

# Construction Material Damage

Annual  
Policy Wording

Version Number 02.11



## SRS Underwriting Agency Pty Ltd

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## 1. Important Information

1.1 This Policy and Schedule are to be read together. The information contained in the Schedule sets out the covers that You have selected, including the Sums Insured.

### 1.2 Duty of Disclosure

Before You enter into a contract of general insurance with Us, You have a duty, under the Insurance Contracts Act 1984, to disclose to Us every matter that You know, or could reasonably be expected to know, is relevant to Our decision whether to accept the risk of insurance and, if so, on what terms. You have the same duty to disclose those matters to Us before You renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of a matter-

1.2.1 that reduces the risk to be undertaken by Us;

1.2.2 that is of common knowledge;

1.2.3 that We know or, in the ordinary course of Our business, ought to know; or

1.2.4 as to which compliance with Your duty is waived by Us.

#### Non Disclosure

If You fail comply with Your duty of disclosure, We may be entitled to reduce Our liability under the contract in respect of a claim or may cancel the contract. If Your non-disclosure is fraudulent, We may also have the option of avoiding the contract from its beginning.

### 1.3 Preventing Our Right of Recovery

Our liability to You for loss or damage under this Policy may be excluded or limited if You enter into an agreement that excludes or limits Your or Our rights to recover monies from any other person or entity in respect of that loss or damage. This applies to any agreement you enter into before or after You enter into this Policy.

### 1.4 Other Party's Interests

You must tell Us about all parties (eg financiers, lessors) to be covered by this Policy. We will protect their interests only if You have told Us about them and We have noted them on the Schedule.

### 1.5 This Policy shall be invalid unless:

1.5.1 the Certificate of Insurance is signed by a person authorised by Us; and

1.5.2 any alteration is signed by a person authorised by Us.

### 1.6 Goods and Services Tax

The amount of premium payable by You for this Policy includes an amount for GST.

The Sum Insured and other Limits of liability shown on Your Policy documentation are GST **Exclusive**.

### 1.7 Privacy

New privacy legislation took effect on 21 December 2001. The legislation regulates the way private sector organisations can collect, use, keep secure and disclose personal information. We have developed a privacy policy which explains what sort of personal information We hold about You and what We do with that information. Please contact Your broker or agent to obtain a copy. A copy of the brochure can also be obtained from SRS or from Our website [www.srs.com.au](http://www.srs.com.au).

### 1.8 Lloyd's Notice – Australian Terrorism Insurance Act 2003

The Underwriters have treated this Insurance (or part of it) as an Insurance to which the Australian Terrorism Insurance Act 2003 (ATIA) applies.

ATIA and the supporting regulations made under the Act deem cover into certain policies and provide that the Terrorism exclusion to which this Insurance is subject shall not apply to any "eligible terrorism loss" as defined in ATIA.

Any coverage established by ATIA is only in respect of any “eligible terrorism loss” resulting from a “terrorist act” which is a “declared terrorist incident” as defined in ATIA. The Terrorism exclusion to which this Insurance is subject applies in full force and effect to any other loss and any act or event that is not a “declared terrorist incident”.

All other terms, conditions, insured coverage and exclusions of this insurance including applicable limits and deductibles remain unchanged.

If any or all of the Underwriters have reinsured this Insurance with the Australian Reinsurance Pool Corporation, then any such Underwriters will not be liable for any amounts for which they are not responsible under the terms of ATIA due to the application of a “reduction percentage” as defined in ATIA which results in a cap on the Underwriter’s liability for payment for “eligible terrorism losses”.

## 2. DEFINITIONS

For the purpose of this Policy the following definitions apply:

**2.1 Construction Period** means the date that the project commences, and expiring:

2.1.1 at the time of Practical Completion of the Contract Works; or

2.1.2 on the date those completed portions of the Contract Works are taken over, occupied or put into use; or

whichever occurs first.

**2.2 Contract Site** means the location(s) where any work is performed by You for or on or in connection with the Contract Works specified in the Schedule.

