

Erection All Risks Policy

Whereas the Insured named in the Schedule hereto has made to **Etiqa Insurance Berhad** (hereinafter referred to as the Company) 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 Company the premium mentioned in the Schedule and subject to the terms, exclusions, provisions and conditions contained herein or endorsed hereon the Company will indemnify the Insured in the manner and to the extent hereinafter provided.

General Exclusions

The Company 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 organisation, 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) willful act or willful 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 Company 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 Company 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 and shall continue until immediately after taking over or after the first test operation or test loading is completed whatever is the earlier, but not beyond four weeks (unless otherwise agreed in writing) from the date of commencement of the test. If, however, a part of a plant or one or several machine(s) is/are tested and/or put into operation or taken over, the cover for that particular part of the plant or machine(s) and any liability resulting therefrom ceases whereas the cover continues for the remaining parts.

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

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 Company.

Section 1 - Material Damage

The Company 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 Company 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 anyone event the limit of indemnity where applicable and not exceeding in all the total sum expressed in the Schedule as insured hereby.

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

SPECIAL EXCLUSIONS TO SECTION I

The Company shall not, however, be liable for

- (a) the deductible stated in the Schedule to be borne by the Insured in anyone 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, defective material or casting, bad workmanship other than faults in erection;

- (d) wear and tear, corrosion, oxidation, incrustation;
- (e) loss of or damage to files, drawings, accounts, bills, currency, stamps, deeds, evidences of debt, notes, securities, cheques, packing materials such as cases, boxes, crates;
- (f) loss discovered only at the time of taking an inventory;
- (g) loss of or damage to surrounding property except as provided in memo 4.

PROVISIONS APPLYING TO SECTION I

Memo 1 - Sums Insured

It is a requirement of this insurance that the sums insured stated in the Schedule (under items 1 and 2) shall not be less than the full value of each item at the completion of the erection, inclusive of freight, customs duties, dues, erection cost, and the Insured undertakes to increase or decrease the amounts of insurance in the event of any material fluctuation in the level of 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 Company.

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 Company 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, 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 Company 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, night work, 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 or 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 occurring in direct connection with the erection, construction or testing of the items insured under Section I and happening during the Period of Cover, and provided that a separate sum therefore has been entered in the Schedule under Section I, item 4. This cover does not apply to construction/erection machinery and construction/erection plant and equipment.

Section II - Third Party Liability

The Company 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 erection, construction or testing 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 Company will in addition indemnify the Insured against

- (a) all cost and expenses of litigation recovered by any claimant from the Insured, and

- (b) all cost and expenses incurred with the written consent of the Company,

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

SPECIAL EXCLUSIONS TO SECTION II

1. the deductible stated in the Schedule to be borne by the Insured in anyone occurrence;
2. expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under Section I of this Policy ;
3. liability consequent upon
 - (a) bodily injury to or illness of employees or workmen of the Contractor(s) or the Principal(s) or any other firm connected with the project which or part of which is insured under Section I, or members of their families;
 - (b) loss of or damage to property belonging to or held in care, custody or control of the Contractor(s), the Principal(s) or any other firm connected with the project which or part of which is insured under Section I, or an employee or workman of one of the aforesaid;
 - (b) 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 Company who shall be entitled, if they so desire, to take over and conduct in the name of the Insured the defense 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 Company may require.
2. The Company may so far as any accident is concerned pay to the Insured the limit of indemnity for anyone 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 Company shall thereafter be under no further liability in respect of such accident under this section.

Conditions

1. The due observance and fulfillment of the terms of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the questionnaire and proposal made by the Insured shall be a condition precedent to any liability of the Company.
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.
2. The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Company to prevent loss, damage or liability and comply with statutory requirements and manufacturers' recommendations.
4. (a) Representatives of the Company shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Company with all details and information necessary for the assessment of the risk.

(c) The Insured shall immediately notify the Company by facsimile 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 be confirmed in writing by the Company.

5. In the event of any occurrence which might give rise to a claim under this Policy, the Insured shall:
 - (a) immediately notify the Company by telephone or facsimile 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;
- (b) preserve the parts affected and make them available for inspection by a representative or surveyor of the Company,
- (d) furnish all such information and documentary evidence as the Company may require,
- (e) inform the police authorities in case of loss or damage due to theft or burglary

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

Upon notification being given to the Company under these conditions, the Insured may carry out the repairs or replacement of any minor damage; in all other cases a representative of the Company shall have the opportunity of inspecting the loss or damage before any repairs or alterations are effected. If a representative of the Company does not carry out the inspection within a period of time which could be considered as adequate under the circumstances the Insured is entitled to proceed with the repairs or replacement.

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

6. The Insured shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or required by the Company 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 Company shall be or would become entitled or subrogated upon their paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after the Insured' indemnification by the Company.
7. If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to 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, 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 entering 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 Company.
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 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 be any other insurance covering the same loss, damage or liability the Company shall not be liable to pay or contribute more than their rateable proportion of any claim for such loss, damage or liability.

