



Contractors All Risks Policy Wording

Allied World

Allied World Assurance Company (Europe) dac is a private company registered in Ireland with its registered office at 3rd Floor Georges Quay Plaza, Georges Quay, Dublin 2, Ireland and its UK branch office at Floor 19, 20 Fenchurch Street, London EC3M 3BY. The company is authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Conduct Authority. Details of the extent of regulation by the Financial Conduct Authority are available on request.

Other Insurers

Where insurance under this policy is provided by an insurer other than Allied World Assurance Company (Europe) dac the details of that insurer's company registration, authorisation and regulation will be stated in the **Schedule**.

Notices

Any notices to the **Insurer** or the **Insured** must be sent in writing to the relevant address shown in the **Schedule**.

Interpretation

This document, the **Schedule** and any **Endorsements**, memoranda or specifications are to be read together as one contract. Any word with a defined meaning appears in **bold print** and its definition can be found either within the Section or **Endorsements** containing that word or in the General Definitions.

References to the singular include the plural and vice versa. The masculine includes the feminine and vice versa. A statute, statutory instrument, regulation or order includes any amendment or re-enactment of that statute, statutory instrument, regulation or order.

Observance

The **Insured** and any other persons indemnified by the **Insurer** under this **Policy** must observe the terms of the **Policy** and, to the extent that they relate to anything to be done or complied with, such observance is a condition precedent to the **Insurer's** liability to indemnify under the relevant Section of the **Policy**.

Complaints Procedure

Allied World Assurance Company (Europe) dac is dedicated to providing every **Insured** with excellent service and is committed to handling and enquiry or complaint fairly and promptly. If an **Insured** is dissatisfied in any way with this **Policy** or wishes to make an enquiry, the **Insured** should contact either the intermediary that arranged this **Policy** or the Allied World Assurance Company (Europe) dac Complaints Team at the address shown on the **Schedule**.

If the Complaints Team is unable to resolve this within 24 hours from receipt of the complaint, the issue will be forwarded to the relevant insurers who will deal with the complaint in accordance with the FCA guidelines. The **Insured** will be immediately informed who will be handling its complaint and their contact details.

Where insurance under this policy is provided by an insurer other than Allied World Assurance Company (Europe) dac the details of that insurer's contact details for complaints will be stated in the **Schedule**.

Financial Ombudsman Services

If in the opinion of the **Insured** the complaint has not been satisfactorily handled, in certain circumstances it may be possible to refer the complaint to the Financial Ombudsman Service. Contact details for the Financial Ombudsman Service are set out below:

Financial Ombudsman Service

South Quay Plaza

183 Marsh Wall

London

E14 9SR

Telephone: 0800 023 4567

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

Website: www.financial-ombudsman.org.uk

Financial Services Compensation Scheme

Allied World Assurance Company (Europe) dac is covered by the Financial Services Compensation Scheme. This means that in the unlikely event that the company cannot meet its obligations under this **Policy**, the **Insured** may be entitled, depending on the type of insurance, size of the **Insured's** business and the circumstances of the claim against this **Policy**, to compensation under the scheme.

Data Protection

Allied World Assurance Company (Europe) dac will hold your personal data in accordance with the Data Protection Act 1998. It may be necessary to pass data to other organisations that supply services or products associated with this **Policy**. In order to verify information, or to prevent or detect fraud, information provided might be shared with other business partners, organisations and public bodies, including the Police, accessing and updating various databases.

Contractors All Risks Policy

This **Policy** is designed to provide property and liability covers for businesses and commercial enterprises. Please read this **Policy** together with the **Schedule** to ensure that it meets with the **Insured's** requirements.

Sections of the Policy

This **Policy** only provides insurance in respect of the Sections shown as operative in the **Schedule**.

The Sections that are available under this **Policy** are:

Property Insurance

Contract Works Section

Contractors Plant Section

Important Information

Cyber Section

Where operative, the insurance provided under the Cyber Section is underwritten by the **Insurer** named in the **Schedule**. Please refer to the Claims Information section of the **Schedule** for relevant contact details and other important information.

Commercial Legal Protection Section

Where operative, the insurance provided under the Commercial Legal Protection Section is underwritten by the **Insurer** named in the **Schedule**. Please refer to the Claims Information section of the **Schedule** for relevant contact details and other important information.

General Definitions

Applicable to all Sections other than the COMMERCIAL LEGAL PROTECTION SECTION

The words defined below will have the same meaning wherever they appear in bold letters within the **Policy**, the **Schedule** and **Endorsements**

Buildings means the buildings at the **Premises** and including:

1. landlords' fixtures and fittings
2. outbuildings, extensions, annexes, canopies, fixed signs, gangways, conveniences, lamp posts and street furniture
3. walls, gates and fences
4. drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the **Premises** and extending to the public mains but only to the extent of the **Insured's** responsibility
5. yards, car-parks, roads, pavements, forecourts all constructed of solid materials
6. windows, fanlights, rooflights, skylights and glazing

Business means as described in the **Schedule** and will include:

1. the ownership repair and maintenance of the **Insured's** own property
2. the provision and management of canteen, social sports and welfare activities for the benefit of the **Insured** or **Employees**
3. the provision and management of first aid, fire, security and ambulance services
4. the performance of private duties carried out by **Employees** with the written consent of the **Insured** for any director, partner or senior official of the **Insured**

Contents means the contents at the **Premises**, the property of the **Insured** or held by the **Insured** in trust for which the **Insured** is responsible including so far as they are not otherwise insured **Employees'**, directors' and visitors' personal effects of every description (other than motor vehicles) for an amount not exceeding £500 in respect of any one person but excluding:

