

CONTRACTORS

Policy Summary



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This is an annually renewable Contractors Annual Insurance underwritten by Royal & Sun Alliance Insurance plc. The information below provides a summary of the cover provided. For full terms and conditions of the cover, please refer to the policy document a copy of which is available on request. Cover may also be given for specific projects (in which case cover will not be available for Employers' Liability).

This policy provides cover in respect of Construction Works and protection is also available for Employers' Liability, Public and Products Liability and/or JCT Clause 21.2.1 Insurance risks.

You can select the cover that suits your needs from a number of optional sections within the Contractors Policy. These are:

- Contractors' "All Risks".
- Employers' Liability (not available for Specified Contracts).
- Public and Products Liability.
- JCT Clause 21.2.1 Insurance (or equivalent).

The following covers can only be bought in addition to Contractors' "All Risks"

- Advance Loss of Profit (only available for Specified Contracts).

- Existing Buildings.
- Terrorism.

The following covers can only be bought in addition to Public and Products Liability

- Financial Loss.
- Legionellosis.

Full details of what you have chosen will be shown in your Quotation letter and Policy Schedule.

The following tables provide a summary of the main policy features and benefits and any significant exclusions and limitations. For full policy details and our full terms and conditions please read your Policy Wording, a copy of which will be provided on completion of your contract, or at any time on request.

Other Important Information

The Other Important Information section of this Policy Summary explains the following:

- Law applicable to the policy.
- Our complaints procedure.

Table I Standard Cover Features and Benefits and Significant Exclusions or Limitations

The following will automatically be included in your policy, according to the cover you have selected:

Features and Benefits	Significant Exclusions or Limitations
<p>Contractors' "All Risks" Insurance Provides cover against physical loss, destruction or damage to construction works during the course of construction.</p>	
<p>Standard Covers:</p> <ul style="list-style-type: none"> In the event of an insured loss you will be covered for the value of the damaged property, or the cost of repair, or at the insurer's option, reinstatement or replacement, from any cause not excluded by your policy. <p>Cover may be extended to include:</p> <ul style="list-style-type: none"> Maintenance – includes damage to the permanent works that occur during any maintenance or defects liability period, not exceeding 12 months duration. Temporary buildings (including fixtures and fittings). Constructional plant tools and equipment. Cover for damage to hired-in property – in the event of an insured loss, you are covered for the value of the property destroyed. Employees' tools and effects while on the site of the contract. <p>Cover for the above is limited to Great Britain, Northern Ireland, the Isle of Man and the Channel Islands.</p>	<p>The Policy does not cover:</p> <ul style="list-style-type: none"> Damage which you are not responsible for under contract. Damage to: <ul style="list-style-type: none"> bonds, bills and cash notes. any craft intended to be water-borne or air-borne. mechanically propelled vehicles for which a Motor Insurance Certificate is required under the Road Traffic Act. existing property. the permanent works, or any part thereof, if a certificate of completion has been issued, or it has been completed, or it has been handed over, or it has been taken into use, or any part of a Speculative Development that has been substantially completed. The cost of: <ul style="list-style-type: none"> repairing, replacing or rectifying property that is defective. normal upkeep. normal 'making good'. Penalties for non-completion. Defective design. Damage to existing structures (although this is available as a separate section of cover). Mechanical breakdown of plant. Losses from unidentifiable events. Terrorism (although this is available as a separate section of cover). War. Damage resulting from pressure waves. Damage to Nuclear Material.

