

# Contractors Plant Section

## Section Definitions

### Premium Adjustment

If the premium calculated on the basis agreed between **the Insurer** and **the Insured** on the declarations made for the **Period of Insurance** exceeds or falls short of the deposit then **the Insured** shall pay or **the Insurer** shall refund the difference subject to a minimum retention of 75% (seventy five percent) of the deposit or the minimum annual premium retention specified in the **Schedule** whichever is the greater.

### CESAR Scheme

The Construction Equipment Security And Registration Scheme.

### Electro Mechanical Immobiliser

A Thatcham approved and certified device for immobilising the **Property Insured** by both electronic and mechanical (fuel and/or hydraulic systems) means.

### Property Insured

#### 1. Constructional Plant

Tools tackle plant and equipment belonging to **the Insured** or for which **the Insured** is responsible under a hire purchase or lease agreement.

#### 2. Temporary Buildings

Site huts and other temporary accommodation taken to the site for the purpose of site accommodation and their contents (other than computer or other data processing equipment) belonging to **the Insured** or for which **the Insured** is responsible under a hire purchase or lease agreement.

#### 3. Other Plant and Machinery

Plant and machinery (other than **Constructional Plant** or **Temporary Buildings**) belonging to **the Insured** or for which **the Insured** is responsible under a hire purchase or lease agreement and specifically described in the **Schedule**.

#### 4. Hired In Plant

Tools tackle plant and equipment site huts and other temporary accommodation and their contents (other than computer or other data processing equipment) hired by **the Insured** and for which **the Insured** is responsible under the terms of their hiring agreement or otherwise but not plant on hire purchase or subject to a lease agreement or on free loan.

### Principal

Any party (other than a director partner or employee of **the Insured**) on whose behalf **the Insured** is undertaking work in the course of their **Business**.

### Reinstatement

- a. Where the **Property Insured** is destroyed its replacement by similar plant or property in a condition equal to but not better or more extensive than its condition when new.
- b. Where the **Property Insured** is damaged the repair of the damage to a condition equal to but not better or more extensive than its condition when new.

### Territorial Limits

Great Britain Northern Ireland the Isle of Man and the Channel Islands.

## **Thatcham 5 Star Rating System**

Installation of the following certified and Thatcham Star awarded measures:

### **First Star Category**

**CESAR Scheme** which includes vehicle identification unique numbering covert marking and data base registration

### **Second Star Category**

a unique key for each item (which may be the immobiliser key)

### **Third Star Category**

a category P2 immobiliser

### **Fourth Star Category**

perimeter security including cabs which are equipped with lockable doors and windows where present

### **Fifth Star Category**

a Category P5 anti-theft system for vehicle recovery.

## **Vicinity**

Within one mile of the situation of the **Property Insured**.

## Cover

### A. Owned Plant and Machinery

**The Insurer** will indemnify **the Insured** against loss of or damage to

- a. **Constructional Plant**
- b. **Temporary Buildings**
- c. **Other Plant and Machinery**

(or as more specifically described in the **Schedule**) while at or while in transit to or from

- i. any situation within the **Territorial Limits**

or

- ii. (where shown) any **Premises** specified in the **Schedule**.

Provided that where **Property Insured** has been loaned or hired out insurance under Cover A. Owned Plant and Machinery is conditional on the terms of the loan or hire

1. being no less onerous than Model Conditions for the Hiring of Plant approved by The Construction Plant-hire Association or The Scottish Plant Owners Association Model Conditions and
2. applying during transit to and while at the site until returned to or collected by **the Insured**.

### B. Hired In Plant

**The Insurer** will indemnify **the Insured** against legal liability under the terms of their hiring agreement or otherwise to pay

- a. compensation for loss of or damage to **Hired In Plant** while at or while in transit to and from
  - i. any situation within the **Territorial Limits**or
  - ii. (where shown) any **Premises** specified in the **Schedule**
- b. continuing hire charges as a result of loss of or damage to **Hired In Plant** for which indemnity is provided by a. above.

In addition **the Insurer** will pay all legal expenses for which **the Insured** may be liable where legal proceedings have been defended with the written consent of **the Insurer**.