1. **Buildings, Stock, Target Stock, Office Computer Equipment, and Portable Power Tools**
2. **Money**
3. Documents, manuscripts and business books except for the cost of the materials and of clerical labour expended in reproducing such records
4. computer systems records except for an amount not exceeding £10,000 in respect of the cost of the materials and of clerical labour and computer time expended in reproducing such records
5. any expense in connection with the production of the information to be recorded in documents, manuscripts, business books or computer systems records
6. vehicles licensed for road use including accessories thereon

Damage means sudden, accidental and direct physical loss, destruction or damage

Denial of Service Attack means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems and includes but is not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

Employee means:

1. any person under a contract of service or apprenticeship with the **Insured**
2. whilst working for the **Insured** in the course of the **Business**
 - a. any labour master or labour only sub-contractor or person supplied by any of them
 - b. any self-employed person
 - c. any person under a contract of service or apprenticeship with another employer and who is hired to or borrowed by the **Insured**
 - d. a prospective employee who is undergoing practical work experience or any person participating in any Government or otherwise authorised work experience, training study exchange or similar scheme
 - e. any person who is an outworker or home worker
 - f. any person who is a voluntary helper

Endorsement means an additional contractual term of this **Policy** agreed in writing between the **Insurer** and the **Insured** and incorporated by reference in the **Schedule**

Excess means the first amount for which the **Insured** is responsible as specified in the **Schedule**

Goods means goods belonging to the **Insured** or for which the **Insured** is responsible all pertaining to the **Business**

Hacking means unauthorised access to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data

Injury means accidental: death; bodily injury, illness or disease; any psychiatric injury that results from accidental bodily injury, illness or disease

In Transit means being carried from the time the **Goods** are lifted to the time they are unloaded at their destination including:

1. loading and unloading
2. the use of recognised 'roll-on roll-off' vehicle ferries provided no unloading or re-loading of the **Vehicle** is involved
3. whilst temporarily housed on or off the **Vehicle** in the course of the said carriage but excluding any dismantling, installation, erection or testing

Insured means the person or persons or corporate body named in the **Schedule**

Insurer means the entity named as "Insurer" in the **Schedule**. Where any Section of this **Policy** is provided by more than one insurer as listed in the **Schedule**, use of "the **Insurer**" in the singular refers to all subscribing insurers of that Section

Limit of Indemnity means the applicable limit, including any sub-limit or inner-limit, of the **Insurer's** maximum liability for any relevant claim under the **Policy**, as shown in the **Schedule** or stated in this document

Limit of Liability means the applicable limit, including any sub-limit or inner-limit, of the **Insurer's** maximum liability for any relevant claim under the **Policy**, as shown in the **Schedule** or stated in this document

Machinery Breakdown means unforeseen, sudden, accidental and direct physical loss or destruction of, or physical damage to, any machinery or plant belonging to the **Insured** or held in trust and for which the **Insured** is responsible at the **Premises**, while in ordinary use caused by:

1. actual failure, breaking, distortion or burning out of any part of the machinery or plant arising from:

- a. mechanical or electrical defects in the machinery or plant; or
 - b. failure or fluctuation of power supply; or
 - c. operator error or omission other than failure to maintain; or,
2. fracturing of any part of the machinery or plant by frost which renders the item inoperative

Machinery Breakdown also includes the resultant loss of coolant, lubricant, insulant, refrigerant or brine

Money means coin, bank and currency notes, postal and money orders, bankers' drafts, cheques, giro cheques, crossed warrants, bills of exchange, securities for money, postage revenue, national insurance and holiday with pay stamps, stamped national insurance and holiday with pay cards, national savings stamps or certificates, war bonds, premium savings bonds, franking machine impressions other than unused units in postage stamp franking machines, credit company sales vouchers, luncheon vouchers, trading stamps and VAT invoices, phone cards, which is the property of the **Insured** or for which the **Insured** is responsible in the course of the **Business**

Office Computer Equipment means office computer equipment at the **Premises** the property of the **Insured** or held by the **Insured** on trust for which the **Insured** is responsible including media and peripherals used in connection with such equipment

Offshore means from the moment in time that an **Employee** embarks onto any conveyance at the point of final departure on land to any offshore installation until the moment in time that an **Employee** disembarks from any conveyance onto land upon their return from any offshore installation

Perils means the operative perils specified in the **Schedule**, as more fully detailed within the Property Insurance part of this **Policy**.

Period of Insurance means the period stated in the **Schedule**

Personal Effects means personal belongings of the **Insured's** drivers or attendants, excluding **Money**, credit cards, car audio equipment, televisions or jewellery

Phishing means any access or attempted access to data or information made by means of misrepresentation or deception

Policy means this insurance policy wording document, the **Schedule** and any **Endorsements**, memoranda or specifications relating to this policy

Pollution or Contamination means:

1. all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
2. all loss or damage or injury directly or indirectly caused by such pollution or contamination

Portable Power Tools means portable power tools at the **Premises** for use solely by the **Insured**, the property of the **Insured** or held by the **Insured** in trust, for which the **Insured** is responsible

Premises means the premises declared to and accepted by the **Insurer** that are used by the **Insured** for the purpose of the **Business** and stated in the **Schedule**

Premium means the amount stated in the **Schedule**, payable by the **Insured** to the **Insurer**

Professional Business means the professional business specified in the **Schedule**

Property Insured means the relevant property described in the **Schedule**

Rent means **Rent Payable** or **Rent Receivable**

Rent Payable means periodic payments made by the **Insured** for the lease of **Premises** not belonging to the **Insured**

Rent Receivable shall mean the amount of rent received or receivable from, and payments for services provided in respect of, the letting of the **Premises**

Schedule means the schedule attached to this document that forms part of this **Policy**

Stock means stock and materials in trade excluding **Target Stock** and **Stock In The Open** at the **Premises** described in the **Schedule** the property of the **Insured** or held by the **Insured** in trust for which the **Insured** is responsible