Clauses

The following Clauses are applicable to this Policy :

PROPERTY DAMAGE CLARIFICATION CLAUSE

Property damage covered under this Policy shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data software or computer programs that it caused by a deletion a corruption or a deformation of the original structure.

Consequently the following are excluded from this Agreement:

- (A) Loss of or damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss of or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered.
- (B) Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.

DATE RECOGNITION CLAUSE

It is noted and agreed that this Policy is hereby amended as follows:

- A. The Company will not pay for any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly caused by, consisting of, or arising from, the failure or inability of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the Insured or not, and whether occurring before, during or after the year 2000 that results from the failure or inability of such device and/or software as listed above to:
1. Correctly recognize any date as its true calendar date;
 2. Capture, save, or retain, and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date other than its true calendar date; and/or
 3. Capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.
- B. It is further understood that the Company will not pay for the repair or modification of any part of any electronic data processing system or any device and/or software as listed above in A.
- C. It is further understood that the Company will not pay for any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly arising from any advice, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Insured or for the Insured or by or for others to determine, rectify or test any potential or actual failure, malfunction or inadequacy described in A above.
- D. It is further understood that the Company will not pay for any consequential loss resulting from any continuing inability of the computer and equipment described in A above to correctly recognize any date as its true calendar date after the lost or damaged property has been replaced or repaired.

Such loss or damage or any consequential loss referred to in A, B, C, or D and above, is excluded regardless of any other cause that contributed concurrently or in any other sequence to the same.

THEFT BY DECEPTION CLAUSE

The Company shall not be liable for any loss or damage caused by or attributed to the act of cheating by any person within the meaning of the definition of the offence of cheating set out in the Penal Code. Cheating as defined in the Penal Code is as follows:-

"Whoever, by deceiving any person, fraudulently or dishonestly induces the person so deceived to deliver any property or intentionally induces the person so deceived to do or omit to do anything which he would not do or omit if he were not so deceived, and, which act or omission causes or is likely to cause damage or harm to that person in body, mind, reputation or property, is said to 'cheat'."

TOTAL ASBESTOS EXCLUSIONS

It is hereby understood and agreed that this contract shall not cover any actual or alleged liability whatsoever for any claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

EXCLUSION OF TERRORISM

With effect from inception, this Policy is deemed to exclude terrorism cover :-

Any act of terrorism

For this purpose 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.

The following Clauses are applicable to this Policy if specified in the schedule :

ADJ ADJUSTMENT

At the end of the period of insurance, the Insured will declare the final contract cost and the premium will be adjusted accordingly. Should the final cost be in excess of or less than 100% of the provisional sum insured, there will be an additional premium charged or refund premium allowed as the case may be.

ARS AUTOMATIC REINSTATEMENT OF SUM INSURED

In consideration of the Insured undertaking to pay an additional premium at the agreed rate on the amount of loss calculated on a pro rata basis from the date of loss to the expiry of the current period of insurance, it is agreed that in the event of loss the insurance hereunder shall be maintained in force for the full sum insured.

CEW CESSATION OF WORKS

Notwithstanding anything stated in the Policy to the contrary cover under the Policy shall not be suspended in the event of stoppage of work by the Contractor or the contract site from any cause for the period not exceeding AS PER SCHEDULE days. In the event of partial or total cessation of work, the Insured shall use due diligence and do all things reasonably practicable to protect the Insured's property.

COI COINSURANCE MEMO

It is hereby declared and agreed that notwithstanding anything contained in the within policy, or on any endorsement hereon to the contrary that any reference to "the Company" shall be deemed to mean the following companies each of which agrees for the proportion set against its name subject to the terms, exceptions and conditions herein or attached hereto or endorsed hereon, that if during the period of insurance stated in the Schedule the Insured shall sustain loss and damage in the circumstances provided for by this policy indemnify the Insured in the manner described in the Schedule.

It is further declared and agreed notwithstanding anything contained to the contrary that the lead Coinsurer, is authorised to sign the Policy/Endorsement/Renewal Receipt.

For all intents and purposes this Policy shall have effect as though each of the above-mentioned insurance companies had issued a separate policy for its individual proportion of the sum insured.

CON 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 project shall be deemed as third parties.

Subject otherwise to the Terms and Conditions of the Policy.

ES ESCALATION CLAUSE (PRICE VARIATION) (LIMIT : AS PER SCHEDULE)

The Insured shall have the right to request an increase in the Limit of Indemnity under Section I in which event the insurance provided hereunder will extend to include any such increase up to a maximum of as per schedule above the Limits of Indemnity specified herein and this Policy will be endorsed accordingly and an additional premium shall be payable.

FEX FIRE AND EXPLOSION

It is hereby declared and agreed that notwithstanding anything contained to the contrary the indemnity as granted by this Policy shall apply also to liability in respect of bodily injury illness or property damage as within defined caused by fire or explosion.

Notwithstanding anything contained herein, this indemnity excludes liability in respect of loss or damage to property caused by or in connection with or arising from the bursting of any pressure part of any steam boiler or any economiser or any vessel or apparatus (other than any steam turbine or engine or other steam-driven machinery) intended to operate under steam pressure belonging to or under the control of the Insured or any servant or agent of the Insured.

