



## **CONTRACTORS ALL RISK AND THIRD PARTY LIABILITY INSURANCE**

### **Policy Definitions**

#### **Bodily Injury**

The term “Bodily Injury” wherever used in the Policy shall mean bodily injury or illness

#### **Damage / Damaged**

Damage / Damaged shall mean physical damage, physical loss or physical destruction.

#### **Insured Property**

All permanent and/or temporary works, preliminary works (including associated works and Project Site mobilization) executed or in the course of execution, , parts, excavations, spare parts, inventory, consumables, feedstocks, fuels and consumables held in storage tanks and all other things, equipment including materials, goods of whatsoever nature used for or intended to be used in the Project, and including electricity, gas and water connections, all designs, drawings, specifications and plans to be provided, together with computer and building services equipment, all other parts or units or equipment, plant and machinery of whatsoever nature the property of the Insured or for which they are responsible while on Project Site and all associated and ancillary works connected therewith built, fabricated, constructed, erected, supplied, installed, repaired, replaced, revised or otherwise or in the course of being built, fabricated, constructed, erected, supplied, installed, repaired, replaced, revised, or otherwise, tested, commissioned and brought into full operation, and including project management and other similar costs of the Insured or others and free issue materials, as included in the Contract Values declared for each respective project phase.

#### **Loss**

An event or series of events consequent upon or attributable to one source or original cause which results in Damage to Insured Property.

#### **Occurrence / Occurrences**

Wherever the word Occurrence appears in this Policy it shall mean any occurrence or series of occurrences consequent upon or attributable to one source or original cause.

#### **Policy**

The term “POLICY” shall include this policy’s schedule, terms, conditions, and exclusions along with any endorsements hereto which will form and shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part in this policy shall bear that meaning wherever it shall appear.

#### **Project Site**

Shall be as set forth in the Policy Schedule as the Project and shall include all work sites within the Territorial Scope mentioned in the Policy Schedule to which the Insured Property is delivered or stored or where work is to be done (other than manufacturers' premises where the Insured does not have title, or is not responsible for Damage to, material, goods, equipment, machinery, and/or parts forming a part of the Insured Property), including any offsite lay-down yards.





## Repair(s) or Repairing

Repair(s) or Repairing shall mean reinstating, repairing, replacing, or making good.

## Policy Wording

Whereas the Insured named in the Schedule hereto has made to the (hereinafter called the “Insurers”) a written proposal by completing a questionnaire which together with any other statements made in writing by the Insured for the purpose of this Policy is deemed to be incorporated herein,

Now this Policy of insurance witnesses that subject to the Insured having paid to the Insurers the premium mentioned in the Schedule and subject to the terms, exclusions, provisions and conditions contained hereinor endorsed hereon the Insurers will indemnify the Insured in the manner and to the extent hereinafter provided.

## Section 1 – Material Damage

The cover provided by this Section will indemnify The Insured against All Risks of Damage to any item or part of the Insured Property or any part thereof whilst within the Territorial Limits from any cause whatsoever during the period of insurance mentioned in the Policy Schedule and not hereinafter excluded.

### *Basis of Loss Settlement*

The basis of any Loss settlement shall be:

- (i) In the case of Damage which can be repaired the cost of Repairs necessary to restore the property to its condition immediately before the Occurrence of the Damage, or where the Damage cannot be repaired the cost to replace the Damaged Insured Property at the option of the insurers
- (ii) In the case where the Damage is not repaired, the cost that would have been incurred to Repair the Damage;

### *Extensions & Memorandums applicable to Section 1 – Material Damage*

In the event of Damage covered by this insurance for which the Insurer(s) are liable under Section I – Construction “All Risks” this Policy shall extend to include:

## 1) Strikes Riots and Civil Commotion

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

1. the act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lockout or not) not being an occurrence mentioned in item 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 performed in furtherance of a strike or in resistance to a lockout,





4. the action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act,

provided that it is hereby further expressly agreed and declared that

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

1. This insurance shall not cover;

- a) loss or damage resulting from total or partial cessation of work or the retarding, interruption or cessation of any process or operation,
- b) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority,
- c) loss or damage occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building,
- d) consequential loss or liability of any kind or description, any payments over and above the indemnity for the material damage as provided herein,

### Special conditions

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

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

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





3. This insurance may at any time be terminated by the Insurers on notice to that effect being given by registered post at the Insured's last known address, in which case the Insurers shall be liable to repay a ratable proportion of the premium for the unexpired term from the date of termination.