Provided that the liability of **the Insurer** under Cover B. Hired In Plant for loss of or damage to **Hired In Plant** while loaned or hired out is conditional on the terms of the agreement under which the loan or hiring out takes place being no less onerous than the terms under which the **Hired In Plant** has been hired by **the Insured** unless otherwise agreed by **the Insurer**.

## Limit of Liability

### A. Owned Plant and Machinery

The liability of **the Insurer** under Cover A. Owned Plant and Machinery shall not exceed

a. the Limits of Liability shown in the **Schedule**

Provided that the liability of **the Insurer** for any individual item of **Property Insured** shall not exceed

- i. the market value of the item at the time of the loss or damage or
- ii. where the date of purchase as new was less than 24 months prior to the loss or damage and for which liability is accepted the basis upon which the amount payable is to be calculated shall be the **Reinstatement** of the **Property Insured** lost destroyed or damaged.

Provided that:

1. the liability of **the Insurer** shall not exceed the Limits of Liability under this **Section**
2. where the **Property Insured** is damaged or destroyed in part only the liability of **the Insurer** shall not exceed the amount which would have been payable had the **Property Insured** been totally destroyed
3. no payment beyond that which would have been payable if **Reinstatement** did not apply shall be made
  - i. unless the work of reinstatement is commenced and carried out without necessary delay or
  - ii. if at the time of any loss or damage the **Property Insured** shall be covered by any other insurance effected by or on behalf of **the Insured** which is not on a **Reinstatement** basis
4. where by reason of the above provisions no payment is to be made beyond the amount which would have been payable if **Reinstatement** did not apply the rights and liabilities of **the Insurer** and **the Insured** in respect of the loss or damage shall be subject to the terms of this **Section** and **Policy** as if **Reinstatement** had not been incorporated

and in addition

b. any amounts shown in the Section Extensions

in respect of any one accident or series of accidents arising from one occurrence of loss or damage.

### B. Hired In Plant

The liability of **the Insurer** under Cover B. Hired In Plant shall not exceed

a. the Limit of Liability shown in the **Schedule**

and in addition

b. any amounts shown in the Section Extensions

in respect of any one accident or series of accidents arising from one occurrence of loss or damage.

## Section Extensions (Subject to the terms Conditions and Exclusions of this Section and Policy)

### 1. Damage to Security Devices

This **Section** extends to cover in respect of Cover A. Owned Plant and Machinery only the cost incurred in repairing or replacing any immobiliser locating tracking or other security device permanently fitted to the **Property Insured** following loss or damage due to theft or attempted theft for which **the Insurer** has admitted liability.

Provided that the liability of **the Insurer** shall not exceed £2,500

Section Exclusion 5 - Excess does not apply to this Section Extension.

### 2. Loss of Keys

This **Section** extends to cover in respect of Cover A. Owned Plant and Machinery only the cost incurred in replacing the lock cylinder of any security device permanently fitted to any **Property Insured** following loss of or damage to the keys operating the security device.

Provided that the liability of **the Insurer** shall not exceed £2,500

Section Exclusion 5 - Excess does not apply to this Section Extension.

### 3. Repair Cost Investigation

This **Section** extends to cover in respect of Cover A. Owned Plant and Machinery only the cost incurred in repair investigations and tests by consulting engineers following loss of or damage to **Property Insured** for which **the Insurer** has admitted liability.

Provided that

- a. the prior written agreement of **the Insurer** has been obtained
- b. the liability of **the Insurer** shall not exceed £25,000

**The Insurer** will not pay under this Section Extension for any cost incurred in preparing a claim under this **Section**.

### 4. Indemnity to Principal

This **Section** extends to cover any **Principal** to the extent that a contract between **the Insured** and the **Principal** so requires.

### 5. Payments on Account

This **Section** extends to cover payment as agreed between **the Insured** and **the Insurer** in advance of final settlement of a claim under this **Section** where **the Insurer** has admitted liability.

## 6. Avoidance of Impending Damage

This **Section** extends to cover the cost incurred by **the Insured** in taking exceptional measures that are reasonable to avoid or reduce impending loss or damage which would have resulted in a claim under this **Section**.

