

CONTRACTOR'S ALL RISKS INSURANCE POLICY

WHEREAS the Insured by a Proposal and Declaration which shall be the basis of this Policy and be deemed to be incorporated herein has applied to the Insurers for the insurance hereinafter contained

NOW THIS POLICY WITNESSETH that in consideration of the Insured having paid to the Insurers the Premium stated in the Schedule

THE INSURERS HEREBY AGREE subject to the terms, exceptions, limits and conditions contained herein or endorsed that if during the Period of Insurance or during any further period in respect of which the Insured shall have paid and the Insurers shall have accepted the premium required any part of the property insured shall be lost, destroyed or damaged as referred to in Section I hereof or the Insured shall incur legal liability as referred to in Section II hereof the Insurers will indemnify the Insured as provided hereinafter.

GENERAL EXCEPTIONS

1. This insurance does not cover any loss, destruction, damage or liability directly or indirectly occasioned by or through or in consequence of
 - (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 proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power
 - (c) the act of any person acting on behalf of or in connection with any organization with activities directed towards the overthrow by force of the Government de jure or de facto or to the influencing of it by terrorism or violence
 - (d)
 - (i) permanent or temporary dispossession resulting from confiscation, nationalisation, commandeering or requisition by any lawfully constituted authority
 - (ii) permanent or temporary dispossession of any building resulting from the unlawful occupation of such building by any person

provided that the Insurers are not relieved of any liability to the Insured in respect of physical damage to the property insured occurring before dispossession or during temporary dispossession which is otherwise covered by this Policy.

In any action, suit or other proceeding where the Insurers allege that by reason of the provisions of Exceptions (a), (b) and (c) 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.

2. This insurance does not cover
 - (a) any accident or any loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
 - (b) any legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this exception combustion shall include any self-sustaining process of nuclear fission.

3. The indemnity provided by this Policy shall not apply to or include any accident, loss, destruction, damage or legal liability or indirectly caused by or contributed to by or arising from nuclear weapons material.

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4. This insurance does not cover any loss, damage or liability caused by any willful act or willful negligence of the Insured or of his representatives.

THE CONDITIONS

1. This Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear such meaning wherever it may appear. The expression "Conditions of the Contract" shall mean the conditions stipulated by the Principal and agreed by the Insured Contractor(s) in connection with the Contract.
2. The Insured shall take all reasonable precautions in the selection of labour and for the safety of the property insured and shall at all times maintain in efficient condition all plant, machinery and equipment used in connection with the Contract. The Insured shall also take and cause to be taken all reasonable precautions to prevent accidents and shall ensure that all plant, machinery and equipment requiring inspection under any statute or order shall be so inspected.

The Insurers' representatives shall have access to the Contract Works at all reasonable times and have the right to examine any plant, machinery and equipment used in connection with the Contract Works.

3. The Insured shall
 - (a) immediately upon having knowledge of any event giving rise or likely to give rise to a claim under the Policy, give notice in writing thereof to the Insurers and at his own expense as soon as practicable supply such particulars as may reasonably be required by the Insurers
 - (b) send to the Insurers immediately on receipt any writ, summons or other proceedings which may be commenced against the Insured
 - (c) give to the Insurers all information and assistance to enable them to settle or resist any claim or institute proceedings

In no case shall the Insurers be liable for any loss, destruction or damage not notified to them within three calendar months after the event giving rise to a claim.

In the case of property lost, stolen or willfully damaged the Insured shall immediately notify the police and render all reasonable assistance in causing the discovery and punishment of any guilty person and in tracing and recovering lost or stolen property.

The Insured shall not repudiate liability, negotiate or make any admission, offer, promise or payment in connection with any accident or claim without the written consent of the Insurers.

4. The Insurers shall be entitled if they so desire to take over and conduct in the name of the Insured the defence of any claim by a third party or to prosecute in the name of the Insured at their own expense and for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured shall give all such information and assistance as the Insurers may require.
5. In the case of liability to third parties the Insurers may so far as any accident is concerned pay to the Insured the Limit of Indemnity for any one accident (but deducting therefrom in such case any sum or sums already paid as compensation in respect thereof) or any lesser sum for which the claim or claims arising from such accident can be settled and the Insurers shall thereafter be under no further liability in respect of such accident except for the payment of costs and expenses of litigation under Section I of this Policy incurred prior to the date of the payment of such Limit of Indemnity or such lesser sum.