50/50 FIFTY/FIFTY

Upon their arrival at the contract site, goods are to be inspected by the Insured for possible damage incurred during transit. In the case of packed goods which are to be left in their packing until a later date, the packing is to be visually inspected for signs of possible damage. If any sign of damage is

visible, the goods are to be unpacked immediately and inspected, any damage discovered is excluded hereunder where the packing of goods manifests no sign of damage to the goods having been insured during transit, any damage to the goods which become manifests upon their unpacking within the period allowed will be ascribed to the marine cover or the construction risks cover according to whether it clearly was caused before or after arrival of goods at the contract site. Where it is not possible to establish whether the damage was caused before or after arrival of the goods at the contract site it is agreed that settlement will be made on 50/50 basis by the marine cover and construction risks cover.

Subject otherwise to the terms, exceptions and conditions of the Policy.

LOS LOSS NOTIFICATION

Notwithstanding anything contained herein to the contrary, it is agreed that this insurance will not be prejudiced by any inadvertent delays, errors or omissions in notifying the Insurers of any circumstances or events giving rise or likely to give rise to a claim under this Policy.

LUL LOADING AND UNLOADING OF VEHICLES

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

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

PROVIDED ALWAYS THAT the liability of the Company under this policy and Endorsement in respect of any bodily injury or loss or damage to property shall not in any way exceed the Limit of Indemnity specified in this Policy.

MAL MALICIOUS DAMAGE ENDORSEMENT

In consideration of the payment of the after mentioned additional premium it is hereby agreed and declared that the insurance under the said Riot and Strike Endorsement shall extend to include MALICIOUS DAMAGE which for the purpose of this extension shall mean:

Loss of 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 No.2 of the said Riot and Strike Endorsement but the Company 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 caused by any person taking part therein.

Provided always that all the conditions and provisos of the said Riot and Strike Endorsement shall apply to this extension as if they had been incorporated herein.

OFS OFFSITE FABRICATION/STORAGE EXTENSION

The coverage under Section I of this Policy is extended to cover the property insured at any location/site where storage or fabrication in relation to the contract work is carried out. The Limit of Indemnity is limited to the amount stated on Schedule anyone occurrence/conveyance.

RD REMOVAL OF DEBRIS CLAUSE (LIMIT : AS PER SCHEDULE)

It is understood and agreed that the insurance by this policy extends to cover the cost and expenses necessarily incurred by the Insured with the consent of the Insurers in connection with the removal of debris, dismantling and site clearance consequent upon destruction of or damage to any of the Property insured by fire or any other peril hereby insured against provided that such costs and expenses are not recoverable under any other policy of insurance and the liability of the Insurers shall in no case under this Clause and the Policy exceed (as per schedule) of the sum Insured.

SCO CONTRACTORS/SUB-CONTRACTORS CLAUSE

Notwithstanding anything contained herein to the contrary the Indemnity expressed in this Policy is deemed to include Liability caused by or in connection with employment of Contractors/ Sub-Contractors or the servants or agents of such Contractors/ Sub-Contractors by the Insured.

Provided always that:-

- (i) the Contractors / Sub-Contractors shall as though the Insured observe fulfill and be subject to terms of this Policy so far as they supply.
- (ii) the Contractors/Sub-Contractors are not entitled to indemnity under any other Policy of Insurance.
- (iii) at the end of each period of insurance the Insured shall notify the Company of any such Contractors / Sub-Contractors employed during such period of insurance and of the cost thereof and shall pay such additional premium as may be required.

Subject otherwise to the terms exceptions and conditions of the Policy.

SUB SUBROGATION WAIVER CLAUSE

In the event of a claim arising under this Policy, the Company agrees to waive any rights, remedies or relief to which they might become entitled by subrogation against any Company standing in relation to subsidiary to or parent to the Insured as defined in Section 102 of the Company's Act 1967.

TP TOPPING UP CLAUSE (AS PER SCHEDULE)

Notwithstanding the limit of the sum insured under Item I and II of Section I the indemnity granted by this Policy extends to include a sum insured in excess of the contract value in respect of repair or replacement costs up to a limit of as per schedule of the contract value.

VLT VEHICLES LICENCED FOR GENERAL ROAD USE

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 vehicles licensed 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, provided that such liability is not already insured by any other policy. 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 any such vehicle.

SUBJECT OTHERWISE TO THE TERMS, EXCLUSIONS, PROVISIONS AND CONDITIONS CONTAINED IN THE POLICY OR ENDORSED THEREON.

WEA WEATHER AGGREGATE

It is agreed that any loss of or damage to the Insured Property arising during any one period of seventy-two (72) consecutive hours caused by storm, tempest, flood or earthquake shall be deemed as a single event and therefore to constitute one occurrence with regard to the Deductibles provided for herein.

For the purposes of the foregoing the commencement of any such seventy-two (72) hours period shall be decided at the discretion of the Insured it being understood and agreed however, that there shall be no overlapping in any two or more such seventy-two (72) hours periods in the event of damage occurring over a more extended period of time.

