



CONSTRUCTION PROJECT ALL RISKS POLICY OVERVIEW



Policy Overview

This is a policy overview only and does not contain full terms and conditions of the contract of insurance. Some covers are optional and will only apply if you have selected them. Your policy schedule will show the options selected and the sums insured. Full terms and conditions can be found in the policy documents, a copy of which is available on request.

What is Construction Project All Risks Insurance?

Our Construction Project All Risks (CPAR) Insurance policy has been designed specifically so you can meet your contractual obligations whilst protecting your investment in the project and any constructional plant you own or hire.

The policy is underwritten by Allianz Insurance plc.

What is the policy duration?

The policy will cover the duration of the construction project as stated in the policy schedule. The policy will also provide a twelve (12) month maintenance period following the completion of the project.

How do I cancel the contract?

The policy may be cancelled at your request however you will not be entitled to a return premium. To cancel the policy, please contact the insurance adviser who arranged the policy.

How do I make a claim?

If you need to claim, your dedicated claims handler will help and guide you through the process. You can notify us of a claim by:

Telephone: Engineering claims 01483 265 825
Lines are open from 9am to 5pm Monday to Friday

Email: claims@allianzengineering.co.uk

Post: Claims Department
Allianz Engineering
Haslemere Road
Liphook
Hampshire
GU30 7UN

Please have your policy number to hand and as much information about the claim as possible. For further information please see your policy wording.

Your Obligations

You must make a fair presentation of the risk at inception, renewal and variation of the policy.

The premium is to be paid on request. Please speak to your insurance adviser about the options available for the payment of premium.

Please periodically review the policy documentation to make sure that it meets and continues to meet your needs and that you understand its terms, conditions, limits and exclusions. If you wish to make a change or if there is anything you do not understand please contact your insurance adviser.

Please tell your insurance adviser as soon as reasonably possible if there are any changes to your circumstances which could affect your insurance. If your circumstances change and you do not tell your insurance adviser, you may find that you are not covered if you need to claim.

You must take all reasonable precautions to safeguard the insured property against loss or damage and maintain the insured property in an efficient condition, taking care to ensure that all government and other regulations relating to the operation and use of the insured property are observed.

You must tell us as soon as you can about any claim or incident that may lead to a claim. You or anyone claiming under this policy must not admit fault or responsibility, or pay, offer or agree to pay any money or settle any claim without our permission.

You must carry out and permit to be taken any reasonable action to prevent further loss, damage, liability or cost.

Policy Overview (continued)

Would I receive compensation if Allianz were unable to meet its liabilities?

Allianz Insurance plc contributes to the Financial Services Compensation Scheme (FSCS).

You may be entitled to compensation from the FSCS if we are unable to meet our liabilities. Further information about compensation scheme arrangements is available at www.fscs.org.uk, by emailing enquiries@fscs.org.uk or by phoning the FSCS on 0800 678 1100 or 0207 741 4100.

What is the law applicable to the contract?

Unless agreed otherwise all aspects of the policy including negotiation and performance are subject to English law and the decisions of English courts.

How do I make a complaint?

If you have a complaint about anything other than the sale of the policy please contact our Customer Satisfaction Manager at:

Customer Satisfaction Manager
Allianz Insurance plc
57 Ladymead
Guildford
Surrey
GU1 1DB

Telephone number: 01428 722 407
Email: customer.satisfaction@allianz.co.uk

If we are unable to resolve the problem we will provide you with information about the Financial Ombudsman Service which offers a free, independent complaint resolution service.

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Website: www.financial-ombudsman.org.uk
Telephone: 0800 023 4567 or 0300 123 9123
Email: complaint.info@financial-ombudsman.org.uk

The European Commission has an online dispute resolution service for consumers who have a complaint about a product or service bought online. If you choose to submit your complaint this way it will be forwarded to the Financial Ombudsman Service.

Visit <https://ec.europa.eu/odr> to access the Online Dispute Resolution Service. Please quote our e-mail address: accsm@allianz.co.uk

Alternatively, you can contact the Financial Ombudsman Service directly.

Full details of our complaints procedure will be found in the policy documentation.

Covers

Available Covers

Cover provided under this policy is split into six different covers. These are:

Cover One – Contract Works

Cover Two – Owned Plant and Machinery

Cover Three – Hired In Plant

Cover Four – Advanced Business Interruption

Cover Five – Public Liability

Cover Six – Contractors JCT 6.5.1

Overview of these covers can be found below. For full details and information please see the policy wording.

Cover One – Contract Works

Significant Features and Benefits

Covers loss of or damage to:

- Permanent Works
- Temporary Works
- Free Issue Materials and other materials to be incorporated into the works where declared within the turnover.

