statements) then

Underwriters will:

- a. refuse to pay the whole of the claim and
- b. recover from the Insured any sums that it has already paid in respect of the claim

Underwriters may also notify the **Insured** that it will be treating all sections of this policy as having terminated with effect from the date of the earliest of any of the fraudulent act. In that event the **Insured** will

- a. have no cover under the Policy from the date of termination and
- b. not be entitled to any refund of premium

9. Cancellation Clause

Underwriters may cancel this Policy by sending thirty days written notice to the Policyholder's last known address whereupon the Policyholder shall become entitled to a refund of a proportionate part of the premium

10. Precautions

The **Insured** shall take all reasonable precautions or steps

- a. to observe and comply with all Statutory or local authority laws obligations and requirements
- b. in the selection of **Employees** or sub-contractors
- c. to see that construction plant equipment and machinery are substantial and sound and in proper order and fit for the purposes for which they are used

11. Temporary Precautions

If any defect in the Contract Works or construction plant equipment and machinery shall be discovered the Insured shall until such defect has been made good cause temporary precautions to be taken as the circumstances may require

The **Insured** shall at all times take all reasonable precautions to prevent accidents injury loss or damage

12. Subrogation

Any claimant under this Policy shall at the request and at the expense of the Underwriters do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Underwriters for the purpose of enforcing any rights and remedies of or obtaining relief or indemnity from other parties to which the Underwriters shall be or would become entitled or subrogated upon its paying for or making good any damage insured by this Policy whether such acts and things shall be or become necessary or required before or after their indemnification by the Underwriters

13. Contracts (Rights of Third Parties) Act 1999 Clarification Clause

A person who is not a party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement but this does not affect

any right or remedy of a third party which exists or is available apart from that Act

14. Policy Disputes Clause

Any dispute concerning the interpretation of the terms Conditions Limitations or Exclusions contained herein is understood and agreed by both the **Insured** and the Underwriters to be subject to the laws of England and Wales. Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within England and Wales and to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such court

15. Premium Payment

It is a condition precedent to liability that all Premiums due to Underwriters are paid within 60 days of inception of this Policy. Non-receipt by Underwriters of such Premiums by midnight of the Premium Due Date shall render this Policy void with effect from inception

16. Due Observance

If the **Insured** does not comply with any part of any condition which makes payment of any claim conditional upon such compliance Underwriters will not pay the claim except where:

1. compliance would tend to reduce the risk of loss of a particular kind or at a particular time or location and
2. the **Insured** has demonstrated that the non-compliance could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred

17. No claims discount

A discount will be allowed in calculating premiums for this Policy in accordance with the following discount scale subject to no claims having been made resulting in payment or still being outstanding

Discount Scale

Number of claim free years Discount

- 1 year 5%
- 2 consecutive years 10%
- 3 consecutive years 15%
- 4 or more consecutive years 20%

Any claim made will result in the discount earned being reduced to nil.

18. Alteration in the number of workers

We must be advised within 14 days if the number of workers exceeds the number specified in the Schedule and any additional premium paid unless such workers are temporary Employees and You are indemnified as agreed in the Temporary Employees Clause of this Policy.

NOTICE

The **Insured** must make a fair presentation of the risk at inception renewal and variation of this Policy

If the **Insured** fails to make such a fair presentation of the risk

- a. Underwriters may avoid this Policy and refuse all claims if
 - i. such failure was deliberate or reckless and/or
 - ii. Underwriters would not have entered into this Policy on any terms if the **Insured** had made a fair presentation of the risk

Should Underwriters avoid the Policy Underwriters shall return the premium paid to the **Insured** unless such failure was deliberate or reckless

- b. if Underwriters would have entered into the Policy but on different terms had the **Insured** made a fair presentation of the risk Underwriters may
 - i. reduce proportionately the amount to be paid on any claim if Underwriters would have charged a higher premium calculated by applying the percentage that the actual premium charged bears to the premium that would have been charged had the **Insured** made a fair presentation of risk and/or
 - ii. treat the Policy as entered into on any such different terms (other than relating to the premium) that Underwriters would have entered into had the **Insured** made a fair presentation of risk

CLAIMS

The Assured shall give notice to the Underwriters as soon as reasonably practicable of any incident that may give rise to a claim under this Policy and shall give all such additional information as the Underwriters may require every letter of claim writ summons or process and all documents relating thereto and any other written notification of claim shall be forwarded unanswered to the Underwriters immediately they are received

All claims and enquiries should be addressed to:

Tokio Marine HCC - International Group

6 Old Field Road

Bocam Park

Bridgend

CF35 5LJ

Telephone: 01656 868000

HCC International Insurance Company PLC is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority.