**2.3 Contract Works** means the whole of the works whether permanent or temporary including all materials incorporated or to be incorporated therein including all formwork, falsework, site buildings, and hoardings belonging to You or in Your care, custody or control for the performance of the Construction Contracts in the categories specified in the Schedule.

**2.4 Electronic Data** means any facts, concepts and / or information converted to a form usable for communications and / or displays and / or distribution and / or processing by electronic and / or electromechanical data processing and / or electronically controlled equipment which includes but is not limited to programs and / or software and / or other coded instructions for such equipment.

**2.5 Excess** means the amount(s) shown in the Schedule that You shall first contribute towards each claim.

There are three (3) types of Excesses payable as follows:

2.5.1 Major Perils Excess

The Major Peril Excess is payable where Insured Damage is caused by a Major Peril.

2.5.2 Minor Perils Excess;

The Minor Peril Excess is payable where Insured Damage is caused by a Minor Peril.

2.5.3 Testing and Commissioning Excess;

The Testing and Commissioning Excess is payable where Insured Damage is caused by the Testing and Commissioning of the Contract Works insured.

**2.6 Insured Damage** means the sudden and unforeseen physical loss of or damage to the Contract Works not otherwise excluded, occurring during the Period of Insurance.

**2.7 Maintenance Period** means the period commencing at the end of the Construction Period or the Testing Period (if specified in the Schedule) and continuing for a maximum of twelve (12) months thereafter or any lesser period as may be in the Schedule for each contract.

**2.8 Major Peril** means earthquake, storm, flood, water, snow, ice, frost, landslip, erosion, subsidence, or collapse.

**2.9 Minor Peril** means from any cause other than a Major Peril.

**2.10 Period of Insurance** means the duration of this Policy as stated in the Schedule incorporated into this Policy and any renewal thereof.

- 2.11 Practical Completion** means the earlier of;
- 2.11.1 When the Contract Works have been completed except for minor omissions and minor defects which do not prevent the Contract Works from being capable of being occupied or used for their intended purposes; or
- 2.11.2 When the Certificate of Practical Completion is issued.
- 2.12 Pre-Existing Property** means any building, framework or structure including all permanent attachments, but does not include pathways, driveways, outside paving or fencing.
- 2.13 Schedule** means the Policy Schedule We issue which is most relevant to the cover provided, at the time of loss or damage and which was issued to You by Us.
- 2.14 Sum Insured** means the sum specified in the Schedule for each Insured Item specified in the Schedule.
- 2.15 Territorial Limits** means anywhere within Australia or its Territories.
- 2.16 Testing Period** means the period commencing at the end of the Construction Period and expiring at the end of the period specified for Testing in the Schedule.
- 2.17 Total Sum Insured** means the total of the Sums Insured for each of the Insured Items specified in the Schedule.
- 2.18 Turnover** means the contract price(s) of work performed including all materials components and Principal Supplied Materials on contracts Indemnifiable under this Policy during the Period of Insurance.
- 2.19 We / Our / Us / Insurers** means certain Underwriters at Lloyd's of London.
- 2.20 You / Your / Yours** means the person(s) named in the Schedule as the Insured.

### 3. SCOPE OF COVER

- 3.1 Construction Period**  
We will cover You for Insured Damage unless this damage is excluded by this Policy and occurs and is detected at the Contract Site during the Period of Insurance.
- 3.2 Maintenance Period**  
We will cover You for Insured Damage to the Contract Works which manifests itself during the Maintenance Period provided such Insured Damage originates from:
- 3.2.1 a cause (unless excluded) occurring and arising out of the Contract Works carried out by You during the Construction Period at the Contract Site; or
- 3.2.2 a cause (unless excluded) occurring and arising out of the course of operations carried out by You in complying with the requirements of the maintenance clause(s) of the Contract.
- 3.3 Additional Insured Items**  
If You have nominated a separate Sum Insured for any of these additional items which are specified in the Schedule, We will also cover You:
- 3.3.1 **Principal Supplied Materials and Items**  
For Insured Damage to materials or items supplied by the Principal
- 3.3.2 **Transit**  
For Insured Damage to materials to be used in the Contract Works whilst in Transit.
- 3.3.2.1 beginning with loading in an undamaged condition; and
- 3.3.2.2 continuing during Transit by road, rail, internal waterway or by a licensed airline operating a regular scheduled service (including transshipment incidental thereto); and
- 3.3.2.3 ending with the unloading at the Contract Site.
- 3.3.3 **Pre-Existing Property**  
For Insured Damage to Pre-Existing Property located on or about the Contract Site and belonging to or held in Your care, custody or control provided that the property shall be made waterproof and secured by the close of each day's work. We shall not be liable under this

