

## ERECTION ALL RISKS INSURANCE POLICY - COMMERCIAL



### Customer Information Sheet

This 'Erection All Risks Insurance Policy' ('EAR') is an "All Risk" basis Policy with specified exclusions. It is specially designed for the projects under erection. This Policy covers loss or damage to the property under erection, commissioning, testing, storage etc. It offers comprehensive coverage for all types of projects involved in erection of plant & machinery as well as provided coverage for third party liability etc.

Sr. No.	Title	Sales Literature
	Product Name	Erection All Risks Insurance Policy
1	Policy for whom	Any erection project is vulnerable to various kind of accidents. This (EAR) Policy can be taken by Principal, Contractor or sub-contractor, either individually or jointly.
2	Scope of cover	This Policy offers comprehensive coverage for all types of projects involved in erection of complete plant/project or plant & machinery located at residential, commercial, institutional, industrial, warehouses, pipelines, dams, ports, tunnels, roads, bridges & other non-industrial ,industrial , infrastructure projects etc.
3	Extensions/ add on covers	<ul style="list-style-type: none"> <li>• Escalation Clause</li> <li>• Air Freight</li> <li>• Additional Custom Duty</li> <li>• Limited Maintenance Visits Cover</li> <li>• Extended Maintenance Cover</li> <li>• Cover Of Extra Charges For Overtime, Night Work, And Work On Public Holidays, Express Freight Including Air Freight</li> <li>• Special Conditions Concerning Fire Fighting Facilities</li> <li>• 72 Hours Clause</li> <li>• Professional Fees Clause</li> <li>• Clearance And Removal Of Debris</li> <li>• 50: 50 Clause</li> <li>• Loss Minimisation Expenses</li> <li>• Owners Surrounding Property</li> <li>• Automatic Reinstatement Clause</li> <li>• Endorsement Concerning Storage</li> <li>• T.P.L Cover: With or without Cross Liability During Maintenance period</li> <li>• Waiver Of Subrogation Clause</li> <li>• Cover For Valuable Documents</li> <li>• Design Defect Cover</li> <li>• Continuity of cover during operational phase for Unit/Plant tested but awaiting integral testing (along with other units/Plants)</li> <li>• Amendment in Fire fighting endorsement wording</li> <li>• Terrorism Damage Coverage Endorsement</li> <li>• Cover for Increased Customs Duty</li> <li>• Claim Preparation Cost</li> <li>• Cessation Of Work</li> <li>• Contractual Liability</li> <li>• Errors &amp; Omissions to Insure Clause</li> <li>• Inland Transit Clause</li> <li>• Involuntary Betterment Clause</li> <li>• Leased Equipment Rental Cost Clause</li> <li>• Pair and Set Clause</li> <li>• Cover for Insured Contract Works Taken Over Or Put Into Services</li> </ul>

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		<ul style="list-style-type: none"> <li>• Undamaged Property Destruction Clause</li> <li>• Primary Insurance Clause</li> <li>• Non-Vitiatio Clause</li> <li>• Loss Payee Clause</li> <li>• Local Authorities Clause</li> <li>• Designation of Property Clause</li> <li>• Multiple Insured Clause</li> <li>• Agreed Bank Clause</li> <li>• Express Freight (Air Freight Excluded) Holiday and Overtime Rates Of The Wages</li> <li>• Waiver of Contribution Clause</li> <li>• Pro-Rata Extension Clause</li> <li>• Continuity of Cover</li> <li>• Start Up Expenses</li> </ul>
4	Exceptions	<p><b>GENERAL EXCLUSIONS -</b>  The Company will not indemnify the Insured in respect of loss, damage or liability directly or indirectly caused by or arising out of or aggravated by –</p> <ol style="list-style-type: none"> <li>a) War, invasion, act of foreign enemy, hostilities or war like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny, civil commotion, military or usurped power, martial law, conspiracy, confiscation, commandeering a group of malicious persons or persons acting on behalf of or in connection with any political organisation, requisition or destruction or damage by order of any government de jure or de facto or by any public, municipal or local authority.</li> <li>b) Nuclear reaction, nuclear radiation or radioactive contamination.</li> <li>c) Wilful act or wilful negligence of the Insured or of his responsible representative</li> <li>d) Cessation of work whether total or partial.</li> <li>e) Terrorism Damage Exclusion Warranty:</li> </ol> <p>This policy excludes loss, damage cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.</p> <p>For the purpose of this exclusion, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, 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 for such purposes.</p> <p>This exclusion also includes loss, damage, cost or expenses 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 the above.</p> <p>In any action, suit or other proceedings where the company allege that by reason of the provisions of Exclusion (a) above any loss, destruction, damage or liability is not covered by this insurance, the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.</p> <p><b>EXCLUSION TO SECTION I -</b>  The Company, shall not, however, be liable for -</p> <ol style="list-style-type: none"> <li>a) the first amount of the loss arising out of each and every occurrence shown as Excess in the Schedule;</li> <li>b) loss discovered only at the time of taking an inventory;</li> <li>c) normal wear and tear, gradual deterioration due to atmospheric conditions or otherwise, rust, scratching of painted or polished surfaces or breakage of glass;</li> <li>d) loss or damage due to faulty design, defective material or casting, bad workmanship other than faults in erection.</li> </ol>