These are covered:

- while in transit to and from the contract site
- at the contract site until completed or taken into use
- during the maintenance or defects liability period for up to twelve (12) months after practical completion.

Cover One Standard Extensions

The following are the significant extensions that are included automatically on the policy under Cover One. Please see your policy wording and policy schedule for more details of all the automatic extensions:

- professional fees – cover is provided for the professional fees that are incurred during the reinstatement of contract works following loss or damage
- breakdown or explosion – damage to new and unused machinery that forms part of the contract works that is caused by electrical or mechanical breakdown or explosion
- offsite storage – loss or damage to contract works while in storage provided they are ready for delivery to the contract site and the value in storage at any one location is not greater than 25% of the contract value or £500,000, whichever is lesser
- debris removal and protection – covers costs that are incurred in:
 - removing debris
 - dismantling or demolishing
 - shoring up or propping
 - fencing off
 - repairing or cleaning drains, sewers and the like
 - temporary boarding up of windows following breakage of glass to a limit of 10% of the contract value
- speculative developments – cover is temporarily extended following completion or until a more specific insurance is put in place or until the property is sold

- avoidance of impending damage – covers costs you incur by taking reasonable actions to avoid damage that would have resulted in a claim under this policy
- joint names or multiple insureds – this extends the policy to cover any party that is required to be a joint named insured under the terms of the contract
- payments on account – interim payments can be made ahead of final settlement for claims where we have admitted liability
- roll on/roll off ferry – covers loss of or damage to Contract Works whilst in transit on a ferry between the territories listed under this extension in the policy wording to a limit of £150,000
- show property contents – this extends the policy to cover loss of or damage to the contents contained within show properties to a limit of £50,000.

Cover One Optional Extension

The following extension is available on request and will be shown in the policy schedule where this has been selected:

- existing structures or other property – this policy is extended to cover damage to existing structures or other property at the site of the contract works caused by the business activity.

Covers (continued)

Cover One – Contract Works

Significant Exclusions or Limitations

Cover One Standard Exclusions

The following are the significant exclusions or limitations that apply to Cover One. Please see your policy wording and policy schedule for more details of all the exclusions or limitations.

Cover does not include

- rectification, replacement or repair of insured property due to a defect in design, plan, specification, materials or workmanship
- damage to property which already existed on the contract site prior to commencement of the contract works
- damage caused by electrical or mechanical breakdown or explosion other than new and unused machinery forming part of the contract works during testing and commissioning
- loss or damage for which another party is required to arrange insurance under conditions of contract
- normal wear and tear
- damage occurring during transit by sea or air
- loss of insured property when its disappearance or shortage is only revealed when an inventory is made or when it is stolen or missing and it cannot be attributed to a specific occurrence
- damage to insured property during a lifting or lowering operation whereby a load is shared between two or more machines unless we give prior consent
- loss of or damage to any mechanically propelled vehicle unless it is designed or adapted primarily for use as a tool of trade
- loss of or damage to vessels designed to float on, in or travel under or through water, air or space, marine platforms and equipment attached to the above.

Covers (continued)

Cover Two – Owned Plant and Machinery

Significant Features and Benefits

Cover Two – Owned Plant and Machinery

Covers loss of or damage to:

- Constructional Plant
- Temporary Buildings

whilst in use, in transit or in storage provided it is in connection with the contract works and it is within the territorial limits detailed in the policy wording.

Where insured property has been loaned or hired out, insurance under Cover Two must be conditional on the terms of the loan or hire:

- being no less onerous than the model conditions for the hiring of plant approved by The Construction Plant-hire Association and
- applying during transit to and while at the site until returned to or collected by yourselves

Cover Two Standard Extensions

The following are the significant extensions that are included automatically on the policy under Cover Two. Please see your policy wording and policy schedule for more details of all the automatic extensions:

- damage to security devices – covers the cost of repairing or replacing security devices permanently fitted to the insured property following loss or damage due to theft or attempted theft to a limit of £2,500. The excess does not apply to this extension
- loss of keys – covers the costs incurred in replacing the lock cylinder of any security devices permanently fitted to insured property following loss of or damage to the keys to a limit of £2,500. The policy excess does not apply to this extension
- payments on account – interim payments can be made ahead of final settlement for claims where we have admitted liability
- recovery of immobilised plant – covers the costs of recovery or mobile items of insured property which becomes unintentionally and accidentally immobilised due to adverse ground conditions to a limit of £25,000 or the market value of the item, whichever is less
- CPA contract lift cover – covers your liability for plant and lifted goods under CPA Contract Lift conditions to a limit of £25,000
- roll on/roll off ferry – covers loss of or damage to contract works whilst in transit on a ferry between the territories listed under this extension in the policy wording, to a limit of £150,000 for any one occurrence of damage.