- extension for Insured Damage to wall and floor finishes or coverings or any contents therein.
- 3.3.4 **Mobile Plant**  
For Insured Damage to mobile construction machinery whilst on or about the Contract Site but excluding Insured Damage to hoists, cranes and mobile construction machinery which is not owned by You.
- 3.3.5 **Huts and Tools**  
For Insured Damage to huts and tools whilst on or about the Contract Site, provided that tools are secured in a locked receptacle when not in use, but not for cranes, hoists, vehicles, water borne vessels and craft, aircraft, aerial devices or portable phones.
- 3.3.6 **Removal of Debris**  
For the demolition and disposal of damaged or undamaged property Insured by this Policy and the removal of debris all as a result of Insured Damage to the Insured Property, where necessary to enable the Insured Property to be restored or replaced.
- 3.3.7 **Professional Fees**  
For architect's, engineer's, surveyor's and consultant's fees necessarily incurred by You for the replacement or repair of any item of the Contract Works due to Insured Damage, but excluding any fees incurred for the preparation of a claim or estimation of a loss.
- 3.3.8 **Expediting Expenses**  
For expediting expenses, being the costs of express delivery within Australia, extra costs of overtime rates of wages, the hire of additional labour, equipment and the costs of purchasing resources necessary to reinstate, repair or replace Insured Damage to any item of the Contract Works under the terms of this Policy. Express delivery shall include carriage by airfreight within Australia by use only of licensed airline(s) operating a regular scheduled service, but not aircraft chartered specifically for such carriage. Expediting expenses will not include reimbursement solely to compensate for delay in completion of the Contract Works.
- 3.3.9 **Mitigation Expenses**  
For mitigation expenses, being the costs and expenses reasonably incurred by You in containing, reducing, suppressing or preventing further Insured Damage, provided such further loss or damage is not excluded under this Policy.
- 3.3.10 **Testing and Commissioning**  
For Insured Damage during testing and commissioning of the Contract Works by their own electrical or mechanical breakdown, failure or derangement and the Insured Damage arises out of testing or commissioning at the Contract Site and occurs during the Testing Period. Simple functional checks of components of individual machines which do not involve any loading will not be classed as testing for the purpose of this cover.

Our liability under this Policy shall not exceed the Sum Insured for the Insured Item(s) specified in the Schedule and Our maximum liability shall not exceed in all the Total Sum Insured.

### **3.4 Additional Benefits / Special Provisions**

- 3.4.1 **Contract Value Increase**  
If during the Construction Period there is an increase in the Contract Value then the Sum Insured for the Contract Value as specified in the Schedule shall be increased by the same proportion, provided the amount of such increase shall not exceed ten percent (10%) of the Contract Value, unless expressly agreed upon and specified in the Schedule.
- 3.4.2 **Dewatering**  
For the cost of dewatering necessary to provide initial access to and allow repairs to be effected to completed sections of the Contract Works whether damaged or undamaged solely as the result of Insured Damage.
- 3.4.3 **Excavation and Underpinning of Pre-Existing Property**  
Cover for Insured Damage to Pre-Existing Property caused by any excavation and underpinning work carried out is subject to the excavation and underpinning work being carried out in strict accordance with the plans and specifications for such work and carried out under the directions of the design engineer.
- 3.4.4 **Plot Ratio Indemnity**  
In the event the Contract Works insured under this Policy suffer Insured Damage and as a result of the exercise of Statutory powers and / or authority by any Government Department, Local Government or other Statutory Authority the replacement of the Contract Works as before is prohibited or is only permissible subject to a reduced floor space ratio index and / or to the

payment of certain fees and contributions as a prerequisite to replacement, then We agree to pay You in addition to any amount otherwise payable:

