

Contractors' All Risks Insurance

Whereas the Insured named in the Schedule hereto has made to ACE Insurance Limited (hereinafter called "the Insurers") a written proposal by completing a Questionnaire which together with any other statements made in writing by the Insured for the purpose of this Policy is deemed to be incorporated herein.

Now this Policy of Insurance witnesses that subject to the Insured having paid to the Insurers the premium mentioned in the Schedule and subject to the terms, exclusions, provisions and conditions contained herein or endorsed hereon the Insurers will indemnify the Insured in the manner and to the extent hereinafter provided.

General Exclusions

The Insurers will not indemnify the Insured in respect of loss, damage or liability directly or indirectly caused by or arising out of or aggravated by

- (a) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion revolution, insurrection, mutiny, riot, strike, lock-out, civil commotion, military or usurped power, a group of malicious person or persons acting on behalf of or in connection with any political organization, conspiracy, confiscation, commandeering, requisition or destruction or damage by order of any government de jure or de facto or by any public authority;**
- (b) nuclear reaction, nuclear radiation or radioactive contamination;**
- (c) wilful act or wilful negligence of the Insured or of his representatives;**
- (d) cessation of work whether total or partial.**

In any action, suit or other proceeding where the Insurers allege that by reason of the provisions of Exclusion a) above any loss, destruction, damage or liability is not covered by this insurance the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.

Period of Cover

The liability of the Insurers shall commence notwithstanding any date to the contrary specified in the Schedule, directly upon commencement of work or after the unloading of the terms entered in the Schedule at the site. The Insurers' liability expires for parts of the Insured contract works taken over or put into service. At the latest the insurance shall expire on the date specified in the Schedule. Any extensions of the Period of Insurance are subject to the prior written consent of the Insurers.

General Conditions

1. The due observance and fulfillment of the terms of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the questionnaire and proposal made by the Insured shall be a condition precedent to any liability of the Insurers.
2. The Schedule and the Sections(s) shall be deemed to be incorporated in and form part of this Policy and the expression "this Policy" wherever used in this contract shall be read as including the Schedule and the Section(s). Any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule or of the Section(s) shall bear such meaning wherever it may appear.
3. The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Insurers to prevent loss, damage or liability and comply with statutory requirements and manufacturers' recommendations.
4.
 - a) Representatives of the Insurers shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Insurers with all details and information necessary for the assessment of the risk.
 - b) The Insured shall immediately notify the Insurers by telegram and in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.

No material alteration shall be made or admitted by the Insured whereby the risk is increased, unless the continuance of the insurance is confirmed in writing by the Insurers.

5. In the event of any occurrence which might give rise to a claim under this Policy, the Insured shall
 - a) immediately notify the Insurers by telephone or telegram as well as in writing, giving an indication as to the nature and extent of loss or damage;
 - b) take all steps within his power to minimize the extent of the loss or damage;
 - c) preserve the parts affected and make them available for inspection by a representative or surveyor of the Insurers;
 - d) furnish all such information and documentary evidence as the Insurers may require;
 - e) inform the police authorities in case of loss or damage due to theft or burglary.

The Insurers shall not in any case be liable for loss, damage or liability of which no notice has been received by the Insurers within fourteen (14) days of its occurrence.

Upon notification being given to the Insurers under this condition, the Insured may carry out the repairs or replacement of any minor damage; in all other cases a representative of the Insurers shall have the opportunity of inspecting the loss or damage before any repairs or alterations are effected. If a representative of the

Insurers does not carry out the inspection within a period of time which could be considered adequate under the circumstances, the Insured is entitled to proceed with the repairs or replacement.

The liability of the Insurers under this Policy in respect of any item sustaining damage shall cease if said item is not repaired properly without delay.