Stock In The Open means stock and materials in trade stored in the open at the **Premises** described in the **Schedule** excluding **Target Stock** the property of the **Insured** or held by the **Insured** in trust for which the **Insured** is responsible

Sum Insured means the relevant sum as specified in the **Schedule**

Target Stock means stock and materials in trade at the **Premises** described in the **Schedule** comprising cigarettes, cigars and tobacco, audio visual equipment, computer equipment, computer games, mobile phones and radios, photographic equipment and binoculars, non-ferrous metals, jewellery (including precious metals and stones), wines, fortified wines and spirits

Tenants Improvements means tenants improvements and alterations to the **Premises**

Territorial Limits means anywhere in Great Britain, Northern Ireland, the Channel Islands and the Isle of Man

Terrorism means any action, threat of action, or attempt at action, by any individual or group of individuals or body or organisation, whether acting alone, on behalf of, or in concert with any other body, organisation, or government, where such action, threat, or attempt is designed to influence, intimidate, or coerce, any government or international governmental organisation or the population or any section of the population, or any community, and the action, threat, or attempt, is made for the purpose of advancing a political, religious, or ideological cause

Unoccupied means empty, disused, unfurnished or no longer in active use by the **Insured** or any of the **Insured's** tenants

Vehicle means a mechanically driven conveyance including trailers whether attached or temporarily detached from such vehicle whilst **In Transit**

Virus or Similar Mechanism means programme code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programmes data files or operations whether involving self-replication or not and including but not limited to Trojan horses worms and logic bombs

General Conditions

Applicable to all Sections unless otherwise stated

Alteration in Material Facts (not applicable to Property Insurance)

After commencement of the **Policy** the **Insured** must give immediate notice to the **Insurer** of any alteration of fact or circumstance that materially alters the risk insured under this **Policy** including but not limited to any material change in the nature of or cessation of the **Business** or **Professional Business**; until the **Insurer** is advised of that alteration or circumstance and has expressly agreed in writing to accept liability for that altered risk, and the **Insured** has paid or agreed to pay the additional **Premium** (if any), the **Insurer** will not be liable to indemnify the **Insured** in respect of any loss due wholly or partially to that alteration or circumstance.

Arbitration

In the event of a dispute arising out of:

1. the interpretation of the **Policy**, including any question regarding compliance with its terms, its existence, validity or termination; or
2. the quantification of any amount payable under the **Policy**;

the dispute will be referred to an arbitrator, who will be appointed by the parties in accordance with the LCIA Arbitration Rules and the making of an award will be a condition precedent to any right of action against the **Insurer**.

Assignment

This **Policy** and any rights under it cannot be assigned without the prior written consent of the **Insurer**.

Authorisation

The **Insured** will act on behalf of any person forming part of the **Insured** for:

1. Notification of any claim, loss, or circumstance;
2. Any other notifications required under this **Policy**;
3. Payment of **Premium**, including additional premium, or the receipt of returned **Premium**;
4. Negotiation and agreement of any **Endorsement** to this **Policy**;
5. Requests, and any subsequent agreement, of any extended notification period.

Cancellation

The **Insurer** may cancel this **Policy** during the **Period of Insurance** by giving 14 days' notice in writing. On cancellation by the **Insurer** the **Insured** will be entitled, subject to the application of the Premium Payment Condition and the Premium Adjustment and Audit Condition, to a pro rata return of **Premium** equal to the number of days unexpired of the **Period of Insurance** but subject to a minimum retention of 15% of the **Premium**, provided

that no claim under the **Policy** has been paid or is outstanding (including the notification of any claim, circumstance or loss).

Notwithstanding this, subject to the Premium Payment Condition and the Premium Adjustment and Audit Condition, where the Directors and Officers Liability Section is stated in the Schedule as operative, the **Insurer** will continue to provide cover under the Directors and Officers Liability Section until the end of this **Period of Insurance**.

Coinsurance

Where this **Policy** is provided by the **Insurer** and co-insurers, as named in the **Schedule** (and notwithstanding the use of 'the **Insurer**' in this **Policy**), the legal obligations of each insurer are several and not joint and are limited solely to the extent of that insurer's proportion of risk as shown in the **Schedule**.

Excess (not applicable to Employers' Liability Section or Professional Indemnity Section)

The cover provided under each Section of the **Policy** will be subject to the **Excess** for which the **Insured**, and not the **Insurer**, is liable. The **Insurer** may pay all or part of the **Excess** in respect of the settlement of any claim under this **Policy** and seek reimbursement from the **Insured**. If it does so, the amount of **Excess** paid by the **Insurer** must be reimbursed by the **Insured** at the **Insurer's** request.

Fraudulent Claims

If under this **Policy** an **Insured** or anyone acting for an **Insured**:

1. knowingly makes a fraudulent or an exaggerated claim under this **Policy**; or
2. knowingly makes a false statement in support of a claim under this **Policy** or submits false or forged document in support of such claim; or
3. makes a claim under this **Policy** caused by or in connection with the **Insured's** wilful misconduct or caused or in connection with the **Insured's** agreement, knowledge or collusion; or
4. otherwise knowingly provides untrue or misleading information to the **Insurer** or those acting for the **Insurer**, whether or not such information is material to the **Insured's** right to recover under this **Policy**;

the **Insurer** will refuse to pay such claim or any other claim under this **Policy** thereafter and will terminate this **Policy** without any refund of **Premium**.

If any of the acts or omissions set out in clauses a) to d) of this condition are committed by or on behalf of an **Insured Person** and not by or on behalf of any other **Insured**, this condition should be read as applying only to that **Insured Person's** claim and references to "this **Policy**" should be read as references to the cover effected for that **Insured Person** alone and not to the **Policy** as a whole.