4. The limit of indemnity any one occurrence as stated below shall be understood to limit the indemnity for all loss or damage covered by this Endorsement during a consecutive period of 168 hours.

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

#### **ENDORSEMENT 004 EXTENDED MAINTENANCE COVER**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, this insurance shall be extended for the maintenance period specified hereunder to cover loss of or damage to the contract works

- caused by the insured contractor(s) in the course of the operations carried out for the purpose of complying with the obligations under the maintenance provisions of the contract,
- 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) Expediting Expenses**

Costs and expenses incurred by the Insured in respect of overtime rates and wages, express delivery, hire of additional labour or plant, equipment, materials, expertise or services.

The maximum liability of the Insurer(s) for Expediting Expenses shall not exceed AED 250,000 anyone occurrence, each project

#### **3) Airfreight Charges**

Extra charges for airfreight provided that such extra charges are incurred as the result of Damage which is indemnifiable by this Policy.

The maximum liability of the Insurer(s) for Airfreight shall not exceed AED 250,000 any one occurrence, each project and shall be to the above Expediting Expenses sub-limit.

#### **4) Inland Transit**

This Policy extends to cover Damage to Insured Property procured from within the Territorial Limits shown in the Schedule whilst in transit by any means of conveyance, no matter how loaded, and on any inland and/or coastal waterway, including loading and unloading.



Notwithstanding anything contained above, this policy will specifically exclude any loss and/or damage to insured property whilst in transit by sea or air.

## **5) Off-Site Storage**

This Policy extends to cover Damage to Insured Property whilst in storage anywhere within the Territorial Limits.

## **6) Taken Into Use**

Notwithstanding Defects Liability of Section 1 and/or that the permanent works or part thereof shall be provisionally handed over, occupied or taken into use, this Policy is extended to cover the works and activities of the Insured from the Provisional Acceptance Certificate Date of the Project until the end of the Policy Period.

## **7) Existing Property or property belonging to or held in care, custody or control of the Insured (Subject to providing sum insured)**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, Section I of this insurance shall be extended to cover loss of or damage to the Principal's existing property.

Existing Property shall mean Any Property:

- Owned by the Principal and/or which the Named Insured has assumed risk of loss under Contract and/or
- And any other property deemed to be in the care, custody or control of the Insured.

## **8) Professional Fees**

Architects, surveyors, legal, consulting engineers and other fees necessarily incurred by the Insured for the replacement and/or reinstatement as the result of damage that is indemnifiable by this policy (but not for preparing any claim) and for a sum not exceeding in all the amount calculated in accordance with the scale recommended by the appropriate professional body.

## **9) Debris Removal**

Costs and expenses necessarily incurred by the Insured in:

- i. Removal and disposal of debris detritus and material foreign to the insured operations;
- ii. The cost of Repairing or clearing drains sewers service mains and the like and/or dewatering;
- iii. The provision and maintenance of lights, audible warnings, barriers, hoardings and the like;
- iv. Regaining access to original working conditions;

## **10) Time Adjustment Clause (72 Hour Clause)**

It is agreed that all Damage to the Insured Property occurring during any one period of seventy- two consecutive hours during the Period of Insurance directly caused by storm, tempest, flood or earth movement shall be deemed to have been caused by a single Occurrence and therefore constitute one Loss for the purposes of this Policy.





## **11) Plans and Documents**

Costs and expenses necessarily and reasonably incurred to rewrite or redraw plans, documents and records (including computer records and programs), but not in respect of the value of the information contained therein.

