



## Policy

# Contractors' All Risks

The benefits payable under eligible policy are protected by PIDM up to limits.  
Please refer to PIDM's TIPS Brochure or contact Berjaya Sompo Insurance Berhad or PIDM (visit [www.pidm.gov.my](http://www.pidm.gov.my)).

**Berjaya Sompo Insurance Berhad**  
Registration No. 198001008821 (62605-U)  
Level 36, Menara Bangkok Bank,  
105, Jalan Ampang, 50450 Kuala Lumpur.  
Toll Free: 1-800-889-933  
Tel.: 03-2170 7300  
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ECR0324

## IMPORTANT NOTICE

This is your Contractors' All Risks Insurance Policy. You should satisfy yourself that this Policy will best serve your needs. You should read and understand the Policy terms, conditions and warranties and discuss with your insurance advisor, agent, broker and/or with us directly for more information and/or to clarify any doubts you may have when you purchase this Policy. If there is any error or misdescription, or if the cover is not in accordance with your wishes, please return the Policy to us immediately for amendment.

You must fully observe and fulfill this Policy's terms, conditions and warranties to enjoy the coverage provided. If you have any questions after reading these documents, please contact us for further clarification. If there is any change in your declarations that may affect the insurance provided, please notify us immediately, otherwise you may not receive the benefits of this Policy.

To help preserve the environment, we will send a printed copy of this Policy Wording once only. Please keep this Policy Wording safely. In case of renewal and/or amendment of your Policy, we will send you the Policy Schedule and/or Endorsement only. If at any time you require a copy of the Policy Wording, please download a copy from [www.berjayasompo.com.my](http://www.berjayasompo.com.my) based on the jacket code provided.

If you have any complaints relating to this Policy, please contact:

### COMPLAINTS UNIT – CUSTOMER SERVICE CENTRE

Berjaya Sompo Insurance Berhad  
Registration No. 198001008821 (62605-U)  
Level 36, Menara Bangkok Bank  
105 Jalan Ampang  
50450 Kuala Lumpur  
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E-mail : [customer@bsompo.com.my](mailto:customer@bsompo.com.my)

If you are not happy with our response, you may opt to contact either:

### FINANCIAL MARKETS OMBUDSMAN SERVICE

Level 14, Main Block  
Menara Takaful Malaysia  
4, Jalan Sultan Sulaiman  
50000 Kuala Lumpur  
Tel. : 03-2272 2811  
Website : [www.fmos.org.my](http://www.fmos.org.my)

### LAMAN INFORMASI NASIHAT DAN KHIDMAT (LINK)

BNMLINK,  
Bank Negara Malaysia,  
P.O. Box 10922,  
50929 Kuala Lumpur  
Tel : 1-300-88-5465 / 03-2174 1717 (Overseas)  
Fax : 03-2174 1515  
eLINK : <https://bnmlink.bnm.gov.my/>

### **For Non-Consumer Insurance Contracts (Insurance for purposes related to the Insured's trade, business or profession)**

This Policy is issued in consideration of the payment of premium as specified in the Policy Schedule and pursuant to the answers given in the Insured's Proposal Form (or when the Insured applied for this insurance) and any other disclosures made by the Insured between the time of submission of the Insured's Proposal Form (or when the Insured applied for this insurance) and the time this contract is entered into. The answers and any other disclosures given by the Insured shall form part of this contract of insurance between the Insured and **Berjaya Sompo Insurance Berhad** (hereinafter called "the Company"). In the event of any pre-contractual misrepresentation made in relation to the Insured's answers or in any disclosures made by the Insured, it may result in avoidance of the Insured's contract of insurance, refusal or reduction of the Insured's claim(s), change of terms or termination of the Insured's contract of insurance.

This Policy reflects the terms and conditions of the contract of insurance as agreed between the Insured and the Company.

**WHEREAS THE INSURED** named in the Schedule hereto has made to 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 persons 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 items entered in the Schedule at the site. The Insurer's 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 fulfilment 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 Section(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 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 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 of 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 months after such rejection or, in the case of arbitration taking place as provided herein, within three 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 therefor 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 to construction plant, equipment and construction machinery 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 - Sum Insured

It is a requirement of this insurance that the sums insured stated in the Schedule shall not be less than

- for Contract Work (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 Construction Plant & Equipment;** ) 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. These items are only covered if a separate sum therefor has been entered
  - ) in the Schedule under Section I.
- for Construction Machinery** )

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 condition 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 included 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.

