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CONTRACTORS' ALL RISKS INSURANCE CONTRACT

Welcome to your Contractor's All Risk Insurance Policy

Dear Our Esteemed Client,

I would like on my own behalf and that of the entire company to take this opportunity to thank you for choosing us as your insurer.

At **BRITAM Rwanda**, we are committed to giving to our policyholder's quality service and carefully designed insurance products, such as the one you have purchased. This is your policy document and it's the evidence of the contract that we have made with each other. Please read it carefully and if you have any questions, contact your intermediary (if any) or us.

Thank you for your business support and feel free to contact us in case of any future insurance needs or questions.

Yours faithfully,

**MANAGING DIRECTOR
BRITAM INSURANCE CO. (RWANDA) LTD.**

CONTRACTOR'S ALL RISK INSURANCE POLICY

Whereas the Insured named in the Schedule has applied to the INSURERS and has paid or agreed to pay the Premium stated in the Schedule as consideration for the indemnity hereinafter contained.

Now this Policy Witnesseth that subject to the terms exceptions and conditions contained herein or endorsed hereon the Insurers will indemnify the Insured in respect of loss damage or liability as detailed in the Specification arising from any event occurring during the Period of Insurance or during any subsequent period for which the Insurers may accept payment

Provided always that due observance and fulfillment of the Conditions contained herein or endorsed hereon which Conditions are to be read as part of this Policy shall so far as the nature of them respectively will permit be deemed to be conditions precedent to any liability of the Insurers under this Policy.

Signed for and on behalf of the Insurers

Manager

SECTION I - MATERIAL DAMAGE

THE INSURED PROPERTY:

Item I

Contract Works comprising the permanent and temporary works forming part of the Contract including materials incorporated or to be incorporated therein.

Item II

Constructional Plant belonging to the Insured comprising tools tackle and contractors' equipment brought on to the Contract site for the purpose of the Contract but excluding:

- (a) any mechanically propelled vehicle (which expression shall include a trailer attached thereto) except one which during the Period of Insurance is used solely on the Contract Site or any other such vehicle whilst it is being used on the Contract Site as a tool of trade.
- (b) any ship craft or aircraft

THE SPECIFICATION – SECTION I

MATERIAL DAMAGE

This insurance is in respect of loss of or damage to the Insured Property from any cause whilst it is on the Contract Site from the completion of unloading threat and continuously thereafter.

- (a) In the case of the Contract Works – until the issue of a certificate of completion or taking-over certificate on completion of construction and testing (if any)
- (b) In the case of Construction Plant – until the commencement of loading for dispatch from the Contract Site

Or the expiry of the Period of insurance (if earlier)

LIMIT OF LIABILITY

The total amount payable hereunder shall not exceed in respect of each item of the Insured property the Sum Insured set opposite thereto in the schedule

All payments made hereunder shall reduce the Sum or sums Insured unless such sums insured shall be reinstated by the payment of such additional premium as may be required which additional premium shall be disregarded for the purpose of any adjustment of premium under the Conditions of the Policy.

EXCEPTIONS

This Policy does not cover

- 1 The cost of rectification or making good wear and tear wasting wearing away or wearing out, gradual deterioration, rust oxidation, corrosion or erosion
- 2 The cost or replacement or rectification of any portion of the Insured Property rendered necessary by defects of material workmanship design plan or specification and should loss or damage occur to any portion of the property containing any of the said defects the cost of replacement or rectification which is hereby excluded is that cost which would have been incurred if replacement or rectification of the said portion of the property had been put in hand immediately prior to the said loss or damage
- 3 Loss of the Insured Property or any part thereof due to its being stolen or otherwise missing from the Contract Site unless such loss is identifiable by the Insured with a specific occurrence which has been the subject of immediate notification under the terms of Condition 3 of the Policy
- 4 Loss of or damage to any item of Constructional Plant caused by its own electrical or mechanical breakdown or its own explosion
- 5 Loss of or damage to tyres by the application of brakes or by cuts bursts or punctures
- 6 Deeds bonds bills of exchange promissory notes cash bank notes cheques securities for money or stamps
- 7 the amounts specified in the Schedule as the Insured's Retained Liability