## **12) Additional Import and Customs Duties**

Customs and excise duties, import taxes, freight, insurance and similar charges as the Insured may incur in respect of the procurement of goods, materials and services for the reinstatement, replacement, Repair, restoration or re-commissioning to the extent that such customs and excise duties were included in the Estimated Project Value as the result of Damage that is indemnifiable by this Policy.

## **13) Automatic Reinstatement of Sum Insured at additional prorate premium**

In the event of damage to the Insured Property this Policy shall remain in full force and effect until expiry of the Period of Insurance. Payment in respect of claims made under this Section shall not reduce the Sum Insured.

## **14) Local Authorities Clause**

This Policy extends to indemnify the Insured for additional costs and expenses in the Repair of the Insured Property as may be incurred solely by reason of the necessity to comply with the stipulations of building or other regulations or bye-laws of any Municipal or Local authority.

Provided however that this Policy does not extend to cover:

- (a) Additional costs and expenses incurred in complying with any of the aforesaid regulations, or by-laws or legislation under which notice been served upon the Insured prior to the happening of the Damage.
- (b) Additional costs incurred on Insured Property not suffering from Damage other than alterations necessary as part of the reinstatement

## **15) Errors & Omissions Clause**

An Insured's rights of recovery under this Policy shall not be prejudiced by an unintentional or inadvertent error or omission in name or description, or amount or reporting or notification, provided the Insured corrects such error or omission and notifies the Insurers as soon as reasonably practicable after discovery by the Insured's risk management department.



It is further agreed that any wrongful act, error or omission by an Insured shall not operate to the prejudice of the interest of any other Insured who are not privy to such wrongful act, error or omission.

## **16) Designation of Property Clause**

For the purpose of determining where necessary the item or heading under which any property is insured the Insurer agrees to accept the designation under which such property has been entered in the Insured's books or records.

## **17) Free Issue Materials**

The Insurer(s) shall indemnify the Insured for Damage to materials or property provided for the purposes of the Project by the Principal or any party on behalf of the Principal.

## **18) Emergency Services**

The Insurer(s) shall indemnify the Insured for the cost of emergency services, fire fighting, fire brigade charges, fire department service charges, loss of foam or other fire extinguishing material, equipment lost, expended or destroyed in fighting fire including loss or similar material which maybe brought to the Project Site for the purpose of extinguishing a fire already in progress, labour expenses incurred while such labour is engaged in extinguishing a fire, other extinguishing expenses and other similar costs and expenses

## **19) Sue and Labour Clause**

In case of any imminent or actual loss or occurrence, it shall be lawful for the Insured or their employees to sue, labour and travel for, in and about the defence, safeguard and recovery of the subject matter insured hereunder without prejudice to this Contract of Insurance and the Insurer(s) shall be liable for the reasonably and necessarily incurred costs thereof

Insurer(s) shall also be liable for salvage charges and all expenses for which the Insured is responsible, incurred in minimising loss



## *Exclusions to Section 1 – Material Damage*

This Policy does **NOT** insure the following:

- 1) Damage to cash, bank notes, treasury notes, checks, money order or stamps.
- 2) Damage to:
  - i. aircraft or hovercraft;
  - ii. Waterborne vessels or craft;
- 3) Any loss of use or any other consequential loss including penalties, losses due to delay, lack of performance, loss of contract
- 4) Wear and tear corrosion, oxidation, and deterioration due to lack of use and normal atmospheric conditions.
- 5) Unexplained disappearance or shortage discovered during periodical inventory taking.
- 6) The amounts stated as the Deductibles in the Schedule.
- 7) loss or damage to construction plant, equipment and construction machinery due to electrical or mechanical breakdown, failure breakage or derangement, freezing of coolant or other fluid, defective lubrication or lack of oil or coolant, but if as a consequence of such breakdown or derangement an accident occurs causing external damage, such consequential damage shall be indemnifiable





## **Section 2 – Third Party Liability**

This insurance will reimburse the Insured for any amount the Insured becomes legally liable to pay in respect of death, bodily injury, illness, personal injury to third party or Damage to third party property arising directly out of or in connection with the performance of the Project insured under Section 1 and happening anywhere within the Territorial Limits by any cause whatsoever, not hereinafter excluded.