001 STRIKE, RIOT AND CIVIL COMMOTION

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

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

Provided that it is hereby further expressly agreed and declared that

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

Special Conditions

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

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

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

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

- 3 This insurance may at any time be terminated by the Insurers on notice to that effect being given by registered post at the Insured's last known address, in which case the Insurers shall be liable to repay a rateable proportion of the premium for the unexpired term from the date of termination.
- 4 The limit of indemnity any one occurrence as stated below shall be understood to limit the indemnity for all loss or damage covered by this Endorsement during a consecutive period of 168 hours.

The aggregate liability of the Insurers during the period of cover of this Policy shall be limited by twice the limit of indemnity any one occurrence.

Limit of indemnity: AS PER POLICY any one occurrence

Deductible: AS PER POLICY any one occurrence

002 CROSS LIABILITY

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

- loss of or damage to items insured or insurable under Section 1 of the policy, even if not recoverable due to an excess or any limit,
- fatal or non-fatal injury or illness of employees or workmen who are or could have been insured under workmen's compensation and/or employers' liability insurance.

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

003 MAINTENANCE VISITS

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, this insurance shall be extended for the maintenance period specified hereunder to cover solely loss of or damage to the contract works caused by the insured contractor(s) in the

course of the operations carried out for the purpose of complying with the obligations under the maintenance provisions of the contract.

Maintenance cover : AS PER POLICY

004 EXTENDED MAINTENANCE

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, this insurance shall be extended for the maintenance period specified hereunder 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 of complying with the obligations under the maintenance provisions of the contract,
- occurring during the maintenance period provided such loss or damage was caused on the site during the erection period before the certificate of completion for the lost or damaged section was issued.

Maintenance cover : AS PER POLICY

005 TIME SCHEDULE

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the following shall apply to this insurance:

The construction and/or erection time schedule together with any other statements made in writing by the Insured for the purpose of obtaining cover under the policy as well as technical information forwarded to the Insurers is deemed to be incorporated herein.

The Insurers shall not indemnify the Insured in respect of loss or damage caused by or arising out of or aggravated by deviations from the construction and/or erection time schedule exceeding weeks, unless the Insurers had agreed in writing to such a deviation before the loss occurred.

006 OVERTIME, NIGHT WORK, AND EXPRESS FREIGHT (LIMIT : AS PER SCHEDULE)

It is agreed and understood that otherwise subject to the terms, exclusions provisions conditions contained in the policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, this insurance shall be extended to cover extra charges for overtime, night work, work on public holidays and express freight (excluding airfreight). Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under the policy.

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

007 AIRFREIGHT (LIMIT : AS PER SCHEDULE)

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, this insurance shall be extended to cover extra charges for airfreight.

Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under the policy.

Provided further that the amount payable under this Endorsement in respect of airfreight shall not exceed AS PER POLICY during the period of insurance.

Deductible: 20% of the indemnifiable extra charges, minimum AS PER POLICY any one occurrence.

008 STRUCTURES IN EARTHQUAKE ZONES

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, damage or liability arising out of earthquake if the Insured proves that the earthquake risk was taken into account in design according to the official building codes valid for the site and that the qualities of material and workmanship and the dimensions on which the calculations were based were adhered to.

009 EARTHQUAKE

It is agreed and understood that otherwise subject to the terms, exclusions, provisions conditions contained in the policy or endorsed thereon, the Insurers shall not indemnify the Insured for loss, damage or liability directly or indirectly caused by or resulting from earthquake.

010 FLOOD AND INUNDATION

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 by or resulting from flood and inundation.

011 SERIAL LOSSES

It is agreed and understood that, otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the following clause shall apply to this insurance:

Loss or damage due to faulty design, defective material or casting, or bad workmanship (other than faults in erection) arising out of the same cause to machines or equipment of the same type or design shall be indemnified after applying the Policy deductible for each loss according to the following scale:

- 100 % of the first loss
 - AS STATED IN POLICY % of the second loss
 - AS STATED IN POLICY % of the third loss
 - AS STATED IN POLICY % of the fourth loss
 - AS STATED IN POLICY % of the fifth loss
- Further losses shall not be indemnified.

012 WINDSTORM OR WIND-RELATED WATER DAMAGE

It is agreed and understood that, notwithstanding the terms, exclusions, provisions and conditions of the Policy or any Endorsements agreed upon, the Insurers shall not indemnify the Insured for loss or damage or liability directly or indirectly caused by or resulting from windstorm equal to or exceeding grade 8 on the Beaufort Scale (mean windspeed exceeding 62 km/h) or any water damage occurring in connection with or as a consequence of such windstorm.

013 PROPERTY IN OFF-SITE STORAGE

It is agreed and understood that, notwithstanding the terms, exclusions, provisions and conditions of the Policy or any Endorsements agreed upon and subject to the Insured having paid the agreed extra premium, Section I of the Policy shall be extended to cover loss or damage to property insured (except property being manufactured, processed or stored at the manufacturer's, distributor's or supplier's premises) in off-site storage within the territorial limits as stated below.