Law and Jurisdiction

Any dispute concerning the interpretation or application of the **Policy** is to be subject to, and will be construed in accordance with, the law of England and Wales; the parties further agree, subject first to the Arbitration condition, to submit to the exclusive jurisdiction of any competent court within England and Wales and to comply with all requirements necessary to give that court jurisdiction.

Legal Representatives

In the event of the death of the **Insured** the **Insurer** will indemnify the **Insured's** estate, heirs or legal personal representatives in respect of liability previously incurred by that **Insured** that they would otherwise have been entitled to an indemnity under the **Policy**, provided that the estate, heirs or legal personal representatives observe, fulfil and be subject to the terms, conditions and limitations of the **Policy** in so far as they can apply.

Other Insurance

If any:

1. **Damage to Property Insured**, or
2. business interruption or interference, increased costs of working or loss of rent; or
3. legal costs and expenses or liabilities to third parties

covered by this **Policy** is also covered in whole or in part by any other insurance (or would be so covered save for the existence of this **Policy**) then:

- a. In respect of **Damage to Property Insured**, the liability of the **Insurer** under this **Policy** will be limited to their rateable proportion of that **Damage**. If that other insurance is subject to any condition of Average, this **Policy** if not already subject to any such condition of Average, will be subject to Average in like manner. If that other insurance is subject to any provision that prevents it from ranking concurrently with this **Policy**, either in whole or in part, or from contributing a rateable proportion, the liability of the **Insurer** under this **Policy** will be limited to that proportion of the **Damage** which the **Sum Insured** under this **Policy** bears to the value of the **Property Insured**
- b. In respect of business interruption or interference, increased costs of working or loss of rent the liability of the **Insurer** under this **Policy** will be limited to their rateable proportion of such loss;
- c. In respect of legal costs and expenses or liabilities to third parties, the **Insurer's** liability will apply in excess of and not in contribution with that other insurance.

Notification

Sections of the **Policy** contain terms relating to the **Insured's** obligation to notify the **Insurer** of matters for which the **Insured** may wish to seek an indemnity for under that Section. The **Insured** is required to carefully read and comply with such terms as appropriate; some of these have the force and effect of conditions precedent which means that any failure to comply with them may affect the **Insured's** entitlement to indemnity under the **Policy**.

Premium Adjustment and Audit

Where any part of the **Premium** is based on estimates furnished by the **Insured**, the **Insured** must:

1. keep an accurate record containing all relevant particulars,
2. allow the **Insurer** to inspect those records,
3. supply those records as the **Insurer** may require within 30 days from the expiry of the **Period of Insurance**;
4. supply an auditor's certificate in support of those records if so requested by the **Insurer**

Based on those records, the **Premium** will be adjusted by the **Insurer**, subject to any minimum that may apply. If the **Insured** fails to supply the records within the period stated above, the **Insurer** reserves the right to make an estimate of the records and adjust the **Premium** accordingly.

Premium Payment

The **Insurer** must receive the **Premium** due under this **Policy** on or prior to the commencement of the **Period of Insurance** and in default of such payment this **Policy** is voidable.

Reasonable Precautions

The **Insurer's** liability to indemnify will only arise if the **Insured**:

1. takes all reasonable precautions to avoid or diminish any liability or loss which may give rise to or has given rise to a claim under this **Policy**
2. takes all reasonable precautions to prevent accidents or any activity that might give rise to a liability to a third party
3. takes all reasonable steps to comply with all applicable national or local laws, requirements and regulations
4. exercises due care in the selection and supervision of **Employees**

Renewal

This **Policy** or any Section of it will not automatically renew and unless an offer to renew is accepted, this **Policy** or any relevant Section will expire at the end of the **Period of Insurance** without notice.

Rights of Third Parties

Other than where expressly provided for within the **Policy**, a person or company who is not a party to this **Policy** has no right under the Contracts (Rights of Third Parties) Act 1999 or any subsequent legislation or amendment to enforce any term of this **Policy** but this does not affect any right or remedy of a third party which exists apart from that Act.

Severability

In the event that any portion or Section of the **Policy** is found to be invalid or unenforceable, the remainder will remain in full force and effect.

Statutory Regulations

The **Insurer's** liability to pay any claim under this **Policy** relating to any pressure vessel or other machinery or apparatus (or its contents) belonging to or under the control of the **Insured**, which requires inspection or test under any statute or order or regulation, will not accrue unless that pressure vessel or other machinery or apparatus vessel, has been appropriately and satisfactorily inspected or tested and the **Insured** can demonstrate that it has implemented any actions thereby required.

Subrogation

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

General Exclusions

Not applicable to Terrorism Section

Applicable to all other Sections unless stated otherwise

Asbestos Exposures

Not applicable to Employers' Liability Section

This **Policy** does not cover any loss, cost or expense or liability directly or indirectly arising out of, resulting as a consequence of, or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

Fines and Penalties

This **Policy** excludes any liability for taxes, fines or penalties, punitive, aggravated, multiple, liquidated, exemplary or other non-compensatory damages or the consequences of non-payment or any additional damages under Section 97(2) of the Copyright, Design and Patents Act 1988 or any statutory successor to that section or any claim for indemnity deemed uninsurable by law.

Northern Ireland Civil Commotion

This **Policy** excludes, in respect of Northern Ireland:

1. **Damage** occasioned by or happening through or in consequence directly or indirectly of riot or civil commotion;
2. **Damage** occasioned by or happening through or in consequence directly or indirectly of strikers, locked out workers or persons taking part in labour disturbances or malicious persons save for **Damage** by fire or explosion.