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6. On the happening of any damage to the property insured the Insurers may take or keep possession of such property and examine, sort, arrange, remove or otherwise deal with it or they may sell or dispose of the property for the account of whom it may concern.

The powers conferred by this Condition shall be exercisable by the Insurers at any time until notice in writing is given by the Insured that he makes no claim under the Policy or, if any claim is made, until such claim is finally determined or withdrawn and the Insurers shall not, by any act done in the exercise or purported exercise of their powers hereunder, incur any liability to the Insured or diminish their right to rely upon any of the conditions of this Policy in answer to any claim.

If the Insured or any person on his behalf shall not comply with the requirements of the Insurers or shall hinder or obstruct the Insurers in the exercise of their powers hereunder, all benefit under this Policy shall be forfeited.

The Insured shall not in any case be entitled to abandon any property to the Insurers whether taken possession of by the Insurers or not.

7. The Insured shall at the expense of the Insurers do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Insurers for the purpose of enforcing rights and remedies or for obtaining relief of indemnity from other parties to which the Insurers shall be or would become entitled or subrogated upon their paying for or making good any loss or damage or claim under this Policy, whether such acts and things shall be or become necessary or required before or after indemnification by the Insurers.
8. This insurance does not cover any loss, destruction, damage or liability which is insured by or would, but for the existence of this Policy, be insured by any other policy or policies, except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this insurance not been effected.
9. If a claim be made by or on behalf of the Insured which shall be in any respect unfounded or fraudulent or intentionally exaggerated or if any false declaration or statement be made in support thereof the claim shall not be recoverable hereunder.
10. The Insured shall within one month of the expiration of the Period of Insurance furnish to the Insurers a declaration of the actual total contract price and if such price shall differ from the original total contract price the premium shall be suitably adjusted.
11. All differences arising out of this Policy shall be referred to the decision of an Arbitrator to be appointed in writing by the parties in difference or if they cannot agree upon a single Arbitrator to the decision of two Arbitrators one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties or, in case the Arbitrators do not agree, of an Umpire appointed in writing by the Arbitrators before entering upon the reference. The Umpire shall sit with the Arbitrators and preside at their meetings and the making of an award shall be a condition precedent to any right of action against the Insurers. If the Insurers shall disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
12. The due observance and fulfillment of the terms, conditions and endorsements of this Policy by the Insured in so far as they relate to anything to be done or compiled with by him and the truth of the statements and answers in the Proposal shall be conditions precedent to any liability of the Insurers to make any payment under this Policy.

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DEFINITIONS

1. **Permanent Works**

Permanent Works shall include without limitation all permanent structures or work intended to perform a continuing function after completion and any other work contractually required to be executed and maintained in accordance with the relevant contract(s).

2. **Contract Works**

All Permanent & Temporary Works & materials belonging to the Insured or for which they are or hold themselves responsible brought onto the Contract site for the purpose of the said Contract.

3. **Construction Period**

From commencement of Contract Works on Contract site to completion of Contract(s).

4. **Maintenance Period**

Maintenance Period shall mean the period(s) as defined in the various contracts in relation to the Contract.

SECTION I - INSURANCE OF CONTRACT WORKS

The Insurers will by payment or, at their option, by repair or reinstatement indemnify the Insured in respect of loss or destruction of or damage to the property insured arising from any cause (other than as provided in the General Exceptions or in the Exceptions to this Section contained hereinafter) whilst at the Contract site.

The liability of the Insurers under this Section of the Policy shall not exceed during the currency of the Policy in respect of each Item of the Schedule the sum insured thereon or in all the Total Sum Insured except to the extent that such sum insured may be reinstated as provided thereafter.

Upon the occurrence of any loss or destruction of or damage to the property insured the sum insured in respect of the Item or Items concerned shall immediately stand reduced by the amount paid or payable under the Policy in respect of such loss, destruction or damage unless such sum insured be reinstated by the payment to the Insurers of an additional premium calculated on a pro rata basis from the date of the occurrence to the expiry of the current Period of Insurance, it being understood that the said additional premium shall be disregarded for the purpose of any adjustment of premium under Condition 10.