In respect of a claim for which the indemnity provided in this Policy applies the Insurers will to the Limit of Indemnity indemnify the Insured against – **Cost inclusive endorsement**

- (a) All costs and expenses in respect of any claim against the Insured to which the indemnity expressed in this Policy applies, Legal fees in respect of representation by the Insured at any Coroner's Court, Fatal Accident or Ministry Enquiry;

provided the foregoing shall be incurred with the Insurers' consent and relate to any matter which may be the subject of indemnity under this Policy.

For the purposes of this Section 2, the term Insured shall include any board member, director, officer, partner, personal representative or employee of the Insured stated in the Schedule in his respective capacity as such but indemnification in this respect shall only apply in respect of liability for which the Insured would have been entitled to Indemnity under this Section if the claim had been made directly against the Insured and arising directly in connection with The Project.

To the extent that the Insured provides or manages specifically in connection with the Project canteens and welfare facilities and the like for the benefit of the Insured's employees and/or of first aid fire or ambulance services the Insurers will in addition to the Insured also indemnify the officers, committees, and members of the foregoing in their respective capacities as such as though they were the Insured.

The Insurers total liability to any claimant or any number of claimants in respect of or arising out of any Occurrence consequent on one original cause shall not exceed the Limit of Liability shown in the Schedule.

### *Extensions to Section 2 – Third Party Liability*

#### **1) Defects Liability Clause**

Subject otherwise to the terms, exclusions and conditions contained herein or endorsed hereon, this Policy extends to the Defects Liability period specified in the Schedule to cover any amount the Insured becomes legally liable to pay in respect of death, bodily injury, and illness, personal injury to third parties or Damage to third party property:

- (i) Caused by the insured contractor(s) in the course of operations carried out for the purpose of complying with their obligations under the Defects Liability provisions of the contract;
- (ii) Occurring during the Defects Liability period provided that such death and/or bodily injury and/or personal injury and/or property Damage arises from a cause at the Project Site during the Period of Insurance.



## 2) Cross Liability clause

Where the Insured described in the Schedule consists of more than one party this Section shall apply as if a separate Policy had been issued to each party, provided that nothing in this Clause shall be deemed to increase the Limit of Indemnity for any one occurrence beyond the limit stated in the Schedule.

### *Exclusions to Section 2 – Third Party Liability*

This Policy does **NOT** insure the following:

- 1) Liability in respect of:
  - (a) injury to or illness of any person under a contract of service or apprenticeship with the Insured or members of their family
  - (b) any sums payable by the Insured under the legislation relating to occupational injury or illness.
- 2) Liability for Damage to:
  - (i) Insured Property under Section 1 of this Policy (or which would but for the Deductibles or Exclusions therein be the subject of indemnity there under) or for loss of use of the Insured Property;
  - (ii) property owned and/or operated by and/or the responsibility of the Insured in the schedule;
  - (iii) property held in trust by the Insured in the Schedule or;
  - (iv) is in the care, custody or control of the Insured in the Schedule or is leased, let, rented hired or lent to the Insured in the Schedule.
- 3) Liability for negligent acts, errors or omissions in the performance of the Insured's professional activities and duties but including third party death and/or bodily and/or personal injury and/or property Damage resulting there from (other than Damage to the contract works).
- 4) Liability arising from the ownership or possession of or use under the control of the Insured or any person acting on behalf of the Insured of:
  - (i) any vessel craft or thing, made to or intended to fly float or travel on or through water or air and/or property carried by stored in or mounted upon such vessel craft or thing;
  - (ii) any power driven vehicle which is licensed for road use other than any mobile crane mechanical navvy shovel grab excavator site clearing and levelling plant or any self-



propelled vehicle with or without plant permanently attached which is not more specifically insured under any other policy of insurance.