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		<p>This exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss or damage to other insured items resulting from such excluded perils;</p> <p>e) the cost necessary for rectification or correction of any error during erection unless resulting in physical loss or damage;</p> <p>f) loss of or damage to files, drawings, accounts, bills, currency, stamps, deeds, evidence of debt, notes, securities cheques, packing materials such as cases, boxes, crates;</p> <p>g) any damage or penalties on account of the Insured's non- fulfillment of the terms of delivery or completion under his Contract of Erection or of any obligations assumed thereunder including consequential loss of any kind or description or for any aesthetic defects or operational deficiencies.</p> <p><b>EXCLUSIONS TO SECTION II -</b> The Company will not indemnify the Insured in respect of –</p> <ol style="list-style-type: none"> <li>1. The Excess stated in the Schedule to be borne by the Insured in any one occurrence related to property damage</li> <li>2. Expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under Section I of this Policy;</li> <li>3. Liability consequent upon -               <ol style="list-style-type: none"> <li>a) bodily injury to or illness of employees or workmen of the Contractor(s) or the Principal(s) or any other firm connected with the project which or part of which is insured under Section I, or members of their families;</li> <li>b) loss of or damage to property belonging to or held in care, custody or control of the Contractor(s), the Principal(s) or any other firm connected with the project which or part of which is insured under Section I, or an employee or workman of one of the aforesaid;</li> <li>c) any accident caused by vehicles licensed for general road use or by waterborne vessels or aircraft;</li> <li>d) any agreement by the Insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.</li> </ol> </li> </ol>
5	Period of cover	<p>“Period of Cover” refers to the period during which coverage, as specified in the Schedule, is provided to the Insured under this Policy.</p> <p>The liability of the Company shall commence, (notwithstanding any date to the contrary specified in the Schedule) only from the time after the unloading of the property specified in the Schedule from any conveyance at the site specified in the schedule and shall continue until immediately after the first test operation or test loading is concluded (whichever is earlier) but in no case beyond four weeks from the day on which after completion of erection a trial running is made and/or readiness for work is declared by the erectors/contractors, whichever is earlier.</p> <p>If however, a part of a plant or one or several machine/s is/are tested and put into operation the cover and consequently the liability of the Company for that particular part of the plant or machine ceases whereas it continues for the remaining parts which are not yet ready.</p>
6	Deductibles	<p>The deductible as per the Tariff are minimum deductible and higher deductible can be applied as per underwriting guidelines changes on time to time basis.</p>
7	Cancellation	<p>This insurance may be terminated at the request of the Insured at any time in which case the Insurers will refund appropriate premium amount subject to the following conditions.</p> <ol style="list-style-type: none"> <li>i) Claims experience under the policy as on date of cancellation should be less than 60 % of reworked premium.</li> <li>ii) The unexpired period is not less than 3 months or 25% of the policy period, whichever is less</li> <li>iii) Testing period should not have commenced.</li> </ol> <p>This insurance may also at any time be terminated at the option of the Company, on the grounds of misrepresentation, fraud, non-disclosure of material facts or non-cooperation by the insured , by giving fifteen days' written notice to the insured , in which case there shall be no refund of premium.</p>

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8	Claim intimation	In the event of loss or damage to the insured property owing to an accident arising out of an external peril, the Company must be informed immediately by: 1. Calling Toll Free at 1800 12000. 2. Mailing to support@edelweissinsurance.com
9	Disclaimer	THE ABOVEMENTIONED INFORMATION IS ONLY A SUMMARY OF THE PRODUCT FEATURES. THE COMPLETE TERMS AND CONDITIONS CAN BE FOUND IN THE POLICY WORDING. IT IS ADVISED THAT THE POLICY WORDING BE READ COMPLETELY FOR A FULL DESCRIPTION OF THE TERMS AND CONDITIONS OF COVERAGE AND THE EXCLUSIONS RELATING THERETO.
10	Our Details in Website	<b>For detailed terms and conditions, queries and grievances, please refer to our website <a href="http://www.edelweissinsurance.com">www.edelweissinsurance.com</a></b> Toll Free: 1800 12000 Company Address : Edelweiss General Insurance Company Limited 5th Floor, Tower 3, Kohinoor City Mall, Kohinoor City, Kiroil Road, Kurla (West), Mumbai – 400070