The Insurer's liability shall cease

- (a) in respect of any part of the Contract Works taken over or taken into use by the Principal prior to the end of the Construction Period, at the date of being so taken over or into use and
- (b) in respect of any remaining part of the Contract works, at the end of the Construction Period except that for any Contract Works taken over or taken into use by the Principal the indemnity provided by this Section shall apply during the Maintenance Period in respect of any loss, destruction or damage
 - (i) arising from a cause occurring during the Construction Period but prior to the commencement of the Maintenance Period.
 - (ii) occasioned by the Contractor in the course of any operations carried out by him for the purpose of complying with his obligations under the Conditions of the Contract.

Notwithstanding the above and terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, this insurance operates in full to indemnify the Insured in respect of loss or damage to any outstanding works which is being undertaken during the Maintenance Period.

EXCEPTIONS TO SECTION I

The indemnity expressed in this Section shall not apply to or include

1. loss or destruction of or damage to any locomotive, waterborne vessel or craft, aircraft or any mechanically propelled vehicle other than vehicles used at the Contract site and forming part of the property insured
2. loss or destruction of or damage to cash, bank notes, treasury notes, cheques, postal orders, money orders, stamps, securities, deeds, bonds, bills of exchange or promissory notes
3. loss or destruction of or damage to any plant, machinery or equipment due to its own explosion, mechanical or electrical breakdown, failure, breakage or derangement, but this exception shall not be deemed to exclude loss or destruction of or damage to (a) other property insured under this Policy or other separate parts of the plant, machinery or equipment arising as a consequence of such explosion, breakdown, failure, breakage or derangement or (b) a boiler used for domestic purposes only

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4. loss, destruction or damage (other than by fire or explosion) due to
 - (a) wear and tear, rust, mildew or deterioration
 - (b) insects, larvae or vermin of any kind
 - (c) acts of the Insured (not of his employees) which are contrary to the recognized rules of engineering or to any legislation or regulations issued by an authority
 - (d) cessation of work whether total or partial
5. (a) loss or damage due to faulty design
 - (b) the cost of replacement, repair or rectification of defective material and/or workmanship but this exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss of or damage to correctly executed items resulting from an accident due to such defective material and/or workmanship.
6. damage to tyres unless vehicle or plant is damaged at the same time
7. loss of any property by disappearance or by shortage where such loss is revealed only by the making of an inventory or a periodic stock taking
8. loss occasioned by or through or in consequence of the destruction of or damage to the property insured by order of any lawfully constituted authority
9. consequential loss of any kind or description whatsoever, including penalties, fines, loss of contracts and loss arising from delay in completing or negotiating contracts
10. loss of or damage or non-recovery of drilling accessories below ground such as but not limited to bits, drills, chisels, casing or other like terms
11. The amount(s) stated in the Excess Clause(s) in the Schedule

SECTION II - LIABILITY TO THIRD PARTIES

The Insurers will indemnify the Insured against

- (a) all sums which the Insured shall become legally liable to pay for compensation in respect of
 - (1) bodily injury to or illness of any person
 - (2) loss of or damage to propertyoccurring as a result of an accident occurring within the Territorial Limits and arising out of the performance of the Contract
- (b) in addition to the Limit of Indemnity all costs and expenses of litigation
 - (1) recovered by any claimant against the Insured
 - (2) incurred with the written consent of the Insurers in respect of a claim against the Insured for compensation to which the indemnity expressed in this Policy applies.

If any claim against the Insured exceeds the Limit of Indemnity shown in the Schedule the liability of Insurers in respect of additional legal costs and expenses shall be limited in the same proportion that the Limit of Indemnity hereunder bears to the total claim against the Insured.

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LIMIT OF INDEMNITY

The total liability of the Insurers under this Section of the Policy for all compensation payable to any claimant or any number of claimants in respect of or arising out of any one occurrence or in respect of or arising out of all occurrences of a series consequent on or attributable to one source or original cause shall not exceed the Limit of Indemnity for any one accident.