The Insurers shall not indemnify the Insured for loss or damage caused by the failure to take generally accepted loss prevention measures for warehouses or storage units. Such measures shall include, in particular :

- ensuring that the storage area is enclosed (either a building or at least fenced in), guarded, protected against fire, as appropriate for the particular location or type of property stored.
- separating the storage units by fire-proof walls or by a distance of at least 50 meters;
- positioning and designing the storage units in such a way as to prevent damage by accumulating water or flooding due to rainfall or by a flood with a statistical return period of less than 20 years;
- limiting the value per storage unit.

Territorial limits of : AS PER SCHEDULE
Maximum value per storage unit : AS PER SCHEDULE

119 EXISTING PROPERTY

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, Section 1 of this insurance shall be extended to cover loss of or damage to the Principal's existing property or property belonging to or held in care, custody or control by the Insured.

Insured property AS PER SCHEDULE
Sum insured: AS PER SCHEDULE

The Insurers will only indemnify the Insured for loss of or damage to the insured property provided that prior to the commencement of construction its condition is sound and the necessary safety measures have been taken.

In respect of loss or damage caused by vibration or by the removal or weakening of support Insurers will only indemnify the Insured for loss damage as a result of a total or partial collapse of the insured property, and not for superficial damage which neither impairs the stability of the insured property nor endangers its users.

- 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
- the costs of loss prevention or minimization measures which becomes necessary during the period of insurance.

Deductible: AS PER POLICY

120 VIBRATION,REMOVAL OR WEAKENING OF SUPPORT

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

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

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

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

Limit of indemnity (any one occurrence): AS PER POLICY

Total limit of indemnity: AS PER POLICY

Deductible: AS PER POLICY

121 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

- for replacing or rectifying piles or retaining wall elements
 - * which have become misplaced or misaligned or jammed,
 - * which are lost or abandoned or damaged during driving or extraction or
 - * which have become obstructed by jammed or damaged piling equipment or casings;
- for rectifying disconnected or declutched sheet piles;
- for rectifying any leakage or infiltration of materials of any kind;
- for filling voids or for replacing lost bentonite;
- 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;
- 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.

200 COVER OF MANUFACTURER'S RISK

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

"c all costs related to repair and/or replacement of parts and/ or items directly affected by faulty design, defective material or casting, bad workmanship other than faults in erection, which the Insured would have incurred for rectifying the original fault had such fault been discovered before the loss occurred,"

This Endorsement does, however, not apply to parts and items of civil engineering sections.

201 GUARANTEE COVER

It is agreed and understood that otherwise subject to the terms, exclusions, provisions conditions contained in the policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, this insurance shall be extended for the guarantee period specified hereunder to cover solely loss of or damage to the insured items resulting from faults in erection, faulty design, defective material or casting, and/or bad workmanship, but excluding the costs the Insured would have incurred for rectifying the original fault had such fault been discovered before the loss occurred.

This extension shall not cover any loss or damage arising directly or indirectly from or in connection with fire, explosion and/or any Acts of God nor shall it cover any third party liability. Guarantee cover from As Per Policy to As Per Policy

Deductible: 20% of the loss amount, minimum As Per Policy any one occurrence.

202 COVER OF CONSTRUCTION / ERECTION MACHINERY

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 cover under Section 1 of the Policy shall be extended to include loss of or damage to the construction/erection machinery mentioned in the attached list of machinery, excluding however.

- loss or damage due to electrical or mechanical breakdown, failure, breakage or derangement, freezing of coolant or other fluid, defective lubrication or lack of oil or coolant, but if as a consequence of such breakdown or derangement an accident occurs causing external damage, such consequential damage shall be indemnifiable,
- loss of or damage to vehicles licensed for general road use or waterborne vessels or aircraft.

The sums insured on construction/erection machinery shall be their replacement values, which shall mean the cost of replacement of each insured item by a new item of the same kind and the same capacity.

Deductible: 20% of the loss amount, minimum As Per Policy any one occurrence.

Sum insured: As Per Policy

203 EXCLUSION CONCERNING USED MACHINERY

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 of or damage to the insured used items

- attributable to previous operation,
- attributable to dismantling (if dismantling is not covered),
- in respect of any non-metallic parts.

204 SPECIAL CONDITION 1 FOR HYDROCARBON PROCESSING INDUSTRIES

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

As from the introduction of any hydrocarbons into the plant

1. a deductible of as per policy for Section 1 of the policy is applicable, which shall also apply in case of fire and explosion damage,
2. the Insurers shall not be liable for loss of or damage to
 - a. catalysts unless included by endorsement,
 - b. reforming units due to overheating or cracking of any tubes,
 - c. the insured plant due to overheating or cracking following an exothermic reaction,
 - d. the insured plant due to the prescribed techniques not being followed on purpose or due to the cutting out of safety devices, as well as for any liability therefrom.