Provided that

- a. the impending loss or damage did not arise from any defect in the **Property Insured**
- b. the impending loss or damage did not arise from a reasonably foreseeable cause
- c. the loss or damage would have been the natural outcome to be expected in the absence of the measures taken
- d. **the Insurer** is satisfied that loss or damage which would have been insured under this **Section** has been avoided or reduced in consequence of the measures taken
- e. the liability of **the Insurer** shall not exceed the cost which would have been incurred had the measures not been taken and loss or damage insured by this **Section** had occurred.

## 7. Recovery of Immobilised Plant

This **Section** extends to cover the cost of recovery of any mobile item of **Property Insured** which becomes unintentionally and accidentally immobilised due to adverse ground conditions.

Provided that all reasonable precautions are taken

- a. to prevent immobilisation where it is known that ground conditions are such that unintentional and accidental immobilisation is possible
- b. in the planning and execution of recovery.

The limit of liability under this Section Extension shall not exceed the lesser of

- i. the market value of the item at the time of the immobilisation or
- ii. £25,000.

**The Insurer** will not pay under this Section Extension for any cost in respect of

1. any item situated underground or situated in or under water
2. immobilisation caused directly or indirectly by the items own electrical or mechanical breakdown or its own explosion
3. immobilisation caused directly or indirectly by failure to maintain **Property Insured** in accordance with the manufacturers and/or suppliers requirements and recommendations
4. avoidable loss or damage caused by or during the process of recovery.

## 8. Additional Cost (Supplementary Expenses)

This **Section** extends to cover necessary and reasonable cost incurred by **the Insured** following loss or damage insured by this **Section** in effecting a temporary repair or expediting a permanent repair.

Provided that

- a. the written agreement of **the Insurer** has been obtained
- b. the liability of **the Insurer** shall not exceed £10,000.

## 9. CPA Contract Lift Cover

This **Section** extends to cover the liability of **the Insured** under Construction Plant-hire Association Contract Lift Conditions for loss of or damage to

- a. **Property Insured** under this **Section**
- b. Contract Goods not forming part of **Property Insured** provided that **the Insured** is the Client.

Provided that

- i. where **the Insured** is the Client they shall declare to **the Insurer** the total Contract Price paid for Contract Lifting Services during the **Period of Insurance** in accordance with Section Condition 3 Declarations
- ii. the total liability under this **Section** for
  1. **Property Insured** shall not exceed the Limit of Liability shown in the **Schedule**
  2. Contract Goods shall not exceed £25,000.

**The Insurer** will not pay under this Section Extension for any cost in respect of loss of or damage to the Contract Goods for which the company or firm agreeing to carry out the Contract Lifting Services including its assignees successors and personal representatives are liable.

Definitions

For the purpose of this Section Extension

1. the Section Definition of **Hired In Plant** is extended to include Contract Equipment for which **the Insured** are responsible under Construction Plant-hire Association Contract Lift Conditions
2. the words Contract Goods Client Contract Price Contract Lifting Services and Contract Equipment carry the same definition attached to them in the Construction Plant-hire Association Contract Lift Conditions 2004 including any subsequent amendments or revisions.

## 10. Protection and Removal

This **Section** extends to cover the necessary and reasonable cost incurred by **the Insured** following loss or damage insured by this **Section** for which **the Insurer** has admitted liability in the protection and removal of **Property Insured** to a location agreed by **the Insurer** and the transportation to **the Insured** after repairs.