EXCEPTIONS TO SECTION II

The indemnity expressed in this Section shall not apply to or include

- (1) liability assumed by the Insured by agreement and which would not have attached in the absence of such agreement
- (2) liability in respect of
 - (a) injury to or illness of any person under a contract of service or apprenticeship with the Insured if such liability is in respect of injury or illness arising out of and in the course of the employment of such person by the Insured
 - (b) any sums payable by the Insured under legislation relating to occupational injury or illness
- (3) liability in respect of loss of or damage to property belonging to or in the charge or under the control of the Insured or of any servant or agent of the Insured
- (4) liability in respect of damage to any property or land or building caused by vibration or by the removal or weakening of support or injury or damage to any person or property occasioned by or resulting from any such damage
- (5) liability in respect of injury, illness, loss or damage caused by or in connection with or arising from
 - (a) the use of any mechanically propelled vehicle which when the accident giving rise to the liability occurred was required to be insured by any provisions of any legislation relating to the compulsory insurance of motor vehicles or the use thereof
 - (b) the ownership or possession or use by or on behalf of the Insured of any locomotive, aircraft or waterborne vessel or craft
 - (c) marine liabilities of whatever kind or nature
- (6) liability in respect of loss of or damage to property caused by or in connection with or arising from the bursting of any pressure part of
 - (a) any steam boiler or any economizer
 - (a) any vessel or apparatus intended to operate under steam pressure
- (7) liability arising out of technical or professional advice given by the Insured or any person acting on behalf of the Insured
- (8) the amount(s) stated in the Excess Clause(s) in the Schedule
- (9) Any judgements which are not in the first instance delivered by or obtained from a Court of competent jurisdiction within the Republic of Singapore nor to orders obtained in the said Court for the enforcement of judgements made outside Singapore whether by way of reciprocal agreements or otherwise.

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CLAUSES APPLICABLE TO SECTION I

MEMORANDUM A

It is hereby noted and agreed that the Operative Clause under Section 1 is amended to read as “any physical loss or damage not otherwise excluded”.

COVER OF EXTRA CHARGES FOR AIRFREIGHT

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, this insurance shall be extended to cover extra charges for airfreight.

Provided always that such extra charges shall be incurred in connection with any loss of damage to the insured items recoverable under the Policy.

Provided further that the maximum amount payable under this Clause in respect of airfreight shall not exceed the amount stated during the Period of Insurance.

Maximum amount payable: S\$_____

Excess: _____% subject to minimum S\$_____ any one occurrence

CLAIM PREPARATION COSTS (LIMIT: S\$ _____)

It is hereby understood and agreed that the indemnity under Section I of this Policy shall be extended to include reasonable costs and expenses incurred by the Insured with the Insurer(s) consent in the preparation of claims for the damage for which indemnity is provided by this Section.

COVER FOR DESIGNER'S RISK

It is agreed_ and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, exclusion (5) replaced by the following wording:

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

DEWATERING CLAUSE

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

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

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However, this insurance shall be extended to pay for dewatering expenses if the loss or damage arises from proviso 3 above, notwithstanding the standby facilities provided on the site. The sub-limit shall not exceed S\$100,000 for the duration of the Policy and is subject to an excess of S\$_____ each and every occurrence.

For the purpose of this Endorsement standby facilities shall mean standby pumping well, standby pumps and back up power supply kept on the site at all times. Furthermore, such facility shall:

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

COVER OF EXTRA CHARGES FOR OVERTIME NIGHT WORK ON PUBLIC HOLIDAYS

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

Provided always that such extra charges shall be 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 Clause for such extra charges shall be reduced in the same proportion.

Limit of indemnity any one occurrence: S\$_____

EMPLOYEES PERSONAL EFFECTS AND TOOLS

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

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

Insurer (s) shall not be liable for

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

ESCALATION CLAUSE

If during the Period of Insurance the actual contract price shall be in excess of the estimated contract price then the sum insured on Item 1 shall be increased by the amount of such excess but not exceeding in all ____% of the sum insured on Item 1 as shown in the Schedule.

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FIRE EXTINGUISHING COSTS

It is hereby declared and agreed that notwithstanding anything in the within policy contained to the contrary, but subject to the Provisos hereinafter contained, the insurance under this Policy extends to include:-

“The cost of replenishment of Fire Fighting Appliances (including employees’ personal effect and clothing) unless otherwise specifically insured.”

provided always that the liability of the Company in respect of such costs shall be limited to those necessarily and reasonably incurred in extinguishing fires at or adjoining the situation of the property insured by this Policy or immediately threatening to involve such property and shall in no case exceed the sum of S\$_____

FREE ISSUE MATERIALS

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

GROUND SUBSIDENCE

Without prejudice to the cover provided under Section II in respect of legal liability for loss of destruction or damage to third party property the cover provided under Section I shall extend to include the cost of reinstating and/or consolidating subsidence or collapse of ground or surfaces surrounding the works whether on or off site in consequence of loss of destruction or damage to works or temporary works insured under this Section.