- 3.4.4.1 the difference between the actual cost of replacement incurred in accordance with a reduced floor space ratio index and the cost of replacement which would have been incurred had a reduced floor space ratio index not been applicable;
- 3.4.4.2 the amount of any fees, contributions or other impost payable to any Government Department, Local Government or other Statutory Authority where such fee, contribution or impost is a condition precedent to consent being given to the replacement of such property;
- 3.4.4.3 the amount of any additional costs and expenses incurred by or on behalf of You as a result of alterations to the specifications of such property brought about by the reduced floor space ratio index as aforesaid;

but always subject to the Sums Insured specified in the Schedule

**3.4.5 Undamaged Foundations**

Where the Contract Works insured under this Policy are destroyed but the foundations are not destroyed and due to the exercising of statutory powers and / or delegated legislation and / or authority by Government Department, Local Government or any other Statutory Authority reinstatement of the Contract Works insured has to be carried out upon another site then abandoned foundations will be considered as being destroyed.

**4. BASIS OF SETTLEMENT**

In the event of Insured Damage settlement will be:

- 4.1** to the Contract Works and Pre-Existing Property if covered,
  - 4.1.1 in the case of Insured Damage which can be repaired, the cost of the repairs necessary (including a reasonable margin for overhead costs and profit) to restore the damaged section to the condition immediately before the occurrence of the Insured Damage, less any salvage; or
  - 4.1.2 in the case of a total loss, the replacement value of the damaged section of the Contract Works and Pre-Existing Property.
- 4.2** to Huts, Tools, Mobile Plant (if covered):
  - 4.2.1 in the case of repairable damage We will pay the reasonable cost to repair the damaged items to their former state of serviceability. In addition, when incurred for the purpose of effecting repairs, We will pay the cost(s) of dismantling, re-erection, ordinary freight to and from a repair workshop, custom duties or other imposts levied to the extent that the Sum Insured is not otherwise exhausted. If repairs are carried out in a workshop owned by You, We will pay the cost of material and wages incurred for the purpose of the repairs, plus a reasonable amount to cover overhead charges.

No deduction will be made for the depreciation of parts replaced, but the value of any salvage will be taken into account. If the estimated cost of repairs equals or exceeds the actual value of the insured item immediately before the loss or damage occurred, then We will regard the item as destroyed, and settlement will be made on the basis provided for in 4.2.2 below.

- 4.2.2 In the case where an item is destroyed or lost We will pay the value of the item at the time of loss or damage, including the reasonable costs of freight and erection if they have been included in the Sum Insured. The values of the item will be calculated by reference to the market value of the item having regard to its state of repair and condition, less the value of any salvage.

However, only to the extent to which the costs claimed had to be borne by You and to the extent to which they are included in the Sums Insured.

All Insured Damage which can be repaired must be repaired, but if the cost of repairing any damage equals or exceeds the value of the damaged section or item immediately before the occurrence of the Insured Damage, settlement will be made on the basis provided for under 4.1 and 4.2 above.

We will not be liable to make any payment under this Policy unless You have produced to Our reasonable satisfaction, all accounts, invoices, receipts and other documentation, indicating that the repairs have been effected or replacement has taken place, as the case may be.

The amount of each claim otherwise payable shall be reduced by the amount of the Excess/s.

## 5. CONDITIONS

### 5.1 Adequacy of Sums Insured

It is a condition of this Policy that the Sums Insured nominated in the Schedule, for Huts, Tools and Mobile Plant used on or about the Contract Site, are new replacement value at the commencement of the Construction Period.

If in the event of Insured Damage it is found that the Sum Insured is less than ninety percent (90%) of the amounts required to be insured, the amount recoverable by You under this Policy in respect of these items will be reduced by such proportion as the Sums Insured bears to ninety percent (90%) of the amounts required to be insured.

Provided further that the above clause shall only apply when the amount of Insured Damage exceeds five percent (5%) of the relevant Sum Insured.