205 SPECIAL CONDITION 2 FOR HYDROCARBON PROCESSING INDUSTRIES

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, lit a of para 2 under Special Conditions 1 for Hydrocarbon premium, lit. a of para 2 under special Condition 1 for Hydrocarbon Processing Industries shall be replaced by the following wordings :

"catalysts unless such loss or damage is caused by an indemnifiable loss of or damage to the Insured plant and/or apparatus,"

206 FIRE-FIGHTING FACILITIES

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 or damage resulting directly or indirectly from fire and/or explosion if the following requirements are fulfilled:

1. Adequate fire-fighting equipment and extinguishing agents of sufficient capacity must always be available at the site and ready for immediate use.
2. A sufficient number of workmen must be fully trained in the use of such equipment and must be available for immediate intervention at all times.
3. If storage of material for the construction or erection of the contract works is necessary, storage must be subdivided into storage units not exceeding the equivalent value of as per policy per storage unit. The individual storage units must either be at least 50 m apart or separated by fire-proof walls. All inflammable material (such as shuttering material not fitted for concreting, litter, etc) and especially all inflammable liquids and gases must be stored at a sufficiently large distance from the property under construction or erection any hot work.
4. Welding, soldering or the use of an open flame in the vicinity of combustible material is only permitted if at least one workman suitably equipped with extinguishers and well trained in fire-fighting is present.
5. At the beginning of testing all fire-fighting facilities designed for the operation of the plant must be installed and serviceable.

207 CAMPS AND STORES

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, damage or liability indirectly or directly caused to camps and stores by fire, flood or inundation if these camps and stores are located above the highest water level recorded anywhere on the site during the last 20 years and the individual storage units are either at least 50 m apart or separated by fire walls.

It is also agreed that the Insurers shall indemnify the Insured for any one occurrence only up to a limit of indemnity of

As Per Policy for camps,

As Per Policy for each individual storage unit.

208 UNDERGROUND CABLES AND PIPES

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 in respect of loss of or damage to existing underground cables and/or pipes or other underground facilities if, prior to the commencement of works, the Insured has inquired with the relevant authorities about the exact position of such cables, pipes or other underground facilities.

The indemnity shall in any case be restricted to the repair costs of such cables, pipes or other underground facilities, any consequential damage being excluded from the cover.

103/209 CROPS, FORESTS AND 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.

211 NUCLEAR FUEL ELEMENTS

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, this insurance shall be extended to cover nuclear fuel elements according to the conditions outlined below.

1. Definition
A fuel element consists of
 - fuel material (fissionable, fertile, compounding and alloying material).
 - fuel cladding,
 - support structure.
2. Period of cover
This cover shall exist only for as long as the Policy is in force and shall commence following unloading at the erection site and end after each fuel element has been placed in its position in the reactor pressure vessel.

If the average duration of this cover exceeds AS PER POLICY months, the Insured shall apply to the Insurers for an extension

3. Indemnification

In the case of loss or damage, all the expenses for the repair of the material loss or damage after applying the deductible shall be indemnified. These expenses include for instance:

- a. costs of extracting the fuel from the damaged fuel elements, and of its inspection and storage;
- b. costs of repairing or replacing the fuel cladding and the support structure;
- c. costs of reprocessing damaged fuel material;
- d. costs of replacing lost or damaged fuel material;
- e. costs of the assembly of fuel material, fuel cladding and support structure to form fuel elements;
- f. transportation and insurance charges, including costs of obtaining the necessary import and transport permits.

In no case shall the indemnification for any one damaged fuel element be higher than the proportionate sum insured for such element.

4. Deductible any one loss AS PER POLICY

5. The premium for this extra cover shall be AS PER POLICY % pa applied to the actual value of the fuel elements insured. The actual value of the fuel element is:

Date	Fuel Weight (t)	Actual Value
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AS PER POLICY

212 COVER OF COST FOR DECONTAMINATION

It is agreed and understood that otherwise subject to the terms, exclusions and conditions contained in the Policy or endorsed thereon, and subject to the Insured having paid the agreed extra premium, this insurance shall be extended to cover the extra cost for decontaminating items which have become radioactive in the normal course of operation and which have been affected by an indemnifiable loss under the Policy.

This cost of decontamination includes e.g.

- a. expenditure incurred before it becomes possible to repair the damage proper, e.g. costs for decontaminating components exposed to ionizing radiation within the course of normal operation;
- b. expenditure incurred in order to make the damaged item(s) accessible, e.g. for removing and replacing shields and protective walls;
- c. expenditure incurred for the purpose of protecting the personnel repairing the damage, e.g. for protective clothing, work breaks, or limitation of the exposure to radiation, etc;
- d. additional expenditure incurred because the damaged item(s) cannot be repaired and must be replaced owing to contamination which arose during normal operation;
- e. expenditure for such tests, checks and acceptance surveys as are obligatory after a loss has been repaired;
- f. expenditure for removing and disposing of radioactive debris

The total indemnity payable under this Endorsement shall, however not exceed the amount of AS PER POLICY for any one accident.

The specified limit shall not apply, however, to the cost of conventional repair of the affected item(s) covered under Section 1 of the Policy.

352/213 COVER OF REACTOR PRESSURE VESSEL WITH INTERNALS

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, this insurance shall be extended to cover the reactor pressure vessel and its internals (with the exception of fuel and absorber elements). No distinction shall be made between cost of conventional repair and cost due to decontamination. The total indemnity payable under this Endorsement shall not exceed the amount of AS PER POLICY for any one accident.