INLAND TRANSIT

This Policy extends to cover inland transit anywhere within the Republic of Singapore and including whilst in transit by watercraft within the territorial limits of Singapore subject to a limit of S\$_____ any one conveyance

LOSS PAYEE

Loss if any payable under this Policy shall be paid to the Principal/Employer as their interest may appear whose receipt will be a valid discharge.

LOSS PERIOD LIMITATION CLAUSE (72 HOURS)

It is hereby declared and agreed that any loss of or damage to the insured property arising during any one period of 72 consecutive hours caused by storm, tempest, flood or earthquake and volcano eruption shall be deemed as a single event and therefore to constitute one occurrence or accident with regards to the excesses herein.

For the purpose of the foregoing, the commencement of any such 72 hours period shall be decided at the discretion of the Insured, it being understood and agreed, however, that there shall be no over-lapping in any two or more such 72 hours period in the extend of damage occurring over a more extended period of time.

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MARINE CARGO INSURANCE (50/50)

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

Where the packing of goods manifests no sign of damage at arrival, any damage to the goods which subsequently becomes manifest upon their unpacking within the period allowed will be ascribed to the Marine cover or this Policy according to whether it clearly was caused before or after arrival of the goods at the Contract site. Where it is not possible to establish whether the damage was caused before or after arrival of the goods at the Contract site, it is agreed that the Insurers shall contribute 50% of the properly adjusted claim, such contribution to be without prejudice to subsequent final apportionment of the claim as may be agreed between the Insurers and the Marine Insurer in the light of the terms and conditions of the respective policies.

It is further agreed that in the event of the amount stated the Excess Clause under this Policy being different from the Excess under the Marine Insurance Policy, in settling claims as described above, the Insurers shall deduct 50% of its appropriate Excess from its 50% share of the adjusted claim.

OFFSITE STORAGE AND FABRICATION

It is hereby declared and agreed that the Indemnity under Section I of this Policy shall include loss of or damage to the Property Insured whilst:

- (a) it is temporarily stored or fabricated

anywhere in the Republic of Singapore in connection with the Contract, subject to the Limit of S\$_____ any one location.

PARTIAL HANDOVER

It is hereby understood and agreed that in the event permanent works are put into operation by the owner before the issue to the contractor(s) the certificate(s) of completion or taking over in respect thereof full cover shall be maintained thereon for a period of 60 days or until the issue of the said certificate(s) whichever is the earlier.

Provided that the Insured shall as soon as possible give notice thereof to the insurer in order that there may be assessed and agreed any additional premium reasonably required by the insurer in compensation for the increased hazard arising out of such use and operation.

PAYMENT ON ACCOUNT CLAUSE

It is hereby declared and agreed that payments on account will be made to the Insured following a loss, if desired, on production of a statement of a claim certified by the assessor appointed by the Company.

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PLANS AND DOCUMENTS

This Policy is extended to indemnify the Insured against the necessarily incurred costs of re-writing or re-drawing of plans and drawings or other contract documents lost destroyed or damaged as a result of a peril insured hereunder wherever such loss destruction or damage shall occur.

Such indemnification shall however be limited to: -

- (a) a maximum amount of S\$_____ 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

PREVENTIVE MEASURES

It is agreed that in the event of actual or imminent physical loss or damage to the insured property under Section I of this Policy, the Company will pay the reasonable costs necessary to prevent, minimise or reduce such loss or damage. The limit of Liability under this clause shall not exceed 10% of the value of the affected items subject to a maximum of S\$_____ any one occurrence and in the aggregate.

PROFESSIONAL FEES

The insurance extends to include Architects', Consulting Engineers', Surveyors', legal and other fees and costs for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in the reinstatement consequent upon destruction or damage caused by any of the insured perils, to any of the buildings, machinery or plant insured under this Policy but not such fees for preparing any claim under this Policy.

Provided that the liability of the Company under this Clause shall in no case exceed 10% of the sum insured in respect of the item involved unless otherwise stated in the Schedule, nor, in all, the total policy sum insured specified in the Schedule.