Table 2 Optional Covers

Features and Benefits	Significant Exclusions or Limitations
<p>Employers' Liability Insurance Provides protection against your legal liability for damages and legal costs arising from injury to any person employed by you in the course of their employment in your business. This cover is not available for Specified Contracts.</p>	
<p>Standard Covers:</p> <ul style="list-style-type: none"> • Injury to any employee caused during the period of insurance. Injury is defined as: 'bodily injury, death, disease or illness'. • Employees temporarily working overseas. • Legal Defence costs in defending proceedings arising from a breach of the Health and Safety at Work Act 1974, the Health and Safety at Work (Northern Ireland) Order 1978, where there has been no actual injury, is covered under a separate section of the policy (Limit of Indemnity £250,000 any one period of insurance). 	<ul style="list-style-type: none"> • Limit of Indemnity: £10,000,000 for any one event (restricted to £5,000,000 in respect of terrorism). Higher indemnity limits may be available in some circumstances on request. • The policy will usually include the claimant's costs and expenses within the Limit of Indemnity. • Indemnity does not apply for: <ul style="list-style-type: none"> - nuclear risks where liability is that of a principal or accepted under contract. - injury for which you are required to arrange motor insurance in accordance with road traffic legislation within the European Union. • Offshore risks.

Table 2 Optional Covers (continued)

Features and Benefits	Significant Exclusions or Limitations
<p>Public and Products Liability Insurance Provides cover for your legal liability for damages arising out of accidental injury to any person or accidental loss or damage to third party property.</p>	
<p>Standard Covers:</p> <ul style="list-style-type: none"> • Public Liability: Accidental injury to members of the public or accidental damage to their property. • Products Liability: Accidental injury or accidental damage to property resulting from products supplied. • Wrongful arrest or false imprisonment of a member of the public. • Contingent Motor Liability. • Legal Defence costs in defending proceedings arising from a breach of the Health and Safety at Work Act 1974, the Health and Safety at Work (Northern Ireland) Order 1978 or Part II of the Consumer Protection Act 1987 where there has been no actual injury or damage, is covered under a separate section of the policy (Limit of Indemnity £250,000 any one period of insurance). 	<ul style="list-style-type: none"> • The minimum Limit of Indemnity provided for Public Liability will usually be £1,000,000 for any one event. Higher limits may be provided on request. • The minimum Limit of Indemnity provided for Products Liability will usually be £1,000,000 for any one period of insurance. Higher limits may be provided on request. • The Policy will usually include the claimant's costs and expenses in addition to the Limit of Indemnity. • Excludes legal liability: <ul style="list-style-type: none"> - arising from risks that require more specific insurance e.g. Motor; Marine etc. - arising in connection with advice, design or specification provided for a fee. - for injury to employees. - arising from loss of, or damage to, property in your custody or control. - caused by pollution unless sudden and unintended and will usually be a Limit of Indemnity for any one Period of Insurance. - arising from contractual liability for products. - fines and penalties. - defective products and work and the repair, replacement or recall of such products or work. - nuclear risks. - war risks. - electronic risks. - fear of contracting asbestos related diseases. - pre-claim asbestos clean up costs. • Other specific events may be excluded by endorsement, or cover may need to be individually assessed.

Table 2 Optional Covers (continued)

Features and Benefits	Significant Exclusions or Limitations
Terrorism Insurance - only available where Contractors' "All Risks" is covered.	
Cover is provided for acts of Terrorism in Great Britain. This cover will be provided on the same basis as the main Contractors' "All Risks" section.	<ul style="list-style-type: none"> • Terrorism cover can not be purchased selectively. If you require Terrorism cover it must apply to all your insured property. • Cover will be limited to the Sums Insured that you have selected. • The same exclusions as under the Contractors' "All Risks" sections will apply.
Financial Loss Only available where Public and Products Liability is covered.	
<ul style="list-style-type: none"> • Legal liability for financial loss where no injury or damage has occurred. 	<ul style="list-style-type: none"> • The minimum Limit of Indemnity is £250,000 any one Period of Insurance. Higher limits may be provided on request - please see your Policy Wording/Schedule for the limit that applies to you. • Contractual liability is excluded. • Some other specific exclusions apply - please see your Policy Wording for details.
Legionellosis Only available where Public and Products Liability is covered.	
<ul style="list-style-type: none"> • Legal liability arising out of accidental injury caused by Legionellosis. 	<ul style="list-style-type: none"> • Standard limit £1,000,000 any one Period of Insurance. Higher limits may be provided on request - please see your Policy Wording/ Schedule for the limit that applies to you. • Some specific exclusions apply - please see your Policy Wording for details.