Significant Exclusions or Limitations

Cover Two Standard Exclusions

The following are the significant exclusions or limitations that apply to Cover Two. Please see your policy wording and policy schedule for more details of all the exclusions or limitations.

Cover does not include

- damage caused to insured property by its own electrical or mechanical breakdown or explosion
- damage to cutting edges, machine tools, trailing cables, flexible pipes, driving belts and chains or conveyor bands unless accompanied by loss or damage to the complete item
- loss or damage due to materials being processed or foreign bodies entering the insured property along with the materials
- loss of or damage to tyres as a result of the application of brakes or punctures, cuts or bursts
- the cost of maintenance
- rectification of faulty workmanship
- damage to insured property as a result of overloading or applying abnormal conditions unless in accordance with the Code of Practice of the Safe Use of cranes BS7121
- normal wear and tear
- damage occurring during transit by sea or air
- loss of insured property when its disappearance or shortage is only revealed when an inventory is made or when it is stolen or missing and it cannot be attributed to a specific occurrence
- damage to insured property during a lifting or lowering operation whereby a load is shared between two or more machines unless we give prior consent
- loss of or damage to any mechanically propelled vehicle unless it is designed or adapted primarily for use as a tool of trade
- loss of or damage to vessels designed to float on, in or travel under or through water, air or space, marine platforms and equipment attached to the above.

Covers (continued)

Cover Three – Hired In Plant

Significant Features and Benefits

Cover Three – Hired in Plant

Cover for your legal liability for:

- loss or damage to the hired in plant
- continuing hire charges as a result of this loss or damage.

In the event of loss or damage under Cover One, Cover Two or Cover Three, we will either repair, reinstate or replace the lost or damaged insured property or pay for the loss or damage in money.

Cover Three Standard Extensions

The following are the significant extensions that are included automatically on the policy under Cover Three. Please see your policy wording and policy schedule for more details of all the automatic extensions:

- payments on account – interim payments can be made ahead of final settlement for claims where we have admitted liability
- recovery of immobilised plant – covers the costs of recovery or mobile items of insured property which becomes unintentionally and accidentally immobilised due to adverse ground conditions to a limit of £25,000 or the market value of the item, whichever is less
- CPA contract lift cover – covers your liability for plant and lifted goods under CPA Contract Lift conditions to a limit of £25,000
- roll on/roll off ferry – covers loss of or damage to contract works whilst in transit on a ferry between the territories listed under this extension in the policy wording, to a limit of £150,000 for any one occurrence of damage.

Significant Exclusions or Limitations

Cover Three Standard Exclusions

The following are the significant exclusions or limitations that apply to Cover Three. Please see your policy wording and policy schedule for more details of all the exclusions or limitations.

Cover does not include

- loss of or damage to tyres as a result of the application of brakes or punctures, cuts or bursts
- damage to insured property as a result of overloading or applying abnormal conditions unless in accordance with the Code of Practice of the Safe Use of cranes BS7121
- normal wear and tear
- damage occurring during transit by sea or air
- loss of insured property when its disappearance or shortage is only revealed when an inventory is made or when it is stolen or missing and it cannot be attributed to a specific occurrence
- damage to insured property during a lifting or lowering operation whereby a load is shared between two or more machines unless we give prior consent
- loss of or damage to any mechanically propelled vehicle unless it is designed or adapted primarily for use as a tool of trade
- loss of or damage to vessels designed to float on, in or travel under or through water, air or space, marine platforms and equipment attached to the above.

Covers (continued)

Cover Four – Advanced Business Interruption

Significant Features and Benefits

Cover Four – Advanced Business Interruption

Cover for financial losses that result from interruption or interference with the contract works programme which causes a delay in the scheduled completion.

What is the Basis of Settlement?

The basis of settlement will be:

- Advanced Loss of Gross Profit or
- Advanced Loss of Gross Revenue or
- Advanced Loss of Gross Rent or
- Loss of Bank Interest

as shown in the policy schedule.

Cover Four Standard Extensions

The following are the significant extensions that are included automatically on the policy under Cover Four. Please see your policy wording and policy schedule for more details of all the automatic extensions:

- professional accountants fees – covers costs incurred in hiring professional accountants to produce particulars, details, information or evidence that we request
- denial of access – extends the section to include delays in scheduled start of operations due to not being able to access the site as a result of events specified in the policy wording.

Significant Exclusions or Limitations

Standard Exclusions – Cover Four:

The following are the significant exclusions or limitations that apply to Cover Four. Please see your policy wording and policy schedule for more details of all the exclusions or limitations.