PUBLIC AUTHORITIES

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

- 1) The amount recoverable under this extension shall not include: -
 - (a) the cost incurred in complying with any of the aforesaid Regulations or Bye-Laws: -
 - (i) in respect of destruction or damage occurring prior to the granting of this extension
 - (ii) in respect of destruction or damage not insured by the Policy
 - (iii) under which notice has been served upon the Insured prior to the happening of the destruction or damage
 - (iv) in respect of undamaged property or undamaged portions of property

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

REINSTATEMENT OF LOSS CLAUSE

Notwithstanding the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, in the event of any loss covered by this Policy and in the absence of written notice by the Company on the Insured to the contrary, the amount of insurance cover reduced by such loss will be automatically reinstated as from the date of the loss provided the Insured pays the appropriate additional premium computed from the date of the loss to the expiry of the Period of Insurance.

REMOVAL OF DEBRIS CLAUSE

The insurance by this Policy extends to include costs and expenses necessarily incurred with the consent of the Company in: -

- (i) removing debris
- (ii) dismantling and/or demolishing
- (iii) shoring up or propping
- (iv) effecting temporary repairs

of the proportion or portions of the property insured by this Policy (including the Insured's legal liability for the cost of removal of debris, dismantling, demolishing, or repairing adjoining premises on the site) destroyed or damaged by fire or lightning or other peril insured against by this Policy.

Provided that: -

- (a) such cost or expenses is not recoverable under any other policy of insurance
- (b) the liability of the Company under this Clause shall in no case exceed 5% of the contract value of the involved unless otherwise stated in the Schedule, nor, in all, the total policy sum insured specified in the Schedule.
- (c) The indemnity provided by this Clause shall not include costs of removing, nullifying or cleaning-up seeping, polluting or contaminating substances.

COVER FOR LOSS OR DAMAGE DUE TO STRIKE RIOT & CIVIL COMMOTION

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, this Policy shall be extended to cover loss or damage due to riot, strike and civil commotion which for the purpose of this Clause 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 disturbances 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 willful act of any striker or locked-out worker done 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 insofar 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 Clause had not been made thereon.

Special Conditions

1. This insurance does not cover
 - a. loss or damage resulting from total or partial cessation of work or retarding or 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.

Provided nevertheless that the Company 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 does 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 of violence.

SPECIMEN

In any action, suit or other proceeding, where the Company 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 Company on notice to that effect being given by registered post to the Insured's last known address, in which case the Company shall be liable to repay a rateable proportion of the premium for the unexpired term from the date of cancellation.

TEMPORARY REPAIRS CLAUSE

It is hereby declared and agreed that this Policy is extended to cover temporary repairs cost reasonably incurred for the safety and protection pending repair and/or replacement of the damage of the Insured interests.

TEMPORARY WORKS CLAUSE

The insurance provided under this Policy on temporary works shall be deemed to include but not limited to timbering, scaffolding, formwork, supporting steel frame work, steel struts protection work, steel decking, temporary bridge, temporary pier, temporary buildings, conveyance belt, communication facility, lighting installations, workmen's quarters, stores, site-offices and other temporary works.

TESTING AND COMMISSIONING OF MACHINERY

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

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

It is further agreed and understood that for the machinery and installations undergoing a test, exclusions 5(a) and 5(b) of the Exclusions to Section 1 of the Policy are deleted and the following exclusion shall apply:

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

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

SPECIMEN

CLAUSES APPLICABLE TO SECTION II

CROSS LIABILITY AND WAIVER OF SUBROGATION

Each of the parties comprising the Insured shall for the purpose of this section be considered as a separate and distinct unit and the words "the Insured" shall be considered as applying to each party in the same manner as if a separate policy had been issued to each of the said parties and the Insurers hereby agree to waive all rights of subrogation or action which they may have or acquire against any of the aforesaid parties arising out of any accident in respect of which any claim is made hereunder provided nevertheless that nothing in this clause shall be deemed to increase the Limit of Indemnity in respect of any one occurrence or series of occurrences as stated in the Schedule.

NON-NEGLIGENT CLAUSE RIBA 19(2)(a)

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

- (1) caused by the negligence omission or default of Contractor his servants or agents or of any sub-contractor, his servants or agents
- (2) which is recoverable under any other policy of insurance effected for the benefit of the Contractor or Principal
- (3) arising from a nuclear risk or a war risk
- (4) attributable to errors or omissions in the designing of the works
- (5) which can reasonably be foreseen to be inevitable having regard to the nature of the work to be executed or the manner of its execution.