Radioactive and Nuclear Hazards

Not applicable to Healthcare Section

This **Policy** does not cover

1. **Damage** to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
2. any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from
3. ionising radiations or contamination by radioactivity from nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
4. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

but as far as concerns **Injury** to any **Employee** which arises out of and in the course of his employment or engagement by the **Insured** this exception will apply only in respect of

1. liability of any principal
2. liability assumed by the **Insured** by agreement and which would not have attached in the absence of such agreement.

Sanctions

The **Insurer** shall not be deemed to provide cover nor be liable to pay any claim or provide any benefit under this **Policy** to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the **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.

Terrorism

Not applicable to Employers' Liability Section

This **Policy** excludes **Damage**, liability, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with

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

If the **Insurer** alleges that by reason of this exclusion any **Damage** cost or expense is not covered by this **Policy** the burden of proving the contrary will be upon the **Insured**. In the event that any portion of this exclusion is found to be invalid or unenforceable the remainder will remain in full force and effect.

War and Civil War

This **Policy** does not cover **Damage** or legal liability directly or indirectly occasioned by happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or **Damage** to property by or under the order of any government or public or local authority.

Contractors Plant Section

CONTRACTORS PLANT – INSURING AGREEMENT

In the event of **Damage** to the **Property Insured** whilst situated anywhere within the **Territorial Limits** and occurring during the **Period of Insurance** the **Insurer** will pay to the **Insured**

1. in respect of **Owned Plant** the value of that **Owned Plant** at the time of **Damage** or at **Insurer's** option reinstate or replace such **Owned Plant** or any part of it
2. in respect of **Other Plant** all sums which the **Insured** is legally liable to pay for that **Other Plant**

Provided that the liability of the **Insurer** under this Contractors Plant Section will not exceed

1. the relevant **Sum Insured** or any other applicable **Limit of Indemnity** at the time of the **Damage**
2. the **Sum Insured** (or **Limit of Indemnity**) remaining after deduction for any other **Damage** occurring during the **Period of Insurance**, unless the **Insurer** has agreed to reinstate any such **Sum Insured** (or **Limit of Indemnity**)

CONTRACTORS PLANT – EXTENSIONS

Damage To Security Devices

Damage to any immobiliser, locating, tracking or other security device (approved by Thatcham Research or the Company) caused by theft or attempted theft of **Owned Plant** or **Other Plant**, provided that

- 1) the liability of the **Insurer** shall not exceed £2,500 in respect of any one item of **Owned Plant** or **Other Plant**;
- 2) the **Excess** shall be £50 in respect of each and every item of **Owned Plant** or **Other Plant**.

Loss of Keys

Replacement costs and expenses incurred as a result of the loss or theft of the key to any item of **Owned Plant** or **Other Plant**, or any immobiliser or other security device (approved by Thatcham Research or the **Insurer**), provided that

- 1) the liability of the **Insurer** shall not exceed £1,000 in respect of each and every item or device;
- 2) the **Excess** shall be £50 in respect of each and every item or device.

Repair Investigation Costs and Tests

Costs and expenses reasonably and necessarily incurred, with the prior consent of the **Insurer**, for repair investigations and tests by a consultant engineer, or other professionally recognised and qualified expert, in order to determine the most appropriate means of repair or reinstatement of **Damage** following the occurrence of an indemnifiable event under Section 3 of this Policy, provided that

- a) the cover provided by this Extension does not apply to any costs or expenses incurred in preparing a claim under this Policy;
- b) the liability of the **Insurer** shall not exceed £100,000 in the aggregate in respect of the costs and expenses incurred in connection with all **Damage** occurring during the **Period of Insurance**.

Fire Brigade Charges

Costs and expenses reasonably and necessarily incurred by the **Insured** for fire brigade charges arising out of Damage, provided that the liability of the **Insurer** shall not exceed £25,000.

Hiring Out

The insurance under this Contractors Plant Section includes **Owned Plant** hired out or **Other Plant** whilst sub-hired out provided the terms of any such hiring out are no less onerous than

1. In respect of **Owned Plant** the recognised standard hire conditions in the territory concerned
2. In respect of **Other Plant** those terms under which it was hired in by the **Insured**

Immobilised Property

The insurance under this Contractors Plant Section extends the definition of **Damage** to include the reasonable costs necessarily incurred by the **Insured** to recover **Owned Plant** or **Other Plant** which has been accidentally immobilised during normal operations other than

1. by its own explosion, mechanical or electrical breakdown, failure, breakage or derangement
2. **Damage** caused by a failure to maintain the property in accordance with the manufacturer's recommendations

provided that

1. the liability of the **Insurer** will not exceed £25,000 in respect of all recoveries during the **Period of Insurance**
2. such costs do not exceed the sum which would otherwise have been payable under this Contractors Plant Section
3. the **Insurer** will not be liable for **Damage** in order to effect the recovery of such property.

Indemnity to Other Parties

The insurance by this Contractors Plant Section includes other parties solely to the extent required by the conditions of contract in force between the **Insured** and such other parties provided that such other parties will be subject to the terms exclusions and conditions of the **Policy**

Legal Proceedings

The insurance by this Contractors Plant Section includes legal costs incurred with the prior consent of the **Insurer** in the defence of proceedings against the **Insured**

CONTRACTORS PLANT – DEFINITIONS

Owned Plant shall mean contractors' plant and equipment owned by the **Insured**

Other Plant shall mean contractors' plant and equipment hired in by the **Insured**

CONTRACTORS PLANT – CONDITIONS

Average Unspecified Owned Plant

In respect of **Owned Plant** only and in the absence of a completed **Owned Plant** schedule if the total value of **Owned Plant** at the commencement of **Damage** be more than the **Sum Insured** in respect of **Owned Plant** insured by this Contractors Plant Section the amount payable by the **Insurer** will be proportionately reduced