## 11. European Union

This Section extends to cover loss of or damage to **Property Insured** within the member States of the European Union or European Economic Area for a period not exceeding 180 (one hundred and eighty) days occurring during the **Period of Insurance**

Provided that

- a. the total liability of **the Insurer** under this Section Extension for loss damage or liability shall not exceed the lesser of
  - i. 25% of the Limit of Liability stated in the **Schedule** or
  - ii. £150,000in respect of any one accident or series of accidents arising from one occurrence
- b. during the **Period of Insurance** no more than 10% (ten percent) of **the Insured's** turnover is generated from **Business** activities that are undertaken outside of Great Britain Northern Ireland the Isle of Man and the Channel Islands
- c. all claims shall be paid in the UK in sterling and all disputes shall be settled within the English courts in accordance with English law
- d. Section Extension 4. - Indemnity to Principal in this **Section** shall not apply to the cover provided by this Section Extension
- e. the liability of **the Insurer** under Cover B. Hired in Plant for loss or damage and continuing hire charges in respect of any **Hired in Plant** which has been hired outside of Great Britain Northern Ireland the Isle of Man and the Channel Islands and which is more than one year old shall be no more than the liability which would be incurred under the Model Conditions for the hiring of Plant approved by The Construction Plant-hire Association.

Notwithstanding anything contained herein to the contrary this **Section** does not provide any cover or benefit for any business or activity to the extent that either the provision of such cover payment of any claim or provision of such benefit would expose **the Insurer** to any sanction prohibition or restriction under United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union United Kingdom or United States of America.

## 12. Roll On \ Roll Off Ferry

This **Section** extends to cover loss of or damage to **Property Insured** whilst in transit by roll on/roll off ferry between Great Britain Northern Ireland the Isle of Man the Channel Islands and member states of the European Union and European Economic Area.

Provided that the liability of **the Insurer** shall not exceed £150,000 in respect of any one occurrence of loss or damage.

Section Exclusion 6 Sea or Air Transit shall not apply to this Section Extension.

## 13. Munitions Of War

This **Section** extends to cover loss of or damage to **Property Insured** anywhere within Great Britain Northern Ireland the Isle of Man and the Channel Islands from or occasioned by the detonation of munitions of war or parts thereof (except for contamination losses or damage following the release of chemical or biological substances) in the **Vicinity** of the **Property Insured** provided that the presence of such munitions does not result from

- a. a state of war current at the time of such loss or damage
- b. any **Act of Terrorism**.

Section Exclusion 17 Confiscation and Kindred Risks and General Exclusion 2 - War shall not apply to this Section Extension.

Solely in respect of this Section Extension an **Act of Terrorism** means:

Acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the **United Kingdom** or any other government de jure or de facto.



**14. Excess (Security Discounted)**

In the event of a claim involving theft of **Property Insured** the **Insurer** agrees to

- a. reduce the theft **Excess** by 50% (fifty percent) provided that at the time of the theft all the **Property Insured** which is the subject of the claim complies with the **First Star category** of the **Thatcham 5 Star Rating System**
- b. waive the theft **Excess** provided that at the time of the theft all the **Property Insured** which is the subject of the claim complies with the following:
  - i. the **First Star Second Star** and **Third Star Categories** of the **Thatcham 5 Star Rating System**
  - or
  - ii. the **First Star Category** of the **Thatcham 5 Star Rating System** and is also fitted with an **Electro Mechanical Immobiliser**.

**15. Signwriting and Livery**

This **Section** extends to cover in respect of Cover A. Owned Plant and Machinery the necessary and reasonable cost incurred by **the Insured** for restoring any signwriting advertising signs and artwork following loss or damage insured by this **Section** for which **the Insurer** has admitted liability

Provided that the liability of **the Insurer** shall not exceed £5,000.

## Section Exclusions applicable to Cover A. Owned Plant and Machinery

Cover A. Owned Plant and Machinery under this **Section** does not cover

**1. Breakdown or Explosion**

loss of or damage to the **Property Insured** caused by its own electrical or mechanical breakdown or its own explosion.

**2. Excluded Parts or Components**

loss of or damage to cutting edges machine tools trailing cables flexible pipes driving belts and chains or conveyor bands unless accompanied by loss of or damage to the complete item.

**3. Materials Processed or Foreign Bodies**

loss or damage caused by materials processed or treated by the **Property Insured** or foreign bodies entering the **Property Insured** with the materials.

**4. Maintenance Faulty Workmanship or Application of Tools**

the cost of

- a. maintenance
- b. rectification of faulty workmanship occurring during the execution of repairs

but not damage resulting from a. or b. unless otherwise excluded

- c. damage by direct application of tools.