6. The Insured shall at the expense of the Insurers do and concur in doing and permit to be done all such acts and things as may be necessary or required by the Insurers in the interest of any rights or remedies, or of obtaining relief or indemnity from parties (other than those insured under this Policy) to which the Insurers are or would become entitled or which is or would be subrogated to them upon their paying for or making good any loss or damage under this Policy, whether such acts and things are or become necessary or required before or after the Insured's indemnification by the Insurers.
7. If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted), such difference shall be referred to the decision of an arbitrator to be appointed in writing by the parties in difference or, if they cannot agree upon a single arbitrator, to the decision of two arbitrators, one to be appointed in writing by each of the parties within one (1) calendar month after having been required in writing so to do by either of the parties, or, in case the arbitrators do not agree, of an umpire to be appointed in writing by the arbitrators before the latter enter upon the reference. The umpire shall sit with the arbitrators and preside at their meetings. The making of an award shall be a condition precedent to any right action against the Insurers.
8. If a claim is in any respect fraudulent, or if any false declaration is made or used in support thereof, or if any fraudulent means or devices are used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy, or if a claim is made and rejected and no action or suit is commenced within three (3) months after such rejection or, in the case of arbitration taking place as provided herein, within three (3) months after the arbitrator or arbitrators or umpire have made their award, all benefit under this Policy shall be forfeited.
9. If at the time any claim arises under the Policy there is any other insurance covering the same loss, damage or liability, the Insurers shall not be liable to pay or contribute more than their rateable proportion of any claim for such loss, damage or liability.

Section I – Material Damage

The Insurers hereby agree with the Insured that if at any time during the period of cover the items or any part thereof entered in the Schedule shall suffer any unforeseen and sudden physical loss or damage from any cause, other than those specifically excluded, in a manner necessitating repair or replacement, the Insurers will indemnify the Insured in respect of such loss or damage as hereinafter provided by payment in cash, replacement or repair (at their own option) up to an amount not exceeding in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in any one event the limit of indemnity where applicable and not exceeding in all the total sum expressed in the Schedule as insured hereby.

The Insurers will also reimburse the Insured for the cost of clearance of debris following upon any event giving rise to a claim under this Policy provided a separate sum therefore has been entered in the Schedule.

Special Exclusions to Section I

The Insurers shall not, however, be liable for

- (a) the deductible stated in the Schedule to be borne by the Insured in any one occurrence;**
- (b) consequential loss of any kind or description whatsoever including penalties, losses due to delay, lack of performance, loss of contract;**
- (c) loss or damage due to faulty design;**
- (d) the cost of replacement, repair or rectification of defective material and/or workmanship, but this exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss of or damage to correctly executed items resulting from an accident due to such defective material and/or workmanship;**
- (e) wear and tear, corrosion, oxidation, deterioration due to lack of use and normal atmospheric conditions;**
- (f) loss or damage due to electrical or mechanical breakdown, failure, breakage or derangement, freezing of coolant or other fluid, defective lubrication or lack of oil or coolant, but if as a consequence of such breakdown or derangement an accident occurs causing external damage, such consequential damage shall be indemnifiable;**
- (g) loss of or damage to vehicles licensed for general road use or waterborne vessels or aircraft;**
- (h) loss of or damage to files, drawings, accounts, bills, currency, stamps, deeds, evidences of debt, notes, securities, cheques;**
- (i) loss or damage discovered only at the time of taking an inventory.**

Provisions Applying To Section I

Memo 1 – Sums Insured: It is a requirements of this insurance that the sums insured stated in the Schedule shall not be less than

for Item 1: the full value of the contract works at the completion of the construction, inclusive of all materials, wages, freight, customs duties, dues and materials or items supplied by the Principal;

for Item 2 and 3: the replacement value of construction plant, equipment and construction machinery which shall mean the cost of replacement of the insured items by new items of the same kind and same capacity;

and the Insured undertakes to increase or decrease the amounts of insurance in the event of any material fluctuation in wages or prices provided always that such increase or decrease shall take effect only after the same has been recorded on the Policy by the Insurers.

If, in the event of loss or damage, it is found that the sums insured are less than the amounts required to be insured, then the amount recoverable by the Insured under this Policy shall be reduced in such proportion as the sums insured bear to the amounts required to be insured. Every object and cost item is subject to this condition separately.

Memo 2 – Basis of Loss Settlement: In the event of any loss or damage the basis of any settlement under this Policy shall be

- (a) in the case of damage which can be repaired – the cost of repairs necessary to restore the items to their conditions immediately before the occurrence of the damage less salvage, or
- (b) in the case of a total loss – the actual value of the items immediately before the occurrence of the loss less salvage

however, only to the extent the costs claimed had to be borne by the Insured and to the extent they are include in the sums insured and provided always that the provisions and conditions have been complied with.