#### **Memo 4 - Surrounding Property**

Loss of damage to property located on or adjacent to the site and belonging to or held in care, custody or control of the Principal(s) or the Contractor(s) shall only be covered if the specific Endorsement is incorporated and provided that a separate sum therefor has been entered in the Schedule under Section I.

### **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 Contractors 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.

**ENDORSEMENTS/CLAUSES/WARRANTIES**  
**(THE FOLLOWING ENDORSEMENTS/CLAUSES/WARRANTIES ARE APPLICABLE TO THE POLICY)**

**COMMUNICABLE DISEASE EXCLUSION (LMA5397)**

1. Notwithstanding any provision to the contrary within this insurance, this insurance does not insure any loss, damage, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
  - 2.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
  - 2.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
  - 2.3. the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.

**EXCLUSION OF LOSS OR DAMAGE TO CROPS, FORESTS & CULTURES**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall not indemnify the Insured for loss, damage or liability directly or indirectly caused to crops, forests and/or any cultures during the execution of the contract works.

**GRADUAL ENVIRONMENTAL IMPAIRMENT EXCLUSION CLAUSE**

It is understood and agreed that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall not cover any liability for:

1. personal injury or bodily or financial loss of, damage to, or loss of use of property directly arising out of the discharge dispersal release or escape of pollutants;
2. the cost of removing nullifying or cleaning up pollutants;
3. fines penalties punitive or exemplary damages arising directly or indirectly out of the discharge, dispersal, release or escape of pollutants.

For the purpose of this clause, "pollutants" means any solid liquid gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acid, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**INDUSTRIES, SEEPAGE, POLLUTION AND CONTAMINATION CLAUSE (NMA1685) - sudden & accidental**

This Insurance does not cover any liability for:

1. Personal Injury or Bodily Injury or loss of, damage to, or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this paragraph (1) shall not apply to liability for Personal Injury or Bodily Injury or loss of or physical damage to or destruction of tangible property, or loss of use of such property damaged or destroyed, where such seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this Insurance.
2. The cost of removing, nullifying or cleaning-up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this Insurance.
3. Fines, penalties, punitive or exemplary damages.

Provided always that the liability of the Insurers under paragraph (1) and (2) above shall not exceed the limit stated in Section II of the Policy or RM1,000,000 whichever amount is lower.

This Clause shall not extend this Insurance to cover any liability which would not have been covered under this Insurance had this Clause not been attached.

**JURISDICTION CLAUSE (MALAYSIA ONLY)**

The Insurers shall not be liable to pay for:

1. compensation for damages in respect of judgements not in the first instance delivered or obtained from a court of competent jurisdiction within Malaysia.
2. costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in Malaysia.

**PREMIUM WARRANTY**

It is a fundamental and absolute special condition of this contract of insurance that the premium due must be paid and received by the Insurers within sixty (60) days from the inception date of this Policy/endorsement/renewal certificate.

If this condition is not complied with then this contract is automatically cancelled and the Insurers shall be entitled to the pro rate premium for the period they have been on risk.

Where the premium payable pursuant to this warranty is received by an authorised agent of the Insurers, the payment shall be deemed to be received by the Insurers for the purposes of this warranty and the onus of proving that the premium payable was received by a person, including an insurance agent, who was not authorised to receive such premium shall lie on the Insurers.

#### **PROPERTY CYBER AND DATA EXCLUSION (LMA5401)**

1. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:
  - 1.1. cyber loss;
  - 1.2. loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration, or reproduction of any, Data including any amount pertaining to the value of such Data;regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
3. This endorsement supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

#### Definitions

4. Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
5. Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
6. Cyber Incident means:
  - 6.1. any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
  - 6.2. any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
7. Computer System means:
  - 7.1. any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.
8. Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

#### **RADIOACTIVE / NUCLEAR ENERGY RISKS EXCLUSION CLAUSE**

This insurance does not cover loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
3. any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

#### **SANCTION LIMITATION AND EXCLUSION CLAUSE (LMA3100)**

No Insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union, United Kingdom or United States of America.