Table 2 Optional Covers (continued)

Features and Benefits	Significant Exclusions or Limitations
<p>Clause 21.2.1 Insurance (or equivalent) Purchased by the Contractor on behalf of the Employer to provide protection against the employer's liability for loss arising as a result of non-negligent damage arising from specified perils to property (other than the contract works) while undertaking a building contract.</p>	
<p>Standard Covers:</p> <p>Any expense, liability, loss, claim or proceedings, which the Employer may incur or sustain by reason of injury or damage to property happening during the period of insurance and caused by</p> <ul style="list-style-type: none"> • collapse • subsidence • heave • vibration • weakening or removal of support • lowering of groundwater <p>arising from the carrying out of the contract.</p> <p>Your Policy Wording follows the wording of Clause 21.2.1 as closely as possible.</p>	<ul style="list-style-type: none"> • Negligence, omission or default of the Contractor, or of any sub-contractor. • Errors or omissions in the designing of the Works. • Injury or damage which can reasonably be foreseen to be inevitable. • Damage to the contract works. • Injury or damage where cover is provided by any other insurance, which is the responsibility of the Employer to insure under JCT Clause 22.C.1 or equivalent. • Pressure waves from aircraft or other aerial devices or sonic booms. • Nuclear or war risks. • Gradual pollution. • Any penalties or sums payable due to breach of contract. • A Limit of £1,000,000 per contract applies for annual automatic covers. • Limits up to £5,000,000 can be provided. Higher limits may be provided on request - please see your Policy Wording /Schedule for the limit that applies to you. • Costs and expenses incurred with our written consent are paid in addition to the indemnity limit.

Table 2 Optional Covers (continued)

Features and Benefits	Significant Exclusions or Limitations
<p>Advance Loss of Profit Only available for Specified Contracts and where Contractors' "All Risks" is covered.</p>	
<ul style="list-style-type: none"> • Advanced Loss of Profit Insurance: Protection against financial losses following damage that causes an interruption or interference with the programme of construction and marketing of the development. 	<ul style="list-style-type: none"> • Limits are as shown in your Quotation letter or Policy Schedule. • If the Sum Insured selected is less than the full insurable amount your claim may be reduced. • Some other specific exclusions apply - please see your Policy Wording for details.
<p>Existing Buildings Only available where Contractors' "All Risks" is covered.</p>	
<p>Loss or damage to buildings at the site of the contract that existed at the commencement of the contract.</p>	<ul style="list-style-type: none"> • Limits are as shown in your Quotation letter or Policy Schedule. • Excludes damage to land, roads, pavements, car parks and hardstandings, piers, jetties, bridges, culverts, excavations and trees at the contract site unless accepted by us. • If the Sum Insured selected is less than the full insurable amount your claim may be reduced. • Some other specific exclusions apply - please see your Policy Wording for details.