The external limits of the reactor pressure vessel are defined as shown in the attached drawing No As Per Policy.

FUEL ELEMENTS i.e. fuel material fissionable, fertile, compounding and alloying material), fuel cladding as well as associated support structures.

ABSORBER ELEMENTS i.e. shut-down rods, control rods and shim rods as well as associated structural material.

214 EXCLUSION OF LOSS OF DAMAGE DUE TO SUBSIDENCE

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 be liable to indemnify the Insured in respect of loss or damage due to subsidence if caused by insufficient compacting or improvement of subsoil or due to incorrect or insufficient piling.

217 OPEN TRENCHES DURING LAYING OF PIPELINES, DUCTS AND CABLES

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers will indemnify the Insured for any loss or damage due to storm, rain, flood, inundation such as sanding, silting up, mudding up, erosion, collapse and floating up of pipes, ducts or cables, sustained by completely or partly excavated open trenches and/or items laid therein, up to a maximum length of AS PER POLICY km open trench any one loss event.

The Insured shall make sure that plugging facilities are available near the pipe ends for emergency purpose and that pipe ends exposed to flooding are plugged before any interruption during idle work periods such as night and holidays.

218 COVER OF LEAK SEARCH COSTS WHEN LAYING PIPELINES

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 indemnify the Insured also for the following items under this Policy:

- a. Leak search costs following a hydrostatic test (including the cost of leasing special apparatus, cost of operation and transport of such apparatus);
- b. Earthwork on a trench not damaged in itself, such earthwork becoming necessary in the search for and repair of leaks, e.g. excavation, uncovering of the pipeline, backfilling; provided that
 - the leak has been caused by an indemnifiable event or is attributable to faulty execution on the site, and
 - AS PER POLICY % of the welding seams have been X-rayed and any deficiencies discovered thereby have been removed properly.

Indemnity shall be limited in the aggregate to:

AS PER POLICY per testing section
AS PER POLICY during one policy period

Costs caused by faulty repair of welding seams shall be excluded from the cover.

219 CONDITIONS FOR HORIZONTAL DIRECTIONAL DRILLING OF PIPELINE ROUTES BELOW RIVERS, RAILWAY EMBANKMENTS, STREETS, ETC.

It is agreed and understood that otherwise subject to the terms, exclusions, conditions and provisions contained in the Policy or endorsed thereon, the Insurers will indemnify the Insured up to the sum insured or limit of indemnity indicated below for damage arising during horizontal directional drilling operations below rivers, railway embankments motorways, etc., only if a soil analysis (soil samples, test borings, sieve analyses, etc.) required for proper drilling operations in accordance with latest technical standards has been carried out prior to the commencement of work and if the contractor is familiar with the drilling technique.

It is further agreed and understood that the Insurers shall not indemnify the Insured for losses or damage caused by or resulting from

- missing the target point of the drilling, deviations from the scheduled direction;
- loss of or change in the drilling mud (e.g. bentonite);
- damage to the outer insulation of pipeline in the area horizontal directional drilling.

Sum Insured 1* (drilling costs +at material value of pipeline to be drawn in + value of drilling equipment)

Limit of indemnity per drilling ; AS PER SCHEDULE

Deductibles : AS PER SCHEDULE

1*In the event of a loss, the S/Insured shall be reduced by the amount paid as indemnity. Reinstatement of the S/Insured ay be necessary.

C024/220 INLAND TRANSIT

It is agreed and understood that, otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, Section 1 of this insurance shall be extended to cover loss of or damage to locally supplied property insured

- whilst in transit to the contract site other than on waterway or by air within the territorial limits of AS PER POLICY,
- caused as a result of collision, impact, flood, earthquake, inundation, landslide or rockslide, subsidence, burglary or fire,
- provided that the insured property is suitably packed and/or prepared for transit which shall also be deemed to include stowage,
- and provided that the maximum amount payable under this Endorsement shall not exceed amount stated in the policy per conveyance.

If offsite storage, however, is necessary, Endorsement 206 and 207 shall be applied additionally.

Total value of locally supplied property: AS PER POLICY

Deductible: AS PER POLICY

221 SPECIAL CONDITIONS CONCERNING SAFETY MEASURES WITH RESPECT TO PRECIPITATION, FLOOD AND INUNDATION

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, damage or liability caused directly or indirectly by precipitation, flood or inundation if adequate safety measures have been taken in designing and executing the project involved.

Adequate safety measures shall mean that allowance is made for precipitation, flood and inundation up to a return period of 20 years for the location insured and the entire policy period on the basis of the statistics prepared by the meteorological agencies.

Loss, damage or liability resulting from the Insured's not immediately removing obstructions(e.g. sand, trees)from watercourses within the construction site, whether carrying water or not, in order to maintain free waterflow shall not be indemnifiable.

222 EXCLUSION OF LOSSES, DAMAGE OR LIABILITIES ARISING FROM HORIZONTAL DIRECTIONAL DRILLING

It is agreed and understood that otherwise subject to the terms, exclusions, conditions and provisions in the Policy or endorsed thereon, the Insurers will not indemnify the Insured for losses, damages or liabilities which have been caused

- or result directly or indirectly from horizontal directional drilling;
- regarding the pipelines themselves in the area of routes created by horizontal directional drilling.