Provided that

- (a) the liability of the Insurance under this extension in respect of all or any occurrence shall not exceed S\$_____ in the aggregate
- (b) the insurer shall not be liable for the first ____% or S\$_____ of the loss of each and every occurrence, whichever is the greater

NON-OWNED AND/OR HIRED-IN VEHICLE

This Policy is extended to cover the Insured's legal liability for death and/or bodily injury to third party and loss and/or damage to third party's property arising out of the usage of non-owned and hired vehicle and/or watercraft by the Insured in the course of their Business provided that such liability is not already insured by any other policy.

PLANT & MACHINERY

It is hereby declared and agreed that this Policy is extended to indemnify the Insured's legal liability for claims in respect of bodily injury or damage to property arising directly or indirectly out of or caused by or in connection with any plant and machinery in the physical or legal control of the Insured or used in work undertaken by or on behalf of the Insured. However, should such plant and machinery be specifically insured under any other policy for third party liability insurance or being required to be insured under any legislation, the Company will not indemnify the Insured nor be called upon to contribute under this Policy for any liability attributed to the use of such plant and machinery.

SPECIMEN

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

- i) insurers will indemnify in respect of liability for loss or damage to any property or land or building only if such loss or damage results in total or partial collapse
- ii) the Insured if required shall before the commencement of the Works and at his own expense prepare a report on the condition of any endangered property or land or building
- iii) immediately upon discovery of damage to third party property caused by vibration or by the removal or weakening of support due or alleged to be due to any operations of the Insured or any person acting on his behalf the Insured shall notify the Insurer as soon as possible and carry out whatever repairs and install additional supports to the damaged property in accordance with the Insurer's instruction

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

- a) loss or damage which is foreseeable having regard to the nature of the construction work of the manner of its execution
- b) the costs of loss prevention or minimization measures which become necessary during the period of insurance
- c) claims in respect of that part of loss or damage of any property or land or building if the loss or damage already taken place or existed prior to the commencement of the Works. The onus of proving that such loss or damage has existed prior to the commencement of the Works lies with the Insurer.

Limit of Indemnity: S\$ _____ any one occurrence/accident
Unlimited any one period

Deductible: ____% of loss subject to minimum S\$_____ each and every occurrence

CYBER RISKS EXCLUSION

It is hereby understood and agreed that this insurance shall not indemnify the Insured in respect of any claim or loss arising out of any activities and/or business conducted and/or transacted via the Internet, Intranet, Extranet and/or via the insured's own website, Internet site, web address and/or via the transmission of electronic mail or documents by electronic means.

SPECIMEN

CLAUSES APPLICABLE TO SECTIONS I & II

AUTOMATIC EXTENSION CLAUSE

Notwithstanding the dates specified in the schedule, this policy is effective automatically for any further period required by the Insured for the completion of the works, but in such a case the Insurers shall be entitled to an additional premium

CESSATION OF WORK

This Policy shall not be suspended in the event of stoppage of work by the Contractor on the Contract site from any cause for a period not exceeding 90 days.

In the event of partial or total cessation of work, the Insured shall use diligence and do all things reasonably practicable to protect the insured property.

Period of Insurance as stated above is subject to the provisions concerning the Period of Cover.

CONDITION PRECEDENT

The validity of this Policy is subject to the condition precedent that: -

- (a) for the risk insured, the named Insured has never had any insurance terminated in the last twelve (12) months due solely or in part to a breach of any premium payment condition; or
- (b) if the named Insured has declared that it has breached any premium payment condition in respect of a previous policy taken up with another insurer in the last twelve (12) months:
 - (i) the named Insured has fully paid all outstanding premium for time on risk calculated by the previous insurer based on the customary short period rate in respect of the previous policy; and
 - (ii) a copy of the written confirmation from the previous insurer to this effect is first provided by the named insured to the Company before cover incept.

EXTENDED MAINTENANCE

It is hereby understood and agreed that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon this insurance shall be extended for the maintenance period specified in the Policy to cover:

- (1) loss or damage to the contract works (Section I)
 - (a) caused by the insured contractor in the course of the operations carried out for the purpose of complying with the obligations under the maintenance provisions of the contract,
 - (b) occurring during the maintenance period provided such loss or damage was caused on the site during the construction period before the certificate of completion for the lost or damaged section was issued,
- (2) liability occurring or arising under Section II caused by the Insured Contractor in the course of the operations carried out for the purpose of complying with the obligations under the maintenance provisions of the Contract.