The Insurers will make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be. All damage which can be repaired shall be repaired, but if the cost of repairing any damage equals or exceeds the value of the items immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (b) above.

The cost of any provisional repairs will be borne by the Insurers if such repairs constitute part of the final repairs and do not increase the total repair expenses.

The cost of any alterations, additions and/or improvements shall not be recoverable under this Policy.

Memo 3 – Extension of Cover: Extra charges for overtime, nightwork, work on public holidays, express freight are covered by this insurance only if previously and specially agreed upon in writing.

Section II – Third Party Liability

The Insurers will indemnify the Insured up to but not exceeding the amounts specified in the Schedule against such sums which the Insured shall become legally liable to pay as damages consequent upon

- (a) accidental bodily injury to or illness of third parties (whether fatal or not),
- (b) accidental loss of or damage to property belonging to third parties

occurring in direct connection with the construction or erection of the items insured under Section I and happening on or in the immediate vicinity of the site during the Period of Cover.

In respect of a claim for compensation to which the indemnity provided herein applies, the Insurers will in addition indemnify the Insured against

- (a) all costs and expenses of litigation recovered by any claimant from the Insured, and
- (b) all costs and expenses incurred with the written consent of the Insurers,

provided always that the liability of the Insurers under this section shall not exceed the limits of indemnity stated in the Schedule.

Special Exclusions to Section II

The Insurers will not indemnify the Insured in respect of

- 1. the deductible stated in the Schedule to be borne by the Insured in any one occurrence;**
- 2. the expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under Section I of this Policy;**
- 3. damage to any property or land or building caused by vibration or by the removal or weakening of support or injury or damage to any person or property occasioned by or resulting from any such damage (unless especially agreed upon by endorsement);**
- 4. liability consequent upon**
 - a) bodily injury to or illness of employees or workmen of the Contractor(s) or the Principal(s) or any other firm connected with the project which or part of which is insured under Section I, or members of their families;**
 - b) loss of or damage to property belonging to or held in care, custody or control of the Contractor(s), the Principal(s) or any other firm connected with the project which or part of which is insured under Section I, or an employee or workman of one of the aforesaid;**
 - c) any accident caused by vehicles licensed for general road use or by waterborne vessels or aircraft;**
 - d) any agreement by the Insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.**

Special Conditions Applying to Section II

1. No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Insurers who shall be entitled, if they so desire, to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute for their own benefit in the name of the Insured any claim for indemnity or damages or otherwise and shall have full discretion in the

conduct of any proceedings or in the settlement of any claim and the Insured shall give all such information and assistance as the Insurers may require.

2. The Insurers may so far as any accident is concerned pay to the Insured the limit of indemnity for any one accident (but deducting therefrom in such case any sum or sums already paid as compensation in respect thereof) or any lesser sum for which the claim or claims arising from such accident can be settled and the Insurers shall thereafter be under no further liability in respect of such accident under this section.

Schedule

Name Of Insured:

Address Of Insured:

Title Of Contract:

Site of Construction:

Period of Insurance: From To
(Subject to the provisions concerning Period of Cover)

Total Premium: S\$
(Inclusive of extra premiums for the endorsements contained herein or endorsed hereon)

SECTION I – MATERIAL DAMAGE

Insured Items	Sum Insured	Deductibles
<p>1. Contract Works (Permanent and temporary works, including all materials to be incorporated herein)</p> <p>1.1 Contract Price 1.2 Materials or items supplied by the Principal(s)</p> <p>2. Construction Plant & Equipment</p> <p>3. Construction Machinery (according to attached list)</p> <p>4. Clearance of Debris</p>		
Total Sum Insured under Section I:		

Risk	Limits of Indemnity ¹	Deductibles
<p>Earthquake, volcanism tsunami</p> <p>Storm, cyclone, flood, inundation, landslide</p>		

¹ Limit of Indemnity in respect of each and every loss or damage and /or series of losses arising out of any one event

SECTION II – THIRD PARTY LIABILITY

Insured Items	Limits of Indemnity ²	Deductibles
1. Bodily Injury 1.1 Any one person 1.2 Total 2. Property Damage		

² Limit of Indemnity in respect of any one accident or series of accidents arising out of any one event

The following endorsements are attached to and form part of this Policy:

The following Memoranda are attached to and form part of this Policy:

Memoranda

It is hereby declared and agreed that :-

Memorandum 1

It is hereby declared and agreed that General Condition (5) Loss Notification of the Policy shall be amended from 14 days to 30 days.