### 5.2 Reinstatement of Sum Insured

Following any Insured Damage, the Sum Insured shall be automatically reinstated, after payment by You of an additional premium calculated on the amount of Insured Damage applied to a rate not less than pro-rata of the rate agreed for the Period of Insurance calculated pro rata from the date of such Insured Damage to the expiry of the Period of Insurance.

### 5.3 Run off Basis

In the event of cancellation or non-renewal of this Policy cover shall continue for all contracts commenced prior to the date of cancellation or non—renewal until expiry of the Construction Period and any Testing Period and / or Maintenance Period as specified in the Schedule.

### 5.4 Contracts Covered

Contract(s) that are outside the Description of Contracts Covered specified in the Schedule or have an estimated Total Contract Works Sum Insured with a value at commencement greater than that stated in the Schedule or are for a longer period than the Maximum Construction Period stated in the Schedule will not be covered by this Policy, unless expressly agreed upon and specified in the Schedule.

### 5.5 Contract Declaration

You shall, if We so specify in the Schedule, submit prior to the commencement of each construction contract insured under this Policy, a Contract Declaration.

### 5.6 Loss Accumulation

For the purpose of the application of the Excess, any Insured Damage arising during any one period of seventy two (72) consecutive hours caused by flood, storm, earthquake or bushfire, shall be deemed to be a single event and therefore to constitute one loss. You may select the time from which any such period shall commence but no two such selected periods shall overlap.

### 5.7 Licensed Tradesmen

You must have all work carried out by fully licensed tradesmen in respect of those trades required to be licensed by law.

### 5.8 Internal Finishes

Prior to installation of any internal finishes, being floor coverings, wall and ceiling panels, ceiling tiles and lining boards, the building must be made weather proof to the extent that all windows, glazing, external walls, roof and floor openings have been sealed against the ingress of water.

### 5.9 Partial Occupation of works

If the whole or any part of the Contract Works insured by this Policy is taken over, occupied, or put into use by You or others prior to completion, We shall not be liable for any loss, damage or liability in respect of:

5.9.1 The occupants or their property;

5.9.2 The Contract Works; or

5.9.3 Third parties or their property

arising from the taking over, occupancy or use of such part of the Contract Works.

**5.10 Our Right of Inspection**

We shall be permitted but not obliged to inspect Your property and operations at any time. Neither Our right to make inspections nor the making of such inspection or any report shall constitute an undertaking to determine or warrant that such property or operations are safe or healthful or are in compliance with any law, rule or regulation.

You will allow Us to take possession of any property for which We agree to pay a claim and deal with it in a reasonable manner. If We do not take possession of the damaged property, You cannot abandon Your responsibilities for the property.

**5.11 Subrogation**

In the event that We have a right to recover any monies payable under this Policy from any other person, You must co-operate with Us fully in any proceedings, available to Us at law, which We may take. We may take action before We pay Your claim whether or not You have been fully compensated for Your actual loss.

**5.12 Interests of other Parties**

We will not be required to recognise the interests of any third party under this Policy unless written notice of such interest has been given to and accepted by Us.

**5.13 Other Insurance**

In the event of any claim being made under this Policy, You must notify Us of any other insurance covering the same loss or damage.

**5.14 Premium Adjustment**

If requested by Us, You shall within thirty (30) days of expiry of the Period of Insurance or the anniversary date of cancellation or non-renewal, declare the actual Turnover of all Construction Contracts insured under this Policy since the commencement of the Period of Insurance. The premium shall be determined by applying the rate referred to in the Schedule to the actual Turnover. The premium shall be compared with the provisional premium and You shall pay or We shall refund the difference as the case may be, subject to the application of any minimum premium which might have been mutually agreed upon.

Provided always that We shall not be called upon to refund more than fifty percent (50%) of the provisional premium.

**5.15 Alteration of Risk**

You must notify Us immediately in writing of any material change in the risk and the nature of the risk by providing full details. In such event, You must at Your own expense, take such additional precautions to minimise the risk or any hazard to the risk as are reasonable in all the circumstances and must comply with any reasonable directions or requirements of Us. The scope of cover and / or premium will, if necessary, be adjusted by Us accordingly. Provided that no material alteration will be made or allowed by You whereby the risk is increased unless agreed in writing by Us.