Table 3 Extensions

Extensions to Contract Works Wording

- **Automatic reinstatement following claim** – Sums Insured will not be reduced by the amount of any claim.
- **Sub-contract works.**
- **Maintenance or Defects Liability period.**
- **I.C.E. Standard Conditions of Contract.**
- **Professional fees** – including consulting engineers, architects and surveyor fees, or other professional fees, necessarily incurred in the reinstatement of the property.
- **Debris removal** – including disposal, dismantling and demolition, shoring up or propping, cleaning and repairing drains and service mains on site.
- **Public Authorities requirements** – additional costs of the reinstatement of the property which has suffered damage, in order to comply with building or other regulations under, or framed in, pursuance of any Act of Parliament or with by-laws of any public authority.
- **Principal's clause** – insurance extends to indemnify any employer or principal.
- **Speculative development** – you can extend up to 90 days beyond the substantial completion of the last building on the contract pending transfer of ownership.
- **Show house contents** – cover up to 90 days after the last building on the site is substantially complete.
- **Offsite storage** – in respect of material or goods which are temporarily held in store away from the site of the contract.
- **Contract price increase** – the Sum Insured will be increased proportionately to a figure not exceeding 125% of the Sum Insured.
- **Immobilised plant** – cost of recovery of constructional plant or equipment which is unintentionally immobilised, provided that such recovery or withdrawal is not necessitated solely by reason of electrical or mechanical breakdown.
- **Other interests.**
- **Free issue materials** – provided their value is included within both the Sum Insured and declaration of value.
- **Plans and documents** – costs incurred in re-writing, redrawing or reproducing plans, documents or other contract documents damaged within the Territorial Limits.
- **Expediting Expenses** – certain costs incurred in expediting the repair, reinstatement or replacement to property which has suffered damage.
- **Series Losses** – Where damage on any one-contract site arises during any one period of 72 consecutive hours caused by storm, tempest, flood or earthquake it shall be deemed to be a single event and, therefore, constitute one loss with regard to the application of your excess.

Table 4 General Conditions and Exclusions

The following apply to the policy as a whole regardless of the specific cover you have selected. For full details of these and other exclusions and limits please read your Policy Wording/Schedule.

General Conditions and Exclusions

- If there are any changes to your business, the premises and the property therein, or any other circumstances whereby the risk is increased, you must inform us immediately. Failure to do so could invalidate the policy or result in a claim being rejected.
- Employers' Liability cover for any work undertaken Offshore is excluded. Offshore shall mean 'embarkation on to a vessel or aircraft for conveyance to an offshore rig or platform until disembarkation from the conveyance on to land upon return from such offshore rig or platform'.
- You must, at your own expense, take all reasonable precautions to prevent any occurrence, or cease any activity which may give rise to liability under the policy and maintain all buildings, furnishings, works plant machinery and vehicles in reasonable condition.

Excesses and Limits

- Your policy may be subject to excesses, which are the amounts you must pay in the event of each and every claim. Certain claims limits may also apply. These will both be shown in your Policy Schedule.

OTHER IMPORTANT INFORMATION

Law applicable to the policy

Unless the parties have agreed otherwise in writing any dispute concerning the interpretation of this Insurance shall be governed and construed in accordance with the English law and shall be resolved within the non-exclusive jurisdiction of the courts of England and Wales.

Complaints

We aim to give customers a high standard of service at all times. If you are unhappy with the service provided for any reason or have cause for complaint, you should initially contact the person who arranged the policy for you or the manager of RSA at the address shown on your quotation or schedule, as appropriate. They will tell you what they will do to resolve your concerns and how long it will take. In the unlikely event that you remain dissatisfied and wish to make a complaint, please contact our Customer Relations Office at the address below.

Customer Relations Office
RSA
Bowling Mill
Dean Clough Industrial Estate
Halifax
HX3 5WA

What to do if you are still not satisfied

If you are still not satisfied Royal & Sun Alliance Insurance plc is regulated by the Financial Services Authority whose arbitration service is the Financial Ombudsman Service, and you may be able to refer your complaint to them.

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR

Tel: 0845 0801800

Email:
complaint.info@financial-ombudsman.org.uk

Website:
www.financial-ombudsman.org.uk

Your rights

Your rights as a customer to take legal action remain unaffected by the existence or use of any complaint procedures referred to above. However, the Financial Ombudsman Service will not adjudicate on any cases where litigation has commenced.

Royal & Sun Alliance Insurance plc (No. 93792).
Registered in England and Wales at St Mark's Court,
Chart Way, Horsham, West Sussex RH12 1XL.
Authorised and regulated by the Financial Services Authority.