Memorandum 2

Special Exclusions No (e) to Section 1 is deleted and replaced by the following:- “wear and tear, corrosion, oxidation, deterioration due to lack of use and normal atmospheric conditions, but this exclusion shall not apply to subsequent loss or damage to Property Insured occasioned from perils referred to in this exclusion.”

Memorandum 3

Section II – Third Party Liability, third paragraph of operative clause is deleted and replaced by the following:- “occurring in connection with the construction or erection of the items insured under Section I and happening on or in the immediate vicinity of the site and anywhere within the Territorial Limit stated in the Policy Schedule, excluding USA, Canada and Australia during the Period of Cover.”

Memorandum 4

Policy Schedule, Section I – Material Damage, Insured Items No. (1) is deleted and replaced by the following:- “1. Contract Works (Permanent and temporary works, temporary buildings, including all materials to be incorporated herein).”

Memorandum 5

Employer, Consultants and their authorized representative and employees, Government and Statutory Board employees shall be regarded as third parties.

Memorandum 6

All deductibles and excesses stated in the Policy Schedule shall be borne by the Contractor

The following Endorsements / Clauses are attached and form part of this Policy

Section 1 - Material Damage

50/50

Upon their arrival at the Contract Site goods are to be inspected by the Insured for possible damage incurred during transit. In the case of packed goods which are to be left in their packing until a later date the packing is to be visually inspected for signs of possible damage. If any sign of damage is visible the goods are to be unpacked immediately and inspected any damage discovered is excluded hereunder.

Where the packing of goods manifests no sign of damage to the goods having been incurred during transit any damage to the goods which becomes manifest upon their unpacking within the period allowed will be ascribed to the Marine cover or the Contractors' All Risks cover according to whether it clearly was caused before or after arrival of the goods at the Contract Site. Where it is not possible to establish whether the damage was caused before or after arrival of the goods at the Contract Site it is agreed that settlement will be made 50/50 by the Marine cover and the Contractors' All Risks cover.

Approved Adjusters Clause

It is hereby declared and agreed that in the event of any loss covered by this Policy, the amount of such loss shall be adjusted subject to the terms and conditions of the Policy by any of the following firms of adjusters :-

- 1) Crawford & Company International Pte Ltd

Automatic Reinstatement of Loss

It is understood and agreed that in the event of a claim being paid under the Policy the amount so claimed will automatically be reinstated by the payment of an additional premium.

Provided that the amount reinstated will only apply to losses occurring after the date of reinstatement and not to losses occurring prior thereto. Subject otherwise to the terms exceptions and conditions of this Policy.

Cost of Temporary Protection

The company agrees that upon the happening of any events giving rise to a claim hereunder the company, will indemnify the Insured in respect of the cost of temporary shuttering, boarding up and/or other protection reasonably necessary for the safeguarding of the premises and/or contents pending replacement provided that the total liability of the company during any one period of insurance for such cost shall be limited to the sum insured specified in the schedule provided prior notification is given.

Cost of Recompiling Records and Claims Preparation (Limit – S\$ each and every loss and in aggregate)

This insurance hereby extends to cover the following for an amount not exceeding _____

- (a) costs of compiling records but only for the value of the materials used together with the costs for clerical labour expended in producing such records and
- (b) reasonable charges incurred by the Insured for producing and certifying any information as may be required by the Company under the terms of General Condition II of the Policy.

Designer's Risks (resulting damage only)

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, exclusion c under Special Exclusions to Section 1 of the Policy shall be deleted and exclusion d replaced by the following wording:

" (d) The cost of replacement, repair or rectification of loss of or damage to items due to defective material and/or workmanship and/or faulty design, but this exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss of or damage to correctly executed items resulting from an accident due to such defective material and/or workmanship and/or faulty design."

Employees' Personal Effects And Tools

It is hereby understood and agreed that the indemnity under Section I of this Policy shall be extended to include Loss or Damage to personal effects and tools of the employees engaged for this contract.

The liability of Insurer(s) shall not exceed _____ (after application of the amount specified in (a) below) in respect of any one employee.