**5.16 Reasonable Care and Precautions**

You shall take all reasonable care and precautions:

5.16.1 To prevent Insured Damage to the Contract Works;

5.16.2 Where Insured Damage has occurred, then to minimise further damage.

5.16.3 To comply with all laws and statutory obligations and by-laws or regulations imposed by any public authority for the safety of persons or property;

5.16.4 To employ competent employees;

5.16.5 To maintain all premises, fittings and plant and everything used in the Contract Works in sound condition; and

5.16.6 To ensure that the operations at the Contract Site are at all times carried out, so as to minimise the risk of any claim being made under this Policy.

**5.17 Policy Cancellation**

This Policy may be cancelled:

5.17.1 by You giving written notice to Us at any time. Notice shall be effective on or such other date after the date when received by Us. We may retain or be entitled to the premium for the period during which this Policy was in force plus twenty percent (20%) of the premium for the unexpired Period of Insurance.

5.17.2 by Us in accordance with the provisions of the Insurance Contracts Act 1984. You shall be entitled to a refund in respect of the unexpired Period of Insurance.

In either event You shall provide all information requested by Us to enable the calculation and adjustment of the premium.

**5.18 Notice of Proof of Claim**

Upon the discovery of any Insured Damage or circumstance(s) giving rise or likely to give rise to a claim under this Policy, You shall:

- 5.18.1 Give Us notice in writing as soon as is reasonably practicable after You become aware of such happening;
- 5.18.2 No later than thirty (30) days after that notice prepare at Your own expense and furnish to Us a statement in writing containing as particular an account as may be reasonably practicable of the cause and description and the amount of loss;
- 5.18.3 Take reasonable steps to prevent further loss;
- 5.18.4 Furnish all such proof, information and declarations with respect to the claim as We may reasonably require;
- 5.18.5 At all reasonable times permit Us or Our agents to enquire into, investigate and examine the circumstances of any loss;
- 5.18.6 In the event of loss or malicious damage caused by theft or burglary inform the police.
- 5.18.7 If required, carry out repairs or make good any minor damage, but in all other cases You must give Us, Our employees or agents an opportunity to inspect the loss or damage before any repairs or alterations are effected. If no inspection is carried out by, or on behalf of Us within a period of time, which is reasonable having regard to the location of the risk, weather conditions or other relevant factors, You may proceed with such repairs or replacement.

**5.19 Jurisdiction**

All disputes arising out of or under this Policy will be subject to determination by any Court of competent jurisdiction within Australia.

**5.20 Insurance Contracts Act 1984**

Nothing contained in this Policy is to be construed to reduce or waive either Your or Our privileges, rights or remedies available under the Insurance Contracts Act 1984.

**5.21 Due Observance**

If You fail to comply with any term, condition or provision of this Policy, We may refuse to pay a claim, but in any event Our rights will be subject to the provisions of Section 54 of the Insurance Contracts Act 1984.

**6. EXCLUSIONS**

We shall not be liable for:

**6.1**

- 6.1.1 The costs of repairing, replacing or rectifying insured property in which there is a fault, defect, error or omission in material or workmanship, but We will pay the costs of loss or damage caused directly by such fault, defect, error or omission less the costs which would have been incurred in repairing, replacing or rectifying the faulty or defective material workmanship immediately prior to the loss or damage occurring.
- 6.1.2 The costs of repairing, replacing or rectifying insured property in which there is a fault, defect error or omission in design, plan or specification, but We will pay the costs of loss or damage caused directly by such fault, defect, error or omission in design, plan or specification less the costs which would have been incurred in repairing, replacing or rectifying the fault, defect, error or omission in design, plan or specification immediately prior to the loss or damage occurring.

**6.2** Damage caused by wear and tear, corrosion, oxidation or deterioration, due to lack of use or atmospheric conditions.

