



TOKIO MARINE
INSURANCE GROUP

Fact Sheet

Contractor's All Risks

Contractors' All Risks (CAR) is a policy designed to meet the insurance obligations placed upon Contractors under the contract conditions. The policy covers the works to be executed in accordance with the contract, temporary works, materials, construction plant and equipment brought into the site and liabilities arising out of the performance of the contract. In general, CAR insurance is intended to cover buildings and civil engineering works under construction.

Coverage

SECTION I - Material Damage

This section covers almost any sudden and unforeseen physical loss or damage occurring (except as specifically excluded) to the contract works/property/items insured, during the period of insurance.

It has separate cover for :-

- a. Contract Work - includes permanent and temporary work
- b. Construction Plant & Equipment - consisting of worker's accommodation, storage shed, preparation & mixing plant, scaffolding, utilities (electricity, water supply)
- c. Construction Machinery - all plant and machinery which renders its service only when moving and under control of an operator. This would include earth moving equipment, cranes and the like, as well as site vehicles not licensed for use on public roads, whether such machinery is owned or hired by the contractor
- d. Principal's Existing/ Surrounding Properties - property located on the site as well as property surrounding the site belonging to or held in care, custody or control of persons named in the policy as the insureds
- e. Removal Of Debris - incurred for the removal of debris from the site in the event of loss indemnifiable under the policy
- f. Professional Fees - the expenses incurred in engaging consultants for consultation work following a loss indemnifiable under the policy

Basis Of Sum Insured

Contract Works - the full value of the contract works at the completion if the construction inclusive of materials, wages, freight, custom duties dues and materials or item supplied by the Principal, including contingency sums.

Construction Plant & Equipment/ Construction Machinery - the replacement values of construction, plant & equipment; which shall mean the cost of replacement of the insured items by new items of the same kind and same capacity

Removal Of Debris/ Professional Fees - usually XX% of contract value as stipulated by the contract

Third Party Liability (Under Section II) - to be selected by you and is usually stipulated by the contract

SECTION II - Third Party Liability

Section II of the policy is in respect of third party liability for which you shall become legally liable to pay as damages consequent upon:-

- (i) accidental bodily injury to or illness of third party
- (ii) accidental loss or damage to property belonging to third party

occurring in direct connection with the works and happening at or in the immediate vicinity of the site occurring during the period of cover. The indemnity is also provided for legal costs and expenses provided the liability is within the limit of liability insured.

Policy Exclusions

You shall not be indemnified in respect of loss, damage or liability directly or indirectly caused by or arising out of or aggravated by:

- war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny, riot, strike, lockout, civil commotion, military or usurped power, a group of malicious persons or persons acting on behalf of or in connection with any political organization, conspiracy, confiscation, commandeering, requisition or destruction or damage by order of any government de jure or de facto or by any public authority;
- nuclear reaction, nuclear radiation or radioactive contamination;
- willful act or willful negligence of the Insured or of his representatives;
- cessation of work whether total or partial

- caused by any act of terrorism
- consequential loss of any kind or description whatsoever including penalties, losses due to delay, lack of performance, loss of contract;
- loss or damage due to faulty design;
- the cost of replacement, repair or rectification of defective material and/or workmanship, but this exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss of or damage to correctly executed items resulting from an accident due to such defective material and/or workmanship;
- wear and tear, corrosion, oxidation, deterioration due to lack of use and normal atmospheric conditions;
- mechanical and/or electrical breakdown or derangement of construction plant, equipment and construction machinery
- damage to any property or land or building caused by vibration or by the removal or weakening of support or injury or damage to any person or property occasioned by or resulting from any such damage (unless especially agreed upon by endorsement);
- liability consequent upon
 - (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;
 - (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 1, or an employee or workman of one of the aforesaid;
 - (c) any accident caused by vehicles licensed for general road use or by waterborne vessels or aircraft;
 - (d) any agreement by you to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement

Basis of loss settlement

In the event of any loss or damage the basis of any settlement under this Policy shall be

- (a) in the case of damage which can be repaired - the cost of repairs necessary to restore the items to their condition immediately before the occurrence of the damage less salvage, or
- (b) in the case of a total loss - the actual value of the items immediately before the occurrence of the loss less salvage

Payment of Premium

- Premium must be made to your insurance intermediary or direct to us within 60 days from the inception of this Policy.
- Payment can be made by cash, credit card or cheques (cheques should be made in favour of our company).
- Insist on a receipt for the premium paid
- Contact us if you have not received the insurance policy after one month of purchase.

Duty of Disclosure

You are to disclose all material facts that you know or ought to know; otherwise this policy may be invalidated.

Contribution

If at the time of any loss or damage to the property there be any other subsisting insurance or insurances effected by you or your family members covering the same, we shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.

Excess/ Deductible

It is the amount of loss you have to bear for each and every claim.

WHAT YOU SHOULD DO In The Event Of Injury

Notification of Claim

- You must notify us in writing with full details of the incident/accident as soon as possible within the time frame stipulated in your policy. Early notification is required to avoid any prejudice to your claim. Lodge a police report immediately if involving theft, accident and/or injury to third party.

Submission of Claim

- You must submit your claim with all supporting information and documents as requested to us and give full cooperation to the adjusters appointed by us in assessing your claim.

Duty of Disclosure of Claim Information

- You must provide answers to the Claim Form truthfully as any misrepresentation or concealment will prejudice your claim.

HOW TO LODGE A Complaint And Redress Avenues Available



Write to either :

1. the Integrated Contact Centre of Bank Negara Malaysia via bnmtelelink@bnm.gov.my; or
2. the insurance mediator of the Financial Mediation Bureau.

Alternatively, you could walk in to lodge a complaint at BNMLINK (please refer to www.bnm.gov.my/bnmlink/index.htm) or you could take your case to court.

For more information about Tokio Marine and our products and services, please log on to our website www.tokiomarine.com.

Tokio Marine Insurans (Malaysia) Berhad is licensed under the Financial Services Act 2013 and regulated by Bank Negara Malaysia.