Crane and Operators Reinstatement Owned Plant

It is a condition precedent to liability for **Damage** that

1. all crane operations are undertaken on firm level ground
2. cranes are blocked or stabilised when performing operations
3. all jibs and booms on crane or similar lifting appliances are lowered to the ground level at the end of each working day or when such items are not in use
4. all cranes are fitted with overload alarm systems and wind speed indicators and such systems and indicators are monitored and are in an operational working condition
5. all operators are licenced to operate such property in accordance with statutory regulations

In relation to the above Cranes and Operators condition precedent the **Insured** and the **Insurer** agree to contract out of the provisions of Sections 10 and 11 of the Insurance Act 2015. The effect of that contracting-out is that if the **Insured** fails to comply with any part of the condition precedent, the **Insurer's** liability under the **Policy** is automatically discharged, irrespective of whether:

1. the breach of condition precedent is subsequently remedied
2. breach or non-compliance with the condition precedent could not have increased the risk of the loss, if any, which actually occurred in the circumstances in which it occurred.

Reinstatement Owned Plant

If at the time of **Damage** to **Owned Plant** that **Owned Plant** is less than or equal to 18 months old from the date of sale as new the **Insurer** will

1. reinstate that **Owned Plant** to a working condition substantially the same as but not better or more extensive than its condition when new or
2. where that item of **Owned Plant** cannot be economically repaired replace the item with new property of equal performance and or capacity

provided that at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the property covered by any item subject to this Condition exceeds its **Sum Insured** at the commencement of any **Damage**, the liability of the **Insurer** will not exceed that proportion of the amount of the **Damage** which the said **Sum Insured** shall bear to the sum representing the total cost of reinstating the whole of such property at that time

CONTRACTORS PLANT – EXCLUSIONS

This Contractors Plant Section does not cover

1. **Damage** caused by
 - a. Corrosion, rust, wet, or dry rot, wear and tear, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects or any gradually operating cause
 - b. acts of fraud or dishonesty
 - c. disappearance unexplained or inventory shortage misfiling or misplacing of information unless such **Damage** is identifiable by the **Insured** with a specific occurrence which has been the subject of notification under the terms of this **Policy**
 - d. in respect of **Owned Plant** its own explosion, mechanical electrical breakdown, failure, breakage or derangement
 - e. or arising from the ingress of foreign bodies and or materials being processed
2. **Damage** to
 - a. rubber tyres unless such **Damage** arises out of an accident for which cover is provided under this Contractors Plant Section to other parts of the **Property Insured** or such **Damage** arises out of a malicious act which necessitates replacement if such tyres where repair is deemed impracticable
 - b. fixed or static property which is more specifically insured
 - c. property occurring underground unless such property can be repaired underground or brought back to the surface at the **Insured's** expense
 - d. any property whilst undertaking lifting operations in which a single load is shared between more than one item of lifting equipment at the same time
3. Abandonment of property underground
4. Oil and gas drilling rigs and tunnel boring machines
5. Consequential loss of any and every description
6. **Damage** for which the **Insured** is relieved of responsibility under the terms of any contract.
7. **Damage** consisting of theft from any unattended vehicle that is away from the **Premises** unless that vehicle is alarmed, or is immobilised by the removal of the rotor arm, battery lead or distributor cap or, alternatively, any such vehicle is in a locked and secure compound or garage.
8. **Damage** arising out of contracts involving work in, over or adjacent to:
 - a. tidal waters, rivers, lakes, reservoirs, dams or within cofferdams or caissons; or
 - b. tunnels (but not 'cut and cover'), bridges, viaducts, subways; or
 - c. galleries
9. **Damage** arising out of operations that involve the use of multiple cranes or other devices used together to lift or lower any item unless such operation complies fully with the requirements of BS7121, or any British or international standard replacing or amending BS7121.

Contract Works Section

CONTRACT WORKS – INSURING AGREEMENT

In the event of **Damage** to the **Property Insured** whilst situated anywhere within the **Territorial Limits** and occurring during the **Period of Insurance** the **Insurer** will pay to the **Insured** the value of the **Property Insured** at the time of **Damage** or at the **Insurer's** option reinstate or replace such **Property Insured** or any part of it

Provided that the liability of the **Insurer** under this Contract Works Section will not exceed

1. the relevant **Sum Insured** or any other applicable **Limit of Indemnity** at the time of the **Damage**
2. the **Sum Insured** (or **Limit of Indemnity**) remaining after deduction for any other **Damage** occurring during the same **Period of Insurance**, unless the **Insurer** has agreed to reinstate any such **Sum Insured** (or **Limit of Indemnity**)

CONTRACT WORKS – EXTENSIONS

Employees Tools

The insurance under this **Contract Works** section includes **Damage to Employee Tools** whilst on or adjacent to the site of the **Contract Works** provided that the **Limit of Liability** shall not exceed the relevant **Sum Insured** or **Limit of Indemnity** shown in the schedule.

Architects', Surveyors', Legal and Consulting Engineers' Fees

The insurance under this Contract Works Section includes an amount in respect of reasonable architects', surveyors', legal and consulting engineers' fees necessarily incurred in the reinstatement or repair of the **Contract Works** consequent upon **Damage to Contract Works** for which the **Insured** is indemnified under this Contract Works Section but not for preparing any claim, it being understood that the amount payable under this Contract Works Section shall not exceed two and half per cent of the **Contract Works Sum Insured**

Automatic Reinstatement of Loss

In the absence of written notice by the **Insurer** or the **Insured** to the contrary the insurance under this Contract Works Section shall not be reduced by the amount of any loss in consideration of which the **Insured** shall pay the appropriate extra premium on the amount of the loss from the date thereof to the expiry of the **Period of Insurance**

Expediting Expenses

The insurance under this Contract Works Section includes reasonable costs necessarily incurred by the **Insured** in making temporary repairs and expediting permanent repairs including overtime working and the use of rapid transport in consequence of **Damage** to the **Contract Works** for which the **Insured** is indemnified under this Contract Works Section provided that the amount payable shall not exceed fifty per cent of the cost of repair had such costs not been incurred

Escalation Clause

The **Sum Insured** for **Contract Works** will be automatically increased by up to 25% where the value of such **Contract Works** unexpectedly increases after their commencement to an amount in excess of the applicable **Sum Insured**.