PAY PAYMENT ON ACCOUNT CLAUSE

It is hereby declared and agreed that in the event of an occurrence of a loss or damage under this Policy and subject to the Insured complying with the claims conditions of this Policy, the Company will make payment on account in respect of such in respect of such loss to the Insured if desired.

PLA PLANT CLAUSES (APPLICABLE TO SECTION II)

It is hereby declared and agreed that this policy extends to cover all plant, vehicles, cranes, power hoisting machineries and lift owned and/or operated by the insured and/or contractors and sub-contractors, but in regard to any vehicle that is subject to the relevant Motor Vehicle insurance (Third Party Risks) Ordinance, the cover provided by this policy shall be limited to whilst at work site as specified in the policy and liability of the Company shall then be only in excess of any amount of indemnity recoverable under the more specific motor policy as applicable.

PDC PLANS AND DOCUMENTS

Notwithstanding anything herein contained to the contrary the Insurance hereby is extended to indemnify the Insured against the necessarily incurred costs of re-writing or redrawing of plans and drawings or other contract document lost, destroyed or damaged as a result of a peril insured hereunder wherever or whenever such loss, destruction or damage shall occur. Such indemnification shall however be limited to:

- a) a maximum amount of as stated on the schedule any single occurrence or series of occurrences arising out of any one event.
- b) the cost of labour expended in such re-writing or re-drawing including all necessary overtime working or research.

C025 APPROVED ADJUSTER CLAUSE

It is hereby agreed that in the event of a loss, the following adjusters (as stated in the schedule) have been approved to investigate the accident. Company(s) have authorised the insured and/or the broker to appoint any of the approved adjusters (as stated in the schedule) to investigate the loss and report to the Company(s), broker and/or the insured on their findings within a reasonable time.

Subject otherwise to the terms and conditions of the policy.

C091 MATERIALS AND ITEMS SUPPLIED BY PRINCIPAL

This clause provides extension to the Certificate to cover materials equipment and/or any other items supplied or installed by the Principal for the purpose of the contract works.

Important Notice

The Financial Mediation Bureau (FMB) and BNM's Customer Services Bureau (CSB) provide alternative avenues for members of the public to seek redress against unfair market practices.

PROCEDURE FOR COMPLAINT TO FMB

Any Policyholder who is not satisfied with the decision of the senior management of an Insurance Company, may write to the "Mediator, Insurance Division of FMB", giving details of the dispute, the name of the Insurance Company and the Policy number.

Copies of the correspondence between the Policyholder and the Insurance Company may be sent to facilitate tracing the case file kept by the Insurance Company.

If the Mediator makes an award against an Insurance Company, the Policyholder is required to inform the Mediator whether he accepts the award within fourteen (14) days, so that the Insurance Company can be informed of the Policyholder decision.

There is no appeal procedure within the FMB. If the Policyholder does not want to accept the award, he may reject the decision of the Mediator and he is free to institute Court proceedings against the Insurance Company or refer it to Arbitration.

The FMB is not responsible for handling payment following the decision of the Mediator. The Insurance Company when informed of the acceptance of the award is required to remit the amount direct to the claimant within thirty (30) days.

At present, there is no fee or charge for the services provided by FMB.

The contact address is as follows:

FINANCIAL MEDIATION BUREAU (FMB)

Tingkat 25, No. 4

Jalan Sultan Sulaiman

50000 Kuala Lumpur.

Tel : 03 - 2272 2811

Fax : 03 - 2274 5752

Website : www.fmb.org.my

PROCEDURE FOR COMPLAINT TO CSB

Any policyholder or claimant who is not satisfied with the conduct of the Insurance Company may write to CSB, giving details of the complaint, the name of Insurance Company and Policy number or the Claim number.

Copies of the correspondence (if any) between the Policyholder or the Claimant and the Insurance Company may also be sent to facilitate tracing the case file kept by the Insurance Company.

The contact details are as follows:

The Manager

CUSTOMER SERVICES BUREAU (CSB)

Insurance Regulation Department

Bank Negara Malaysia (BNM)

P. O. Box 10922

50929 Kuala Lumpur

Tel : 03 – 2698 8044 Extn. 8540

Faks : 03 – 2694 5986

Website : www.bnm.gov.my

Our Commitment To High Standard Of Customer Service

We do everything We can to ensure that You receive the high standard of service You expect. If We fall below these standards, or You are unhappy with Our service, please write to Our Head of Feedback Centre who will ensure that Your feedback is dealt with instantly.

The address is:

Head, Feedback Centre, 19 Floor, Tower C, Dataran Maybank, No. 1, Jalan Maarof, 59000 Kuala Lumpur.

Alternatively, you can fax your feedback to:

T+603 2297 3888

F+603 2297 3800

E info@etiqa.com.my

www.etiqa.com.my

Etiqa Online **1300 13 8888**

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Etiqa Online 1300 13 8888

Ahli Kumpulan 