- 5) Liability for which compulsory insurance or security is required by legislation governing the use of mechanically propelled vehicles.
- 6) Liability for:-
  - a) Personal Injury or Bodily Injury or Damage to, or loss of use of property directly caused by seepage, pollution or contamination, provided always that this paragraph (a) shall not apply to liability for Personal Injury or Bodily Injury or Damage to or destruction of tangible property, or loss of use of such property Damaged, where such seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the Period of Insurance.
  - b) The cost of removing, nullifying or cleaning-up, seepage, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the Period of Insurance.
  - c) Fines, penalties, punitive or exemplary damages in connection with a) and/or b) above.

This exclusion shall not extend this insurance to cover any liability which would not have been covered under this insurance had this exclusion not been included.

- 7) Liability associated with clean-up, remediation, containment, removal or abatement, caused directly or indirectly, in whole or in part, by:
  - i. Any "fungus (i)", "mould(s)", mildew or yeast, or
  - ii. Any "spore(s)" or toxins created or produced by or emanating from such "fungus(i)", "mould(s)", mildew or yeast, or
  - iii. Any substance, vapour, gas, or other emission or organic or inorganic body or substance produced by or arising out of any "fungus(i)", "mould(s)", mildew or yeast, or
  - iv. Any material, product, building component, building or structure, or any concentration of moisture, water or other liquid within such material, product, building component, building or structure, that contains, harbours, nurtures or acts as a medium for any "fungus(i)", "mould(s)", mildew or yeast, or "spore(s)" or toxins emanating there from,

regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to that liability.

For the purpose of this Exclusion, the following definitions shall apply:



- a) “Fungus(i)” includes, but is not limited to, any plants or organisms belonging to the major group Fungi, lacking chlorophyll, and including “mould(s)”, rusts, mildews, smuts and mushrooms.
- b) “Mould(s)” includes, but is not limited to, any superficial growth produced on damp or decaying organic matter or on living organisms, and fungi that produced “mould(s)”.
- c) “Spore(s)” means any dormant or reproductive body produced by or arising or emanating out of any “fungus(i)”, “mould(s)”, mildew, plants, organisms or micro- organisms.
- 8)
- a) liability directly or indirectly caused by or alleged to be caused by or contributed to in whole or in part by or arising from the inhalation and/or ingestion of or the existence of or exposure to asbestos and/or any other substance or compound that incorporates asbestos
- b) Liability which is a result of the removal from any building and/or structure of asbestos and/or any other substance or compound that incorporates asbestos as a consequence of an actual or alleged health hazard situation
- c) Any obligation to defend any claim or suit against the Insured alleging liability resulting from a) or b) above nor to Insurer(s) liabilities for defence costs arising there from.

Provided always that this Exclusion shall not apply to

- a) Liability resulting from the failure or alleged failure of the products to perform their intended function
- b) Liability unrelated to the known or suspected harmful injurious or damaging effects of asbestos products fibres or dust for which this Policy would apply but for this Exclusion.



## **General Conditions applicable to all Sections**

### **1) Multiple Insured's Clause**

- i. It is agreed that as the Insured described in the schedule comprises more than one insured party each operating as a separate and distinct entity then (save as described in this Multiple Insured's Clause) cover herein shall apply in the same manner and to the same extent as if individual policies had been issued to each such insured party provided that the total liability of the Insured's to all of the insured parties collectively shall not exceed the sums insured and limits of indemnity including any inner limits set by memorandum or endorsement stated in this Policy.
- ii. It is agreed that any payment or payments by the Insured's to any one or more such insured parties shall reduce to the extent of that payment the Insured's liability to all such parties arising from any one event giving rise to a claim under this Policy and (if applicable) in the aggregate.
- iii. It is further understood that the insured parties will at all times preserve the various contractual rights and agreements entered into by the insured parties and the contractual remedies of such parties in the event of Damage.
- iv. It is further understood and agreed that the Insured's shall be entitled to avoid liability to or (as may be appropriate) claim damages from any of the insured parties in circumstances of fraud, of material misrepresentation, material non-disclosure or breach of any warranty or condition this Policy each referred to in this clause as a Vitiating Act.
- v. It is however agreed that (save as described in this Multiple Insured's Clause) a Vitiating Act committed by one insured party shall not prejudice the right to indemnity of any other insured party who has an insurable interest and who has not committed a Vitiating Act.
- vi. The Insurer(s) hereby agree to waive all rights of subrogation which they may have or acquire against any insured party
- vii. The lenders to the project shall not be entitled to any indemnity under this Policy for or arising from Damage in respect of which Insurer(s) are by reason of a Vitiating Act no longer liable to indemnify any one or more other insured party.