## Section Exclusions applicable to this Section of the Policy

This **Section** does not cover

### 5. Excess

the amount stated in the **Schedule** as the **Excess** in respect of each and every occurrence for which **the Insured** is indemnified by this **Section**.

Provided that

- a. all claims under this **Section** and the Contract Works Construction or Erection All Risks **Sections** arising from one occurrence of loss or damage shall be adjusted as one claim and from the amount of such adjusted claim there shall be deducted the relevant sum stated in the **Schedule** as the applicable **Excess**
- b. in the event of loss or damage occurring under this **Section** or under both this **Section** and the Contract Works Construction or Erection All Risks **Sections** arising from the same occurrence of loss or damage whereby more than one amount is shown in the **Schedule** as the applicable **Excess the Insured** may at their option have the relevant **Excess** applied
  - i. separately to each defined category of **Property Insured** or
  - ii. as the single highest applicable **Excess** for the relevant risk.

Paragraph b. above shall not apply to the **Excess** shown in the **Schedule** for Employees Tools and Personal Effects which shall apply separately in all cases.

This Section Exclusion is subject always to Section Extension 14 Excess (Security Discounted).

### 6. Sea or Air Transit

loss or damage occurring during transit by sea or air.

### 7. Wear and Tear or Gradual Deterioration

the cost of rectification of

- a. wear and tear erosion corrosion or other deterioration caused by or naturally resulting from ordinary work use or exposure
- b. gradually developing flaws or fractures which do not necessitate immediate stoppage but not damage insured by this **Section** resulting from a. or b. unless otherwise excluded.

### 8. Scratching

loss damage cost or legal liability consisting of or in consequence of the scratching scouring or spoiling of glass painted polished smooth or any other similar finished surfaces unless accompanied by loss of or damage to other parts or portions of the **Property Insured** for which **the Insurer** has admitted liability under this **Section**.

### 9. Excluded Items

loss of or damage to

- a. scaffolding access towers or ladders and aluminium trackway
- b. tyres by the application of brakes or by punctures cuts or bursts.

Paragraph a. above does not apply when the Contract Works Construction or Erection All Risks Section is shown in the **Schedule**.

## 10. Motor Vehicles

loss of or damage to any mechanically propelled vehicle and any trailer attached thereto other than any vehicle which is

- a. not licensed for road use and used in circumstances which do not require insurance under any road traffic legislation or
- b. designed or adapted primarily for use as a tool of trade.

## 11. Multiple Lifting Operations

loss of or damage to **Property Insured** arising out of any lifting or lowering operation in which a load is shared between two or more machines.

This Section Exclusion does not apply to loss of or damage to **Property Insured** arising out of any lifting or lowering operation in which a load is shared by two machines.

Provided that

- a. the load on the hook does not exceed 150 tonnes and
- b. the operations are carried out in accordance with British Standard Code of Practice For Safe Use of Cranes - BS7121 or ISO 12480-1 Cranes - Safe Use - General including any subsequent amendments or revisions and
- c. the machines used are cranes as designated by BS 7121 and its supporting parts.

## 12. Overloading or Abnormal Conditions

loss of or damage to any item of **Property Insured**

- a. caused by or arising from the imposition of abnormal conditions deliberate overloading or overload testing other than overload testing in accordance with the Code of Practice for the Safe Use of Cranes BS 7121 including any subsequent amendments or revisions
- b. during overload testing in accordance with the Code of Practice for the Safe Use of Cranes BS 7121 including any subsequent amendments or revisions caused by or arising from a defect in the item.

## 13. Inventory Loss or Unidentifiable Occurrence

loss of the **Property Insured**

- a. by its disappearance or by shortage if such disappearance or shortage is only revealed when an inventory is made or
- b. due to its being stolen or otherwise missing unless such loss is identifiable by **the Insured** with a specific occurrence which has been the subject of notification under the terms of General Condition 3 Claims and the Section Claims Conditions under this **Section** and which has been reported to the Police.

## 14. Vessels Craft Vehicles Devices Rigs or Platforms

loss of or damage to any

- a. vessel craft vehicle or device designed to float on in or travel under or through water air or space
- b. marine rig or marine platform
- c. equipment mounted on and fixed to such vessel craft vehicle device rig or platform.