JCT Contract Conditions

Where the **Insured** undertakes a contract under JCT Standard Form of Building Contract 1998 (or the equivalent thereof) in the event of **Damage** to the **Contract Works** by any of the specified perils defined in the above mentioned Standard Form of Building contract it is agreed that so far as is required by the sub-contract the **Insurer** will not pursue any rights of subrogation against sub-contractors directly engaged by the **Insured**

Plans

The insurance under this Contract Works Section includes the cost of rewriting or redrawing documents drawings and business books but only for the value of the materials as stationery and the cost of clerical labour in writing up and not for the value of the information contained therein. Provided that the amount payable under this extension shall not exceed two and half per cent of the **Contract Works Sum Insured**.

Principals Indemnity

The insurance under this Contract Works Section is extended to cover any principal in a like manner to the **Insured** where required by the conditions of the contract in respect of contracts undertaken within the **Territorial Limits**.

Public Authorities

The insurance under this Contract Works Section includes the additional cost of re-instatement following **Damage** to **Contract Works** solely to comply with any regulations arising out of an act of Parliament or with bye-laws of any public authority or European Union directive

Provided that

Re-instatement (which may be carried out upon another site subject to **Insurer's** liability not being increased thereby) is carried out without delay

The amount recoverable under this clause does not include

1. The costs incurred in complying with regulations or bye-laws intimated to the **Insured** prior to the happening of the **Damage**
2. The costs incurred in respect of undamaged property
3. The amount of any rate tax duty development or other charge which may become payable following compliance with such regulations or bye-laws

The amount payable will not exceed five per cent of the **Contract Works Sum Insured**

Removal of Debris

The insurance under this Contract Works Section includes reasonable costs and expenses necessarily incurred by the **Insured** with the consent of the **Insurer** in

1. removing debris
2. repairing or cleaning drains, sewers, service mains and the like and/or dewatering
3. dismantling and/or demolishing
4. shoring up or propping
5. temporary boarding up of windows following breakage of glass
6. boarding up

following **Damage** to the **Contract Works** hereby insured provided that the amount payable shall not exceed 10 per cent of the **Contract Works Sum Insured**

Show Properties

The insurance under this Contract Works Section includes show properties and the contents therein subject to a limit in respect of such contents of £50,000

Speculative Building

The insurance under this Contract Works Section includes buildings being built or erected by the **Insured** other than under contract. In respect of such buildings cover shall cease to apply from

1. the date such buildings are sold or let or
2. three months after the date of completion of the work of building or erecting the last building on the site whichever is the earlier

Completion shall mean completion apart from a prospective purchaser's or tenant's choice of decorations and/or final fitments

Maintenance

The insurance under this Contract Works Section includes **Damage** to the **Property Insured** during **Maintenance Visits** provided that

1. the **Damage** arises from a cause occurring prior to the commencement of the **Maintenance Visits** and in respect of which the **Insured** was unaware; or
2. the **Damage** is caused by the Insured while carrying out that work for which it is responsible during the **Maintenance Visits**

Testing and Commissioning Re-Testing Following Damage

Damage to new and unused machinery forming part of the Contract Works, through its own electrical or mechanical breakdown, failure or explosion during the course of **Testing** or **Commissioning**, provided that this Extension shall not apply

- a) beyond the **Testing and Commissioning Period**, or
- b) to unproven, prototype or experimental machinery.

Exclusion 2.a - does not apply to this Extension.

Re-Testing Following Damage

If, as a result of

- a) **Damage** to the **Contract Works**, or
- b) **Damage** for which cover is provided by the **Testing and Commissioning** Extension above

it is necessary to repeat any **Testing** or **Commissioning**, the Company will pay the costs incurred in respect of that part of the **Testing** or **Commissioning** which has to be repeated.

The cover provided by the **Testing and Commissioning** Extension shall apply to the repeated Testing or Commissioning as if the original **Testing and Commissioning Period** had never begun.

Fire Brigade Charges

Costs and expenses reasonably and necessarily incurred by the **Insured** for fire brigade charges arising out of **Damage**, provided that the liability of the **Insurer** shall not exceed £25,000.

CONTRACT WORKS – DEFINITIONS

Contract Works shall mean the permanent and temporary works executed in performance of the contract and materials including free-issue materials for use in connection therewith whilst

1. on or adjacent to the contract site until the issue of a certificate of completion or until taken over by the principal or for fourteen days thereafter where the **Insured** is required to insure under the terms of the contract
2. in transit (other than by sea or air) within the **Territorial Limits** to or from the contract site (including any loading or unloading in connection therewith)
3. in store at any situation within the **Territorial Limits** other than the contract site for an amount not exceeding £50,000
4. during the **Maintenance Visits**

Maintenance Visits shall mean the period of maintenance of defects liability not exceeding twelve months occasioned by the contractor in the course of any operations carried out by the **Insured** on the contract site for the purpose of complying with the **Insured's** obligations under the maintenance of defects liability clause in the contract.

Employees Tools shall mean personal tools and effects the property of an Employee, other than motor vehicles; precious metals, precious stones or articles made therefrom; or money.

Testing means the actual operation of machinery, or parts of machinery, for the sole purpose of proving it mechanically or electrically.

Commissioning means operational testing, commencing either with the introduction to the permanent works of feedstock, or other materials for processing or handling, or when supply to a system commences. Commissioning does not include any process involving chemical action or reaction, unless the prior agreement of the Insurer has been obtained.