#### **WAR AND TERRORISM EXCLUSION ENDORSEMENT**

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes any liability, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or

2. any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes any liability, loss, damage, cost or expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

If the Insurer alleges that by reason of this exclusion, any liability, loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

#### **ENDORSEMENTS/CLAUSES/WARRANTIES**

**(THE FOLLOWING ENDORSEMENTS/CLAUSES/WARRANTIES ONLY APPLY WHEN SPECIFIED IN THE SCHEDULE)**

#### **CONSULTANTS AS THIRD PARTIES**

It is hereby declared and agreed that for the purpose of Section II of this Policy, all non-resident architects, consulting engineers, quantity surveyors and other professional consultants and/or their representatives engaged in connection with the Insured Contract Works shall be deemed as Third Parties when on site visits performing their duties in connection with the said Insured Contract Works.

#### **COVER FOR CROSS LIABILITY**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon 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:

1. 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;
2. 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 Insurer's 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.

#### **COVER FOR INSURED CONTRACT WORK 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 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.

#### **DEWATERING EXPENSES EXCLUSION**

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 not indemnify the Insured in respect of:

1. additional dewatering expenses incurred due to the quantities of water exceeding those originally expected
2. expenses incurred for additional installations and facilities for the discharge of run-off and/or underground water
3. loss or damage due to a failure of the dewatering system if such failure could have been avoided by sufficient standby facilities
4. expenses incurred for grouting or any other measures to repair or prevent leakage of water into excavations and basements

For the purpose of this endorsement standby facilities shall mean standby pumps and back-up power supply kept on the site at all times.

Furthermore, such facility shall:

- a. be maintained in proper working condition
- b. be run at regular intervals to ensure proper working condition
- c. automatically take over in the event of failure or interruption of the original system.

### **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 in the Schedule to cover loss or damage to the contract works

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

### **LOADING AND UNLOADING ENDORSEMENT**

It is hereby declared and agreed that this Policy is extended to indemnify the Insured against legal liability in respect of death bodily injury and/or damage

1. caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of the load to the vehicle for loading thereon or the taking away of the load from the vehicle after unloading therefrom.
2. caused by any article or part of the load falling from any mechanically propelled vehicle not licensed for use on public road.

### **MALICIOUS DAMAGE**

It is hereby declared and agreed that the insurance under the riot and strike endorsement shall extend to include malicious damage which for the purpose of this extension shall mean:

Loss or damage to the property insured directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) not being an act amounting to or committed in connection with an occurrence mentioned in Special Condition 2 of the said riot and strike endorsement.

But the Insurers shall not be liable under this extension for any loss or damage by fire or explosion nor for any loss or damage arising out of or in the course of burglary, housebreaking, theft or larceny or any attempt thereat or course by any person taking part therein.

Provided always that all conditions and provisos of the said riot and strike endorsement shall apply to this extension as if they had been incorporated therein.

### **PAYMENT ON ACCOUNT CLAUSE**

It is understood and agreed that in the event of the occurrence of a loss under this insurance, the Insurers will make payment on account in respect of such loss to the Insured if desired.

### **PLANT CLAUSE (applicable to Section II)**

It is hereby declared and agreed that this Policy extends to cover liability arising out of the use of all plant, vehicles, cranes, power hoisting machineries and lifts owned and/or operated by the Insured. In respect of any vehicle that is subject to the Road Transport Act 1987, the cover provided by this Policy shall be limited to whilst at work site as specified in the Policy and liability of the Insurers shall then be only in excess of any amount of indemnity recoverable under the more specific motor policy as applicable. Liability arising out of the use of vehicle on all public road are excluded.

### **REINSTATEMENT OF LOSS CLAUSE**

In the event of loss or damage for which indemnity is granted under Section I of this Policy in respect of which payment is made by the Insurers the insurance hereunder shall be maintained in force for the sum insured in consideration of the Insured having agreed to pay an appropriate reinstatement premium on the amount of loss.

### **SLOPE PROTECTION WARRANTY**

It is agreed and understood that otherwise subject to the terms, exclusions provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall only indemnify the Insured for loss and/or damage resulting therefrom the slope failure provided that adequate safety measures have been taken in designing and executing the slope protection.