The Insurer(s) shall not be liable for:

- a) the first US\$100.00 of all costs and each Event
- b) loss or damage which occurs other than at the site of the Project or working area or in transit thereto or therefrom
- c) motor vehicles, precious metals, precious stones or articles made therefrom or money.

Escalation

If during the Period of Insurance, the replacement cost of the contract works shall be in excess of the Estimated Contract Price then the Sum Insured on Item 1 shall be increased by the amount of such excess but not exceeding in all ____% of the Sum Insured on Item 1 as shown in the Schedule.

Extra Charges For Overtime, Night Work, Work On Public Holidays, and Express Freight

It is agreed and understood that subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, this insurance shall be extended to cover extra charges for overtime, night work, work on public holidays and express freight (excluding airfreight).

Provided always that such extra charges are incurred in connection with reinstatement, replacement or repair to following any loss of or damage to the insured items recoverable under the Policy.

If the sum(s) insured of the damage item(s) is/are less than the amount(s) required to be insured, the amount payable under this endorsement for such extra charges shall be reduced in the same proportion.

Extra Charges For Airfreight

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, this insurance shall be extended to cover extra charges for airfreight. Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under the Policy.

Limit of Indemnity : _____ (in respect of "Extra Charges for Overtime, Night Work, Work on Public Holidays, and Express Freight" and "Extra Charges for Airfreight")

Extended Maintenance Cover

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, this insurance shall be extended for the maintenance period specified hereunder to cover loss of or damage to the contract works.

- caused by the insured contractor(s) in the course of the operations carried out for the purpose of complying with the obligations under the maintenance provisions of the contract.
- occurring during the maintenance period provided such loss or damage was caused on the site during the construction period before the certificate of completion for the lost or damaged section was issued.

Maintenance cover : From to

Co-insurance Clause

IN CONSIDERATION of the Insured named in the Schedule hereto having paid or agreed to pay the premium set forth in the said Schedule to the Insurers who have hereunto subscribed their Names (hereinafter referred to as "the Company")

THE COMPANY HEREBY SEVERALLY AGREE each for the proportion set against its name to indemnify the Insured or the Insured's Legal Personal Representatives by payment or at the option of the Company by reinstatement repair or replacement in accordance with the terms, and conditions contained hereunder or endorsed hereon

PROVIDED THAT

1. the liability of the Company shall not exceed the limits of liability expressed in the said Schedule or such other limits of liability as may be substituted therefor by memorandum hereon or attached hereto signed by or on behalf of the Company.
2. the liability of each of the Company individually in respect of such loss shall be limited to the proportion set against its name.

It is further declared and agreed that any reference to American Home Assurance Company during the period of insurance shall be deemed to refer to the Companies mentioned below

for their respective rights and interests and liabilities each for its own proportion of the risk as shown below and not one for another.

In witness whereof the undersigned being duly authorized by the Companies and on behalf of the Companies have hereunto set their hands.

NAME OF INSURANCE COMPANY	PROPORTION	SIGNATURE

Free Issue Materials

Property Insured shall include any materials which are supplied free of charge and for which the Insured is liable for Damage provided that the Insured shall declare the value of such materials for premium adjustment purposes.

Goods and Service Tax

It is hereby understood and agreed that in consideration of the Insured having paid an additional premium at inception, in the event of an indemnifiable claim, the Insurer shall reimburse the actual Goods and Service Tax amount incurred by the Insured.

Subject always to the Insurer's maximum liability not exceeding the Total Sum Insured or Limit of Liability as stated in the Schedule.

Inland Transit

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the insured having paid the agreed extra premium, Section I of this insurance shall be extended to cover loss of or damage to the insured property whilst in transit to the contract site other than on waterways or by air within the territorial limits of _____ provided that the maximum amount payable under this Endorsement does not exceed _____ per conveyance.

Loss Payee

It is understood and agreed that the Principal's is interested in any monies which but for this Endorsement would be payable to the Insured under this Policy in respect of loss or damage to the Insured Parties under this Policy in respect of loss or damage to the Insured Works. Such monies shall be paid to principal to make good the loss or damage incurred.

Same as by this Endorsement expressly agreed, nothing herein shall modify or affect the rights and liabilities of the Insured or Principal respectively under or in connection with this policy.