Notwithstanding the above the Insurer(s) agrees to waive all rights of subrogation which they may have or acquire against the Principal shown in the Schedule.

### **2) Primary Insurance**

Subject otherwise to Memoranda No. 22 of this Policy (50/50 Clause) it is agreed that this Policy provides primary cover for the Insured and that in the event of Damage covered by this Policy which



is also covered under any other policy of insurance taken out by the Insured the Insurer(s) will indemnify the Insured as if such other policy of insurance did not exist.

### **3) Payments on account Clause**

It is agreed that at the request of the Insured the Insurers will, subject to liability having been accepted and application of the applicable Deductible, provide payment on account in respect of any claim subject always to compliance with the terms and conditions of this Policy.

The Insured shall provide to the Insurers such evidence as may be required by the Insurers to provide such payments on account, for example but not limited to proof of Loss with supporting documentation, bills and accounts, for agreement and approval.

### **4) Premium Adjustment**

The premium hereon is a deposit calculated at the agreed rate applied to the estimated project cost at inception.

As soon as reasonably practicable after the completion of the Project the Insured shall advise the Insurer(s) of the final insurable project cost. The Deposit Premium will be adjusted by applying the agreed premium rate to the final insurable project cost and any difference between the final and deposit premiums will be paid to the Insurer(s) or repaid to the Insured as the case may be.

If Damage has resulted in a claim under this Policy no return of premium will be due.

### **5) Access**

The Insurer's officials or representatives shall have the right at all reasonable times to visit the Project Site and to inspect and examine the Insured Property.

### **6) Loss Adjuster's Clause**

On the happening of an event, Insurer(s) agrees to appoint Crawford, Cunningham Lindsay, Miller International or Arab Loss Adjusters as the Loss Adjusters.

### **7) Loss Payee Clause**

Loss(es), if any, under this Policy, shall be adjusted with and payable to the Insured or as designated by them.

### **8) Non-Cancellation Clause**

This Policy shall not be cancelled by the Insurer except in the event of non-payment of premium, in which event the Insurer(s) undertake to provide written notice to the Insured no less than 90 (ninety) days prior to the date of such proposed cancellation.



## 9) Law and Jurisdiction Clause

It is understood and agreed by both the Insured and Insurer(s) that any dispute concerning the interpretation of the terms, conditions, limitations or exclusions contained herein shall be subject to the laws of the United Arab Emirates

## 10) Additional Insureds

In the event of the death of the Insured the title of the Insured in the Schedule to this Policy shall include any personal representative of the Insured in respect of liability incurred by the Insured.

## 11) Bankruptcy Clause

Bankruptcy or Insolvency of the Insured shall not relieve the Insurer(s) of any obligations under this policy.

## 12) Claims Preparation Costs

Notwithstanding anything herein contained to the contrary, it is hereby declared and agreed that the insurance provided by under this policy is extended to include costs and expenses reasonably incurred by the Insured in the employment of consultants and experts (including lawyers, accountants, engineers, and any similar professionals) in investigating any claim or potential claim, providing and certifying any particulars or details required by the Insurers or in substantiating the amount of any claim. Subject otherwise to the same terms and conditions of the policy.

## 13) Waiver of Subrogation Clause

The Insurer hereby agrees to waive all rights of subrogation or action that they may have or acquire against the Employer or any Additional Insured including their Insurers, arising out of any occurrence in respect of which any claim is made.