For the purpose of this Endorsement, adequate and approved safety measures shall mean that, at all times throughout the policy period, allowance is made for

- erosion protection to the slope surface caused by precipitation and/or flood and/or inundation,
- measures which become necessary to improve or stabilize ground conditions or to seal against water ingress/egress,
- filling voids or for replacing lost bentonite/soil,
- for reinstating cavities, profiles or dimensions of the slope surface (e.g. refilling cavities, profiling slope gradient & etc) to improve or stabilize ground conditions &
- immediately removing obstructions (e.g. sand, rocks, trees & etc) from watercourses within the construction site.

It is warranted that the Insured shall adhere to the Building Construction Authority's "Requirement for piling and excavation works".

The Insurers will not indemnify the Insured for

- loss or damage which is foreseeable having regard to the nature of the construction work or the manner of its execution,
- loss or damage caused by subsidence if caused by insufficient compacting, and
- the costs of loss prevention or minimization measures which become necessary during the Period of Insurance.

#### **SPECIAL CONDITIONS CONCERNING PILING, FOUNDATION AND RETAINING WALL WORKS**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall not indemnify the Insured in respect of expenses incurred

1. for replacing or rectifying piles or retaining wall elements
  - a. which have become misplaced or misaligned or jammed,
  - b. which are lost or abandoned or damaged during driving or extraction, or
  - c. which have become obstructed by jammed or damaged piling equipment or casings;
2. for rectifying disconnected or declutched sheet piles;
3. for rectifying any leakage or infiltration of material of any kind;
4. for filling voids or for replacing lost bentonite;
5. as a result of any piles or foundation elements having failed to pass a load bearing test or otherwise not having reached their designed load bearing capacity;
6. for reinstating profiles or dimensions.

This endorsement does not apply to loss or damage caused by natural hazards. The burden of proving that such loss or damage is covered shall be upon the Insured.

#### **SPECIAL CONDITIONS CONCERNING REMOVAL OF DEBRIS FROM LANDSLIDES**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall not indemnify the Insured in respect of

- expenses incurred for the removal of debris from landslides in excess of the costs of excavating the original material from the area affected by such landslides,
- expenses incurred for the repair of eroded slopes or other graded areas if the Insured has failed to take the measures required or to take them in time.

#### **SPECIAL CONDITIONS CONCERNING THEFT PREVENTION ON CONSTRUCTION SITES**

It is a condition precedent to liability to the Insurers that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall only indemnify the Insured for loss or damage directly caused by or resulting from theft, provided always that

1. The project site shall be under 24 hours surveillance in the form of security guards (hired from licensed security firm) patrolling the units and/or buildings under construction at intervals of every 4 hours for day time and 2 hours for night time. Their activities should be recorded for reference purposes.  
The security guards should be given the authority to check workers and all vehicles leaving the site during and after working hours;
2. Installation of spotlight or lighting with similar function at the strategic location such as temporary office, equipment and material storage yard, and any areas deemed to be high theft prone within the job site;
3. The entire construction site is enclosed in sturdy fencing with access controlled;
4. Entrance gates to the construction site should be limited to maximum 2. The Insured need to officially inform and confirm by Insurers should there be more than 2 entrance gates to the construction site;
5. Materials should be delivered on a need basis and installed as soon as possible. High theft items such as cables, copper, steel, switchboard, wires, pipes, windows, doors or plumbing fixtures should not be left at the site without security protection. All these materials should be kept in stores with secured pad locks;
6. Adequate "No Trespassing" signs posted along the perimeter.

#### **VEHICLES LICENSED FOR GENERAL ROAD USE BUT USED ONLY AS TOOL OF TRADE**

Notwithstanding anything herein contained in Special Exclusion 4(c) to Section II, this Policy is hereby extended to cover the Insured's legal liability for:

- 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

arising out of the use of licensed vehicles for general road use whilst used as a tool of trade and or used as Constructional Plant and Machinery/Equipment occurring within the construction site as prescribed in the Policy Schedule and at the time of such loss and or damage, occurring in direct connection with the construction or erection of items insured under Section I during the Period of Cover. In instances where a separate policy shall apply to the loss, this Policy shall apply in excess of the limits provided by the other policy but not exceeding the limits provided by this Policy. The Insurers shall not be liable in respect of damage to such vehicles.

**WAIVER OF SUBROGATION CLAUSE (AGAINST NAMED INSURED ONLY)**

In the event of a claim arising under this Policy, the Insurers agree to waive any rights, remedies or relief to which they might become entitled by subrogation against any Company standing in relation of subsidiary to or parent to the Insured as defined in the Company's Act.