Testing and Commissioning Period means the period shown in the Schedule, which begins from the first time that Testing of the machinery takes place or, where there is no Testing, from the commencement of Commissioning in respect of that machinery.

CONTRACT WORKS – CONDITIONS

Discharge of Liability

The **Insurer** may at any time pay to the **Insured** in connection with any claim or series of claims the amount of the **Sums Insured** (after deduction of sums already paid as compensation in respect of such claim or claims or other relevant claims) or any lesser amount for which such claim or claims can be settled and upon such payment being made the **Insurer** relinquishes the conduct and control of and be under no further liability in connection with such claim or claims other than the payment of costs and expenses incurred prior to the time of such payment

Joint Code of Practice

In respect of contracts which have an original contract price of £2,500,000 or more the **Insured** undertakes to comply with The Joint Code of Practice on the Protection from Fire of Construction Sites and Buildings Undergoing Renovation ("The Joint Code") current at the inception or subsequent renewal of this **Policy**

An appointed representative of the **Insurer** shall have the right at all reasonable times to enter and inspect the contract site for the purpose of checking whether the conditions in all respects comply with The Joint Code

In the event that the **Insurer** becomes aware of a breach of The Joint Code the **Insurer** may inform the main or management contractor's construction site management of the nature of the breach specifying the remedial measures required by the **Insurer** ("the Remedial Measures") and the period within which these must be completed

Where the **Insurer** considers such a breach is of sufficient importance the **Insurer** may confirm the same by notice in writing ("the Notice") to the Employer and the main/management contractor and the first named party of the **Insured** when this is not the Employer or the main/management contractor at their respective addresses nominated by the **Insured** at the inception of the cover or as subsequently amended

Under the terms of this or any subsequent Notice the **Insurer** may suspend or cancel all cover under this Contract Works Section from the date named in the Notice not being a date earlier than the date named for completion of the Remedial Measures it being understood that upon suspension such cover shall be reinstated when the **Insurer** is satisfied that the Remedial Measures have been completed. Such Notice shall be given by registered post, recorded delivery, or by hand. The reference to suspension or cancellation of all cover shall apply only to the contract specified in the Notice

Series Defects

If the development or discovery of a defect in any part of the **Contract Works** shall indicate or suggest that similar defects exist in other parts of the **Contract Works** the **Insured** shall forthwith investigate and if necessary rectify the defects in such other parts at his own expense or alternatively bear all losses arising out of the said defects

Stoppage of Work

In the event of stoppage of work by the **Insured** on the contract site from any cause for a period of one month cover for **Contract Works** shall be suspended unless otherwise agreed in writing by the **Insurer**. In the event of such total or partial cessation of work the **Insured** shall use due diligence and do all things reasonably practicable to protect the **Contract Works**

CONTRACT WORKS – EXCLUSIONS

Notwithstanding any other terms of this **Policy** to the contrary, this Contract Works Section will not indemnify the **Insured** in respect of:

1. **Damage to Property Insured**
 - a. forming or which has formed part of any existing structure prior to the commencement of the contract
 - b. due to the use or occupancy other than as dwellings or offices of any portion of the permanent works by any owner tenant or occupier unless specifically agreed by the **Insurer**
2. **Damage to Property Insured** caused by its own
 - a. explosion, mechanical or electrical breakdown, failure, breakage or derangement
 - b. faulty or defective design, plan, specification, materials or faulty or defective workmanship
3. **Damage** caused by Corrosion, rust, wet or dry rot, wear and tear, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects or any gradually operating cause
 - a. acts of fraud or dishonesty
 - b. disappearance unexplained or inventory shortage misfiling or misplacing of information unless such **Damage** is identifiable by the **Insured** with a specific occurrence which has been the subject of notification under the terms of this **Policy**.
 - c. theft of unfixed non-ferrous metals of any description unless at the time of theft
 - i. an authorised employee or agent of the **Insured** is on site or
 - ii. such metals are contained in a securely locked building
4. **Damage to**
 - a. **Money** and securities of any description
 - b. contractors' plant and equipment
 - c. the permanent works or any part thereof after such works have been taken over or taken into use, whichever is the earlier (except as provided for by **Maintenance Visits**)
5. the cost of repairing replacing or rectifying any
 - a. **Property Insured** which is in a defective condition due to a defect in design, plan, specification, materials or workmanship of such **Property Insured** but this exclusion shall not apply to subsequent **Damage** to other **Property Insured** which is free of the defective condition
 - b. **Damage to Property Insured** to enable the repair, replacement or rectification of **Property Insured** excluded in (a) above.
6. consequential loss of any and every description
7. **Damage** to any airborne or waterborne vessel or craft, marine, rig, platform or property situated on any such vessel, craft, marine, rig or platform
8. **Damage** attributable solely to change in the water table level
9. Any costs incurred in connection with or in consequence of improvements or overhauls following **Damage** but not forming part of the work insured under this **Policy**
10. **Damage** for which the **Insured** is relieved of responsibility under the terms of any contract.
11. **Damage** consisting of theft from any unattended vehicle that is away from the **Premises** unless that vehicle is alarmed, or is immobilised by the removal of the rotor arm, battery lead or distributor cap or, alternatively, any such vehicle is in a locked and secure compound or garage.
12. **Damage** arising out of contracts involving work in, over or adjacent to:
 - a. tidal waters, rivers, lakes, reservoirs, dams or within cofferdams or caissons; or
 - b. tunnels (but not 'cut and cover'), bridges, viaducts, subways; or
 - c. galleries
13. **Damage** arising out of operations that involve the use of multiple cranes or other devices used together to lift or lower any item, unless such operation complies fully with the requirements of BS7121, or any British or international standard replacing or amending BS7121.

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