Offsite Fabrication and Storage

It is hereby noted and agreed that Section I of this Policy is extended to cover loss of or damage to materials and equipment in connection with the works belonging to or in the care, custody or control of the Insured whilst during storage elsewhere in the territory of the _____ other than on the contract site. Provided that the Limit for such other storage/location does not exceed _____ any one location and in the aggregate and provided that such loss or damage is not recoverable under any other Policy.

MR 116 Contract Works Taken Over or Put into Service

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, the insurance shall be extended to cover loss of or damage to parts of the Insured contract works taken over or put into service if such loss or damage emanates from the construction of the items insured under Section I and happens during the period of cover

Plans and Documents

Notwithstanding anything herein contained to the contrary the insurance hereby is extended to indemnify the Insured against the necessarily incurred costs of rewriting or redrawing of existing plans and drawings or other contract documents lost, destroyed or damaged as a result of a peril insured hereunder wherever or whenever such loss, destruction or damage shall occur. Indemnity is limited to a maximum of US\$_____.

Payment on Account

In the event of the occurrence of an indemnifiable loss under this insurance the insurer will make payment on account in respect of such loss to the insured if desired.

Plans and Documents

Notwithstanding anything herein contained to the contrary the insurance hereby is extended to indemnify the Insured against the reasonably and necessarily incurred costs of rewriting or redrawing of existing plans and drawings or other contract documents lost, destroyed or damaged as a result of a peril insured hereunder wherever or whenever such loss, destruction or damage shall occur. Indemnity is limited to a maximum of _____

Professional Fees

The insurance under Section 1 of this Policy is deemed to include an amount in respect of Architect's Surveyor's and Consulting Engineer's Fees or other professional fees necessarily incurred by the Insured in the reinstatement of the property insured consequent upon its loss, destruction or damage but not for preparing any claim, it is being understood that the amount payable for such fees shall not exceed those authorised under the Scale of the Royal Institute of British Architects/The Royal Institute of Chartered Surveyors of the Association of Consulting Engineers or of the equivalent local body as the case may be. The Limit of Indemnity under this Clause shall not exceed ____% of the Sum Insured for the Contract Works as stated in the Policy Schedule.

Subject otherwise to the terms, conditions and exclusions of this Policy.

Public Authorities Clause

The insurance by this Policy extends to include such additional cost of reinstatement of the destroyed or damage property thereby insured as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Government Act or Bye-Laws of any Municipal or Local Authority provided that:-

- a. The amount recoverable under this Extension shall not include:-
 - 1) the cost incurred in complying with any of the aforesaid Regulations or Bye-Laws:-
 - i) in respect of destruction or damage occurring prior to the granting of this Extension,
 - ii) in respect of destruction or damage not insured by the Policy,
 - iii) under which notice has been served upon the Insured prior to the happening of the destruction or damage,
 - iv) in respect of undamaged property or undamaged portions of property,
 - 2) the additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-Laws not arisen;
 - 3) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid Regulations or Bye-Laws.
- b. The work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within twelve months after the destruction or damage or within such further time as the Company may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-Laws so necessitate) subject to the liability of the Company under this Extension not being thereby increased.
- c. If the liability of the Company under (any item of) the Policy apart from this Extension shall be reduced by the application of any of the terms and conditions of the Policy then the liability of the Company under this Extension (in respect of any such item) shall be reduced in like proportion.
- d. The total amount recoverable under any item of the Policy shall not exceed the sum insured thereby.
- e. All the conditions of the Policy except insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

Special Reinstatement Conditions

It is declared and agreed that in the event of the Contract Works defined in the Policy being destroyed or damaged, the basis upon which the amount payable under this Policy is to be calculated shall be the Reinstatement of the property destroyed or damaged subject to the following provisions and subject also to the terms and conditions of this Policy.

For the purpose of the insurance under these Conditions 'Reinstatement' shall mean the carrying out of the after-mentioned work, namely

- a) where the property is destroyed the rebuilding of the property if a building or in the case of other property its replacement by similar property in either case in a condition equal to but neither better nor more extensive than its condition when new;
- b) where property is damaged the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but neither better nor more extensive than its condition when new.