## 15. Other Consequential Losses

loss damage cost or legal liability consisting of or in consequence of liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency or loss of use or any other form of consequential loss not specifically provided for by this **Section**.

## 16. Money Legal or Promissory Documents

loss of or damage to deeds bonds bills of exchange promissory notes cash bank and currency notes treasury notes cheques postal orders stamps or securities.

## 17. Confiscation Civil Commotion and Similar Risks

- a. loss or damage directly or indirectly caused by confiscation nationalisation requisition or destruction of or damage to property by order of the Government or any public municipal or local authority.
- b. in the case of **Property Insured** outside Great Britain Northern Ireland the Isle of Man and the Channel Islands loss damage or corruption directly or indirectly caused by warlike operations mutiny conspiracy martial law state of siege or any events or causes which determine the proclamation or maintenance of martial law or state of siege riot civil commotion strike lock-out persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation.
- c. loss destruction or damage in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot civil commotion and (except in respect of damage by fire and explosion) strikers locked out workers persons taking part in labour disturbances or malicious persons.

## 18. Pollution or Contamination

loss or damage directly or indirectly caused by or contributed to by or arising from pollution or contamination.

This Section Exclusion shall not apply to cost arising from pollution or contamination of **Property Insured** caused directly by an occurrence which is insured by this **Section**.

## 19. E Risks

loss of or damage to

- a. any computer or other equipment or component or system or item which processes stores transmits or retrieves data or
- b. any part of a computer or other equipment or component or system or item which processes stores transmits or retrieves data

whether tangible or intangible (including but without limitation any data information or programs or software) and whether part of the **Property Insured** or not caused directly or indirectly by

- i. Virus or Similar Mechanism  
program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self replication or not. This includes but is not limited to viruses trojan horses worms and logic bombs
- ii. Hacking  
unauthorised access to any computer or other equipment or component or system or item whether part of the **Property Insured** or not which processes stores transmits or retrieves data

but this Section Exclusion shall not apply to subsequent loss or damage arising from or caused by fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked out workers persons taking part in labour disturbances earthquake storm flood escape of water from any tank apparatus or pipe or impact by any road vehicle or animal which would but for the application of this Section Exclusion be insured by this **Section**.

## 20. Computer Date Recognition

loss or damage directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing storing or retrieving data whether the property of **the Insured** or not to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date including the failure

- a. correctly to recognise any date as its true calendar date
- b. to recognize capture save retain restore and/or correctly to manipulate interpret calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
- c. to recognize capture save retain restore and/or correctly to manipulate interpret calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware being a command which causes the loss of data or the inability to recognize capture save retain restore or correctly to manipulate interpret calculate or process any data on or after any date

but this Section Exclusion shall not apply to subsequent loss or damage arising from or caused by fire lightning explosion aircraft or other aerial devices or articles dropped therefrom riot civil commotion strikers locked out workers persons taking part in labour disturbances malicious persons other than thieves earthquake storm flood escape of water from any tank apparatus or pipe or impact by any road vehicle or animal which would but for the application of this Section Exclusion be insured by this **Section**.

## Section Conditions

### 1. Right to Survey

It is a condition of this **Section** that **the Insurer** has the right to carry out a survey of the risks insured at any time mutually agreed with **the Insured**.

### 2. Observance of Section Terms

The liability of **the Insurer** will be conditional on **the Insured** complying and as appropriate any other insured parties entitled to indemnity complying as though they were **the Insured** with the terms provisions exclusions limits and conditions of this **Section** and **Policy** in so far as they can apply.

### 3. Declarations

The premium in respect of this **Section** is based on estimates given by **the Insured** from accurate record keeping and will be adjusted on declaration.

This record shall be supplied to **the Insurer** within 2 (two) months following expiry of the **Period of Insurance** to enable the **Premium Adjustment** to be calculated.