**6.3** Damage caused to machinery, plant or equipment during testing or commissioning:

- 6.3.1 By intentional overloading or experiments;
- 6.3.2 Which the supplier or manufacturer is responsible for by law or under contract; or

- 6.3.3 Which is second-hand
- 6.4**
- 6.4.1 Damage caused by electrical or mechanical breakdown to the Contract Works unless caused during testing and commissioning.
- 6.4.2 Damage caused by electrical or mechanical breakdown to the Contract Works precipitated by a defect, error or omission in material workmanship or design which had previously manifested itself during the Construction Contract.
- 6.5** To plant, equipment, tools, cranes, hoists and construction machinery unless such items are included on the Schedule.
- 6.6** Damage to vehicles registered for general road use, unless such vehicles are on or about the Contract Site in direct connection with the Contract Works and are included on the Schedule.
- 6.7** Damage to materials to be used in the Contract Works whilst in Transit unless such Transit cover is included on the Schedule.
- 6.8** Damage to waterborne vessels or Aircraft.
- 6.9** Damage to cash, bank notes, treasury notes, cheques, postal order, money orders, stamps, deeds, bonds, bills of exchange, promissory note or securities.
- 6.10** Damage caused by the action of vermin, termites, moths or other insects.
- 6.11** Damage to electronic data provided this exclusion does not apply to Insured Damage arising out of fire, lightning, subterranean fire, volcanic eruption, impact, Aircraft and / or other aerial device and / or articles dropped therefrom, sonic boom, theft which is a consequence of theft of any computer and / or computer hardware and / or software and / or microchip and / or integrated circuit and / or similar device containing such Electronic Data, breakage of glass, the acts of persons taking part in riots or civil commotions or of strikers or of locked out workers or of persons taking part in labour disturbances which do not assume the proportions of or amount to an uprising, storm and / or tempest and / or rainwater and / or wind and / or hail, water and / or other liquids and / or substances discharges and / or overflowing and / or leaking from any apparatus and / or appliance and / or pipes.
- 6.12** Loss discovered only at the time an inventory is taken unless such loss can be directly attributed to a burglary.
- 6.13** Normal upkeep of the Contract Works.
- 6.14** Any temporary repairs, unless such repairs are necessary to prevent further damage or loss to the Contract Works.
- 6.15** Repairing or replacing parts requiring periodic or frequent replacement, repair or maintenance such as (but not limited to) fuses, shear-pins, rupture plates, or other expendable load limiting devices, bits, drills, knives, saw blades or other cutting devices, dies, moulds, patterns, pulverising and crushing surfaces, screens, sieves, filters, pipes, ropes, belts, chains, elevator and conveyor belts, batteries, flexible pipes, seals, glands, jointing, packing material, tyres and tracks.
- 6.16** Additional dewatering expenses incurred because the quantities of water exceed those allowed for in the Contract.
- 6.17** Expenses incurred for additional installation and facilities for the discharge of run-off or underground water.
- 6.18** Expenses incurred for grouting or any other measures to remedy leakage of water into excavations, foundations or basements.
- 6.19** Loss or damage due to failure of the dewatering system if such failure could have been avoided by the provision of sufficient stand-by facilities.
- 6.20** Consequential loss, loss of use, penalties, fines, liquidated damages or aggravated, punitive or exemplary damages.
- 6.21** Legal liability.
- 6.22** Notwithstanding anything to the contrary contained herein this Policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign

enemies hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

**6.23**

6.23.1 loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or

6.23.2 any legal liability of whatsoever nature

Directly or indirectly caused by or contributed to by or arising from:

6.23.3 ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

6.23.4 the radioactive, toxic, explosion or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

**6.24** Damage to Insured Property as a result of any wilful act, omission, reckless act of You, Your agents or Your employees.

**6.25** Insured Damage or liability if in the event that there has been abandonment of the Contract Works or cessation of the work (other than delay due to Insured Damage) exceeding thirty (30) days.

**6.26** Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is agreed that 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.

For the purpose of this exclusion an act of terrorism means an act, 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), 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.

This exclusion also excludes loss, 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 any act of terrorism.

If We allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this Policy the burden of proving the contrary shall be upon You.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.