These Conditions which apply to the Contract Works only and not to the Constructional Plant Equipment or Temporary Buildings which shall be subject to the following Special Provisions :-

No payment beyond the amount which would have been payable under this Policy if these Conditions had not been incorporated therein shall be made :

- a) unless the work of Reinstatement shall be commenced and carried out with reasonable dispatch and in any case completed within twelve months after the destruction or damage or within such further time as the Insurers may (during the said twelve months) in writing allow;
- b) until the cost of Reinstatement shall have been actually incurred;
- c) if at the time of any destruction or damage to any property insured hereunder such property shall be covered by any other insurance effected by or on behalf of the Insured which is not upon the identical basis of Reinstatement set forth herein.

Further, when any of the Property Insured is damaged or destroyed in part only the liability of the Insurers shall not exceed the sum representing the cost which the Insurers could have been called upon to pay for Reinstatement if such property had been wholly destroyed.

Where by reason of these Special Provisions no payment is to be made beyond the amount which would have been payable under the Policy if these Conditions had not been incorporated therein the rights and liability of the Insurers and the Insured in respect of the destruction or damage shall be subject to the terms and conditions of this Policy as if these Conditions had not been incorporated therein.

Removal of Debris Clause (Limit – _____)

On the costs and expenses necessarily incurred by the Insured in the removal of debris, dismantling or demolishing, shoring up or propping of the portion or portions of the property insured by this policy destroyed or damaged by fire or by any other perils hereby insured.

Strike, Riot and Civil Commotion

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, this Policy shall be extended to cover loss or damage due to strike, riot and civil commotion which for the purpose of this Endorsement shall mean (subject always to the Special Conditions hereinafter contained) loss of or damage to the property insured directly caused by :

- 2) the act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in condition 2 of the Special Condition hereof,
- 3) the action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of any such disturbance;
- 4) the willful act of any striker or locked-out worker performed in furtherance of a strike or in resistance to a lock-out,
- 5) the action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

Provided that it is hereby further expressly agreed and declared that :

- 1) all the terms, exclusions, provisions and conditions of the Policy shall apply in all respects to the insurance granted by the extension save in so far as the same are expressly varied by the following Special Conditions, and any reference to loss or damage in the wording of the Policy shall be deemed to include the perils hereby insured against,
- 2) the following Special Conditions shall apply only to the insurance granted by this extension, and the wording of the Policy shall apply in all respects to the insurance granted by the Policy as if this Endorsement had not been made thereon.

Special Conditions

- 1) This insurance shall not cover :
 - a) loss or damage resulting from total or partial cessation of work or the retarding, interruption or cessation of any process or operation,
 - b) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
 - c) loss or damage occasioned by permanent or temporary dispossession of any building resulting from unlawful occupation by any person of such building;
 - d) consequential loss or liability of any kind or description, any payments over and above the indemnity for the material damage as provided herein.

Provided nevertheless that the Insurers are not relieved under b or c above of any liability to the Insured in respect of physical damage to the property insured occurring before dispossession or during temporary dispossession.

- 2) This insurance shall not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely :
 - a) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war,
 - b) mutiny, civil commotion assuming the proportion of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power,
 - c) any act of any person acting on behalf of or in connection with any organization with activities directed toward the overthrow by force of the government de dure or de facto or to the influencing of it by terrorism or violence.

In any action, suit or other proceeding, where the Insurers allege that by reason of the provisions of this condition any loss or damage is not covered by the insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

Temporary Repair Costs:

Subject to prior approval of the Insurers, this insurance covers all costs, including Engineers Fees, necessarily and reasonably incurred in effecting temporary repairs to the damaged insured property, provided the final repairs are indemnifiable under Section I (Material Damage) of this Policy and effected without undue delay, subject to a Limit of _____ any one occurrence.

Time Adjustment (72 Hours)

It is declared and agreed that any loss or damage to the Insured Property arising during any one period of seventy-two (72) consecutive hours caused by Typhoon, Storm, Tempest, Water Damage, Flood, Subsidence, Landslide, Earthquake or Collapse shall be deemed as a single event therefore to constitute one occurrence with regard to the Sum(s) Insured and the excess(es) provided for herein. For the purpose of the foregoing, the commencement of any such seventy-two (72) hour period shall be decided at the discretion of the Insured it being understood and agreed however that there shall be no overlapping in any two or more such 72 hour periods in the event of damage occurring over a more extended period of time.