### 4. Alteration in Risk

**The Insured** must notify **the Insurer** as soon as possible if during the **Period of Insurance**

- a. the business is wound up or carried on by a liquidator or receiver or permanently discontinued
- b. the interest of **the Insured** ceases other than by death
- c. there is any alteration to the facts or matters set out in the **Schedule** or otherwise comprising the risk presentation made by **the Insured** to **the Insurer** at inception renewal or variation of this **Policy** which materially increases the risk of loss damage or legal liability

Upon being notified of any such alteration **the Insurer** may at its absolute discretion

- i. continue to provide cover under this **Section** on the same terms
- ii. restrict the cover provided by this **Section**
- iii. impose additional terms
- iv. alter the premium
- v. cancel this **Section** and this **Policy**.

If **the Insured** fails to notify **the Insurer** of any such alteration **the Insurer** may

1. treat this **Section** and the **Policy** as if it had come to an end as at the date of the alteration of the risk returning a proportionate amount of the premium for the unexpired **Period of Insurance** if **the Insurer** would have cancelled this **Section** and the **Policy** had it known of the increase in risk
2. treat this **Section** and the **Policy** as if it had contained such terms (other than relating to premium) or other restrictions (if any) from the date of the alteration in risk as **the Insurer** would have applied had it known of the increase in risk
3. reduce proportionately the amount paid or payable on any claim the proportion for which **the Insurer** is liable being calculated by comparing the premium actually charged as a percentage of the premium which **the Insurer** would have charged had it known of the increase in risk.

## Section Claims Conditions

### 1. Additional Claims Requirements

In the event of any occurrence giving rise or likely to give rise to a claim under this **Section** it is a condition precedent to the liability of **the Insurer** that **the Insured** shall

- a. permit inspection by the representatives of **the Insurer** of any damaged or defective parts of **Property Insured**
- b. at their own expense deliver to **the Insurer**
  - i. within 30 (thirty) days after such occurrence 28 (twenty-eight) days in the case of loss or damage by riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons or theft) or such further time as **the Insurer** may allow in writing
    1. full information in writing of the **Property Insured** and the amount of loss or damage
    2. details of any other insurances on the **Property Insured** covered by this **Section**
  - ii. all such proof and information relating to the claim as may reasonably be required
  - iii. if required a statutory declaration of the truth of the claim and of any matters connected with it.

**The Insurer** will not pay for any claim unless the terms of this Section Claims Condition have been complied with.

### 2. Options for Claims Settlement

- a. **The Insurer** may at their option repair reinstate or replace what is lost or damaged or pay for the loss or damage in money.

If any **Property Insured** is to be reinstated or replaced by **the Insurer** **the Insured** shall at their own expense provide all plans documents books and information as may reasonably be required.

**The Insurer** shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner.

- b. **The Insurer** shall not be liable for the cost of any repairs undertaken without their written consent except in urgent cases where it has been necessary to put minor repairs in hand.

Provided that

- i. the requirements of General Condition 3 Claims and Section Claims Conditions 1 Additional Claims Requirements and 4 Subrogation have been complied with and
- ii. the repairs are carried out to the satisfaction of **the Insurer**.
- c. Where loss or damage is confined to a part of a machine or structure **the Insurer** shall be liable for the value of that part plus the cost of any necessary dismantling and erection for which **the Insured** is responsible.
- d. **The Insured** shall not be entitled to abandon any property to **the Insurer** whether taken into the possession of **the Insurer** or not.

### 3. Other Insurances

**The Insurer** will not indemnify **the Insured** in respect of loss damage or liability which is insured by or would but for the existence of this **Section** be insured by any other policy effected by **the Insured** or on **the Insured's** behalf except in respect of any excess beyond the amount payable under the other policy or which would have been payable under the other policy had this insurance not been effected.



**4. Subrogation**

Any claimant under this **Section** shall at the request and expense of **the Insurer** take or permit to be taken all necessary steps for enforcing rights against any other party in the name of **the Insured** before or after any payment is made by **the Insurer**.

**5. Claims Arbitration**

If any difference arises as to the claims amount paid under this **Section** the difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this Section Condition to be referred to arbitration the making of the award shall be a condition precedent to any right of action against **the Insurer**.

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