SPECIMEN

JURISDICTION CLAUSE

It is hereby declared and agreed that the indemnity provided by this Policy shall not apply to:

1. Compensation for damage in respect of judgment not in the first instance delivered by or obtained from a court of competent jurisdiction within the Republic of Singapore
2. Costs and Expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the Republic of Singapore

NOMINATED LOSS ADJUSTER CLAUSE

It is hereby declared and agreed that, in the event of any claim made or notified under this policy, the claim shall be surveyed, investigated and adjusted under the terms and conditions of the policy by:

Nominated Loss Adjuster: Cunningham Lindsey (S) Pte Ltd

In the event that the nominated loss adjuster has a conflict of interests and/or by mutual agreement between the insurers and Marsh, on behalf of the Insured, the following alternative firm of loss adjusters may be appointed:

Alternatives: Crawford & Company International Pte Ltd,
 or any other firm as agreed between insurers
 and Marsh, on behalf of the Insured

During weekends, public holidays, bank holidays or outside normal working hours, the Insured or Marsh is allowed to arrange for urgent surveys by any one of the above nominated loss adjusters.

PREMIUM PAYMENT WARRANTY

1. Notwithstanding anything herein contained but subject to clause 2 hereof, it is hereby agreed and declared that if the Period of Insurance is 60 days or more, any premium due must be paid and actually received in full by the Company (or the intermediary through whom this Policy was effected) within 60 days of the: -
 - (a) INCEPTION date of the coverage under the Policy, Renewal Certificate or Cover Note; or
 - (b) EFFECTIVE date of each Endorsement, if any, issued under the Policy, Renewal Certificate or Cover Note.
2. In the event that any premium due is not paid and actually received in full by the Company (or the intermediary through whom this Policy was effected) within the 60-day period referred to above, then: -
 - (a) the cover under the Policy, Renewal Certificate, Cover Note or Endorsement is automatically terminated immediately after the expiry of the said 60-day period;
 - (b) the automatic termination of the cover shall be without prejudice to any liability incurred within the said 60-day period; and
 - (c) the Company shall be entitled to a pro-rata time on risk premium subject to a minimum of SGD25.00.
3. If the Period of Insurance is less than 60 days, any premium due must be paid and actually received in full by the Company (or the intermediary through whom this Policy was effected) within the Period of Insurance.

POLITICAL RISKS EXCLUSION

This insurance does not cover loss or damage occasioned directly or indirectly by or through or in consequence of any of the following occurrences namely: -

- (i) permanent or temporary dispossession resulting from confiscation nationalization commandeering or requisition by any lawfully constituted authority
- (ii) permanent or temporary dispossession of any building resulting from the unlawful occupation of such building by any person

provided that the Company is not relieved of any liability to the Insured in respect of physical damage to the property insured occurring before dispossession or during temporary dispossession which is otherwise covered by this Policy

- (iii) the destruction of property by order of any public authority

in any action suit or other proceeding where the Company alleges that by reason of the provisions above any loss destruction or damage is not covered by this insurance the burden of proving that such loss destruction or damage is covered shall be upon the Insured.

EXCLUSION OF RIGHTS UNDER THE CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

A person who is not a party to this Policy contract shall have no right under the Contracts (Rights of Third Parties) Act to enforce any of its terms.

RADIOACTIVE EXCLUSION CLAUSE

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

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

SPECIMEN

WAR & TERRORISM EXCLUSION

The insurance by this policy excludes: -

death, disability, loss, damage, destruction, any legal liabilities, cost or expense including consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

1. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, or
2. any act of terrorism including but not limited to
 - a. the use or threat of force, violence and/or
 - b. harm or damage to life or to property (or the threat of such harm or damage) including, but not limited to, nuclear radiation and/or contamination by chemical and/or biological agents,by any person(s) or group(s) of persons, committed for political, religious, ideological or similar purposes, express or otherwise, and/or to put the public or any section of the public in fear, or
3. any action taken in controlling, preventing, suppressing or in any way relating to 1 or 2 above.

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