Testing of Machinery and Installations (Limit – 6 weeks testing period included within the original period of cover)

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the period of cover shall be extended to include a test operation or a test loading but not beyond four weeks from the date of commencement of the test.

If, however, a part of a plant or one (or several) machine(s) is (are) tested and/or put into operation or taken over, the cover for that particular part of the plant or machine(s) and any liability resulting therefrom shall cease whereas the cover shall continue for the remaining parts to which the above does not apply:

If is further agreed and understood that for the machinery and installations undergoing a tests, exclusions c and d of the Exclusions to Section I of the Policy shall be deleted and the following exclusion shall apply:

“loss or damage due to faulty design, defective material or casting, bad workmanship other than faults in erection,”

In the case of second-hand items, the insurance hereunder shall, however, cease immediately on the commencement of the test.

Section II - Third Party Liability

Cross Liability Endorsement

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, the third party liability cover of the Policy shall apply to the insured parties named in the Schedule as if a separate policy had been issued to each party, provided that the Insurers shall not indemnify the Insured under this Endorsement in respect of liability for

- loss of or damage to items insured or insurable under Section I of the Policy, even if not recoverable due to an excess or any limit,
- fatal or non-fatal injury or illness of employees or workmen who are or could have been insured under workmen's compensation and/or employers' liability insurance.

The Insurers' total liability in respect of the insured parties shall not however exceed in the aggregate for any one accident or series of accidents arising out of one event the limit of indemnity stated in the Schedule.

Loading And Unloading Of Vehicles

It is hereby declared and agreed that the insurance by this policy is extended to cover the legal liability of the insured in respect of any bodily injury or loss of or damage to property caused or arising from beyond the limits of any carriage way or through fare in connection with:

- a) The bringing of the load to such vehicle/tractor or loading thereon
- b) The taking away of the load from such vehicle after unloading therefrom by any person other than the driver or attendant of such vehicle

Provided always that the liability to the company under this policy and endorsement in respect of any bodily injury or loss of or damage to property shall not in any way exceed the limit of indemnity specified in this policy.

Plant And Machinery

It is hereby understood and agreed that this policy extends to indemnify the insured's legal liability for claims in respect of bodily injury or damage to property arising directly or indirectly out of or caused by or in connection with any plant and machinery in the physical or legal contract of the insured. However, should such plant and machinery be specifically insured under any other policy for third party liability insurance the insurer will not indemnify the insured nor be called upon to contribute under this policy for any liability attributed to the use of such plant and machinery.

RIBA 19(2)(A) Clause

It is hereby declared and agreed that the Cover afforded under Section II of this Policy is extended to include any expenses liability loss, claim or proceeding which the Principal may incur or sustain by reasons of damage to any property other than the Works caused by collapse, subsidence, vibration, weakening or removal or support or lowering of ground water arising out of or in the course of or by the reason of the carrying out of the works excepting damage

- (i) caused by the negligence, omission or default of Contractor, his servants or agents or of Contractor, his servants or agents or of any sub-contractor, his servants or agents.
- (ii) which is recoverable under any other policy of insurance effected for the benefit of the Contractor or Principal.
- (iii) arising from a nuclear risk or a war risk.

Provided that

- (i) The liability of the Insurance under this extension in respect of all or an occurrence shall not exceed _____ in aggregate.
- (ii) The Insurers shall not be liable for the first _____ or _____ of each and every claim, whichever is the greater.

Vibration, Removal or Weakening of Support

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, Section II of this insurance shall be extended to cover liability consequent upon loss or damage caused by vibration or by the removal or weakening of support.

Provided always that

- the Insurers indemnify the Insured in respect of liability for loss or damage to any property or land or building only if such loss or damage results in the total or partial collapse,
- the Insurers indemnify the Insured in respect of liability for loss or damage to any property or land or building only if prior to the commencement of construction its condition is sound and the necessary loss prevention measures have been taken,
- if required the Insured, before commencement of construction and at his own expense prepare a report on the condition of any endangered property or land or building.

The Insurers shall not indemnify the Insured in respect of liability for

- loss or damage which is foreseeable having regard to the nature of the construction work or the manner of its execution,
- superficial damage which neither impairs the stability of the property, land or buildings nor endangers their users,
- the costs of loss prevention or minimization measures which become necessary during the period of insurance.