Cover does not include

- costs incurred solely to complete the contract works earlier than the original planned date of completion
- the costs incurred in redesigning, adding to or improving insured property following a loss, as well as the financial losses resulting from any such redesigns, additions or improvements
- losses resulting from delays due to you not being able to provide sufficient funds for repairs or replacements following damage
- losses resulting from normal wear and tear
- damage occurring during transit by sea or air
- loss of insured property when its disappearance or shortage is only revealed when an inventory is made or when it is stolen or missing and it cannot be attributed to a specific occurrence
- damage to insured property during a lifting or lowering operation whereby a load is shared between two or more machines unless we give prior consent
- loss of or damage to any mechanically propelled vehicle unless it is designed or adapted primarily for use as a tool of trade
- loss of or damage to vessels designed to float on, in or travel under or through water, air or space, marine platforms and equipment attached to the above.

Covers (continued)

Cover Five – Public Liability

Significant Features and Benefits

Cover Five – Public Liability

Cover is provided for your legal liability to pay compensation, costs and expenses in respect of accidental:

- injury to any person
- loss of or damage to material property
- nuisance, trespass, obstruction or interference with any right of way, light, air, water or easement
- libel, slander or defamation of character.

In addition we will pay incurred costs and expenses:

- in connection with the defence of any claim
- for representation at coroners inquests or fatal accident inquiries as well as at proceedings in court in respect of alleged breach of statutory duty resulting in injury or damage.

Standard Extensions – Cover Five:

The following are the significant extensions that are included automatically on the policy under Cover Five. Please see your policy wording and policy schedule for more details of all the automatic extensions:

- indemnity to other parties – at your request we will indemnify any member of your canteen, social, sports or welfare organisations against liability incurred in such capacity and any partner, director or employee against liability incurred whereby you would have been entitled to indemnity under cover five had the claim been made against yourself
- overseas personal liability – cover is extended to include the personal activities of a partner, director or employee, including family members of the above during temporary visits to other countries made in connection with the business
- motor contingent liability – the section is extended to cover liabilities arising from using any vehicle not owned by the business but being used in connection with the business activity. This does not include:
 - damage to the vehicle or its contents
 - use outside of the countries specified in the territorial limits
 - liability incurred by any party other than yourself
- liability incurred by any party identified under the Indemnity to Other Parties extensions, other than an employee
- Health and Safety at Work legal defence costs – covers legal defence costs arising out of the Health & Safety at Work Act 1974
- court attendance compensation – covers attendance as a witness in connection with a claim:
 - Director/partner £750 for each day's attendance
 - Employee £250 for each day's attendance
- housing grants act – provides indemnity against awards resulting from an adjudication procedure complying with the Housing Grants Construction and Regeneration Act 1996.

Significant Exclusions or Limitations

Standard Exclusions – Cover Five:

The following are the significant exclusions or limitations that apply to Cover Five. Please see your policy wording and policy schedule for more details of all the exclusions or limitations.

Cover does not include

- injury to any employee
- work on or travel to or from offshore installations
- fines, penalties or liquidated, aggravated, punitive or exemplary damages
- any liability in respect of pollution or contamination:
 - in the USA or Canada
 - elsewhere unless due to a sudden, identifiable, unintended and unexpected incident
- liability arising from the ownership of a vehicle or attached trailer where motor insurance is required by law or any aircraft or water craft other than hand-propelled water craft
- loss of or damage to property belonging to you or in your charge or control except premises occupied by you for temporary work
- liability for loss or damage to goods or other property sold, supplied, delivered, installed or erected or the cost of recalling or refunding a defective product or replacing, repairing or reinstating faulty work
- liability for injury or damage arising from advice, design, formula, specification, inspection, certification or testing performed for a fee
- loss or damage to contract works undertaken under a contract or liability under JCT Contract Clause 6.5.1
- liability in any way caused by, arising from or contributed to by exposure to or inhalation of Asbestos or fear of the consequences of exposure or inhalation.

Covers (continued)

Cover Six – Contractors JCT 6.5.1

Significant Features and Benefits

Cover Six – Contractors JCT 6.5.1

Cover for damage caused to material property due to collapse, subsidence, heave, vibration, weakening or removal of support or lowering of ground water in the process of carrying out work.

Significant Exclusions or Limitations

Standard Exclusions – Cover Six:

The following are the significant exclusions or limitations that apply to Cover Six. Please see your policy wording and policy schedule for more details of all the exclusions or limitations.

Cover does not include

- damage to the works and other property brought onto the site for the purpose of the execution of the works
- your liability for damage to property:
 - due to negligence
 - attributable to errors in the designing of the works
 - which can reasonably be foreseen to be inevitable
 - for which it is the responsibility of the employer to insure
- fines, penalties, liquidated and punitive damages.

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Allianz Insurance plc.
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