## 14) Innocent Non-Disclosure Clause

The Insurer will not exercise its right to avoid this policy on the grounds of any alleged non-disclosure or misrepresentation of facts or alleged untrue statements in any information supplied to it, provided that the Insured shall establish to the Insurer's satisfaction that such alleged non-disclosure, misrepresentation or untrue statement was free of any fraudulent conduct or intent to deceive



## **General Exclusions applicable to all Sections**

This Section of the Policy does **NOT** insure the following:

- 1)
  - i. Damage to any property whatsoever or any Loss or expense whatsoever resulting or arising there from or any consequential loss
  - ii. Any legal liability of whatsoever nature; directly or indirectly caused by or contributed to, by or arising from:
    - a) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;  
  
(For the purpose of this exclusion combustion shall include any self-sustaining process of nuclear fission).
    - b) Nuclear weapons materials.
- 2) Notwithstanding any provision to the contrary with this Policy or any endorsement thereto it is agreed that this Policy excludes 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;
  - i. 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
  - ii. Any act of terrorism.

For the purpose of the exclusion an act of terrorism means an act, including by not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

The exclusion also excludes Damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (i) and/or (ii) above.

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







3)

- i. Penalties (including liquidated damages) for non-completion or delay in completion or for non-compliance with contract conditions;
- ii. Performance guarantees.

4)

- i. Damage, destruction, distortion, erasure, corruption or alteration of electronic data from any cause whatsoever (including but not limited to computer virus) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting there from, regardless of any other cause or event contributing concurrently or in any other sequence to the Loss.

Electronic data means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Computer virus means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. Computer virus includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

- ii. However, in the event that a peril listed below results from any of the matters described in paragraph (a) above, this Policy, subject to all its terms, conditions and exclusions, will cover Damage occurring during the Policy period to the Insured Property directly caused by such listed peril.

#### Listed Perils

- Fire
- Explosion
- Flood
- Water Damage
- Smoke
- Any other accidental damage

Except as may be provided elsewhere within the Policy, it is understood and agreed as follows:

Should electronic data processing media insured by this Policy suffer Damage insured by this Policy, and then the basis of valuation shall be the cost of the blank media plus the costs of copying the electronic data from back-up or from originals of a previous generation. These costs will not include research and engineering or any costs of recreating, gathering or assembling such electronic data. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this Policy does not insure any





amount pertaining to the value of such electronic data to the Insured or any other party, even if such electronic data cannot be recreated, gathered or assembled.

## COMMUNICABLE DISEASE EXCLUSION

1. Notwithstanding any provision to the contrary within this policy, this policy does not cover all actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this endorsement, loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test for a Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
  - 3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
  - 3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
  - 3.3. the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress, damage to human health, human welfare or property damage.

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## COMMUNICABLE DISEASE EXCLUSION

1. Notwithstanding any provision to the contrary within this insurance agreement, this insurance agreement excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
  - 2.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and





2.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

2.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

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27 March 2020

## VALUE ADDED TAX (VAT) CLAUSE

### Definitions

Value Added Tax means any value added tax or similar tax payable to any authority in respect of transactions and includes, but without limitation, any other form of taxation that maybe applicable to this contract.

### 1 VAT

1.2 All amounts expressed to be payable under this Insurance contract by the Insured to Insurer which (in whole or in part) constitute the consideration for any insurance services for VAT purposes are deemed to be exclusive of any VAT which is chargeable on that Insurance services, and accordingly if VAT is or becomes chargeable on any services made by Insurance Company to Insured customer under this contract and Insurance Company is required to account to the relevant tax authority for VAT on that services, that insured customer must pay to Insurance Company (in addition to and at the same time as paying any other consideration for such services or at the point the VAT becomes due to be paid by Insurance Company if earlier) an amount equal to the amount of that VAT (and Insurance Company must promptly provide an appropriate VAT invoice to that Insured customer where so required to by law).

1.3 Where this Insurance contract requires the Insured customer to reimburse or indemnify the Insurance Company for any cost or expense, The Insured shall reimburse or indemnify (as the case may be) Insurance Company for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that such Insurance Company reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.

1.4 In relation to any services made by Insurance Company to customers under this Insurance contract, if reasonably requested by the customer, Insurance Company must promptly provide the customer with details of Insurance Company VAT registration and such other information as is reasonably requested in connection with the customer's VAT reporting requirements in relation to such insurance services.