COMPLAINTS

We are dedicated to providing you with a high quality service and we want to ensure that we maintain this at all times If you feel that we have not offered you a first class service please write and tell us and we will do our best to resolve the problem If you have any questions or concerns about your policy or the handling of a claim you should in the first instance contact

Compliance Officer

Tokio marine HCC

1 Aldgate

London | ECN3 1RE

The Financial Ombudsman Service (FOS)

Should you be dissatisfied with the outcome of your complaint, you may have the right to refer your complaint to the Financial Ombudsman Service. The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. Contacting the FOS does not affect your right to take legal action.

The FOS's contact details are as follows:

Financial Ombudsman Service

Exchange Tower

London | E14 9SR

Email: complaint.info@financial-ombudsman.org.uk

Telephone: +44(0)30-0123-9123

Website: www.financial-ombudsman.org.uk

The European Commission Online Dispute Resolution Platform (ODR)

If you were sold this product online or by other electronic means and within the European Union (EU) you may refer your complaint to the EU Online Dispute Resolution (ODR) platform. Upon receipt of your complaint the ODR will escalate your complaint to your local dispute resolution service – this process is free and conducted entirely online. You can access the ODR platform on <http://ec.europa.eu/odr>.

This platform will direct insurance complaints to the Financial Ombudsman Service. However, you may contact the FOS directly if you prefer, using the details as shown above.

DATA PROTECTION NOTICE

Tokio Marine HCC respects your right to privacy. In our Privacy Policy (available at <https://www.tmhcc.com/en/legal/privacy-policy>) we explain who we are, how we collect, share and use personal information about you, and how you can exercise your privacy rights. If you have any questions or concerns about our use of your personal information, then please contact DPO@tmhcc.com.

We may collect your personal information such as name, email address, postal address, telephone number, gender and date of birth. We need the personal information to enter into and perform a contract with you. We retain personal information we collect from you where we have an ongoing legitimate business need to do so (please note that reference to “you” or “your” herein encompasses non-exhaustively “you, your company, employees and / or customers”).

We may disclose your personal information to:

- our group companies;
- third party services providers and partners who provide data processing services to us or who otherwise process personal information for purposes that are described in our Privacy Policy or notified to you when we collect your personal information;
- any competent law enforcement body, regulatory, government agency, court or other third party where we believe disclosure is necessary (i) as a matter of applicable law or regulation, (ii) to exercise, establish or defend our legal rights, or (iii) to protect your interests or those of any other person;
- a potential buyer (and its agents and advisers) in connection with any proposed purchase, merger or acquisition of any part of our business, provided that we inform the buyer it must use your personal information only for the purposes disclosed in our Privacy Policy; or
- any other person with your consent to the disclosure.

your personal information may be transferred to, and processed in, countries other than the country in which you are resident. These countries may have data protection laws that are different to the laws of your country. We transfer data within the Tokio Marine group of companies by virtue of our Intra Group Data Transfer Agreement, which includes the EU Standard Contractual Clauses.

We use appropriate technical and organisational measures to protect the personal information that we collect and process about you. The measures we use are designed to provide a level of security appropriate to the risk of processing your personal

information.

You are entitled to know what data is held on you and to make what is referred to as a Data Subject Access Request (‘DSAR’). You are also entitled to request that your data be corrected in order that we hold accurate records. In certain circumstances, you have other data protection rights such as that of requesting deletion, objecting to processing, restricting processing and in some cases requesting portability. Further information on your rights is included in our Privacy Policy.

You can opt-out of marketing communications we send you at any time. You can exercise this right by clicking on the “unsubscribe” or “opt-out” link in the marketing e-mails we send you. Similarly, if we have collected and processed your personal information with your consent, then you can withdraw your consent at any time. Withdrawing your consent will not affect the lawfulness of any processing we conducted prior to your withdrawal, nor will it affect processing of your personal information conducted in reliance on lawful processing grounds other than consent. You have the right to complain to a data protection authority about our collection and use of your personal information