MATERIAL DAMAGE

OPTIONAL ENDORSEMENTS

These Endorsements apply only as indicated in the Schedule under the heading of OPTIONAL ENDORSEMENTS

- 1 Transit:** The insurance by this Policy is extended to cover loss of or damage to items 1.1 and 1.2 OF the insured property from any cause occurring during transit (other than by sea or air) to the Contract Site including loading and unloading and any transshipments storage or deviations enroute Subject otherwise to the terms exceptions and conditions of this Policy
- 2 Debris Removal** The insurance by this Policy is extended to cover costs and expenses necessarily incurred by the Insured with the consent of the Insurers in
 - (a) removing debris from
 - (b) dismantling and/or demolishing
 - (c) shoring up or propping of

the Insured Property lost or damage from any cause indemnifiable by this Policy The liability of the Insurers under this endorsement shall in no case exceed the limit indicated in the schedule, subject otherwise to the terms exceptions and conditions of this policy.

- 3 Architects and Surveyors Fees:** The insurance by this policy is extended to cover Architects Surveyors and Consulting Engineers Fees necessarily incurred in the reinstatement of damage to the Insured Property indemnifiable by this Policy (but not for preparing any claim). The liability of the Insurers under this endorsement shall in no case exceed 5 per cent of the Limit of Liability under this Policy Subject otherwise to the terms exceptions and conditions of this Policy.
- 4 Expediting Expenses:** The insurance by this Policy is extended to cover any extra costs incurred in respect of express delivery airfreight overtime Sunday and holiday rates of wages in connection with repairs or replacements indemnifiable by this Policy. The liability of the Insurers under this endorsement shall in no case exceed 50% of the amount which the repair or replacement would have cost if these expenses had not been incurred Subject otherwise to the terms exceptions and conditions of this Policy.
- 5 Surrounding Property:** It is hereby understood and agreed that this Policy is extended subject to its terms and conditions and limitations to indemnify the Insured against accidental damage (other than by fire) to Surrounding Property belonging to the Insured or for which he is responsible arising directly out of and during the Contract referred to in the Schedule up to but not exceeding in respect of any one accident or series of accidents arising out of one occurrence irrespective of the number or amount of claims thence arising the limit specified in the schedule.

LIABILITY TO THIRD PARTIES

The Insurers will indemnify the Insured in respect of sums which the Insured shall become legally liable to pay in respect of

- (a) accidental bodily injury to any person
- (b) accidental damage to property

happening during the Period of Insurance and arising out of the performance of the Contract at the Contract Site

The liability of the Insurers under this Section of the Policy shall not in any event exceed the Limit of Liability in respect of any one claim or number of claims arising out of one cause

The Insurers will in addition pay all costs and expenses incurred with their written consent

If the Insured consists of more than one party the Insurers will indemnify each in the terms of this Section of the Policy against liability incurred to the other as if such other was not included as an Insured. Nevertheless if the Insurers are liable to indemnify more than one party the total amount of indemnity to all such parties including the Insured shall not exceed the Limit of Liability

EXCEPTIONS

The Insurers shall not be liable in respect of

1. any amount by way of indemnity or otherwise or liquidated damages fines or penalties imposed by any agreement entered into by the Insured unless legal liability would have attached in the absence of such agreement
2. injury to any Employee
 - (a) arising out of or in the course of his employment by the Insured or
 - (b) in respect of which statutory compensation is payable by the insured under any Workmens Compensation Ordinance
3.
 - (a) the cost of rectifying defective work
 - (b) damage to or the cost of repairing or replacing goods supplied
4.
 - (a) injury or damage arising out of or caused by any craft designed to travel in on or through water air or space (other than hand-propelled craft) or any motor vehicle which is owned by or in the possession of or being used by or on behalf of the Insured other than legal liability arising out of
 - (i) use of plant as tool of trade
 - (ii) the loading or unloading of any vehicle

(iii) the use of any vehicle not licensed for road use

on or at the Contract Site except where indemnity is provided by any motor insurance policy or where insurance or security is required by law

(b) loss or damage to any craft designed to travel in on or through water air or space or injury to any passenger in such craft

5. injury or damage directly or indirectly caused by Pollution
6. damage to any Property land or buildings caused by vibration or removal or weakening of support of such Property land or buildings
7. injury or damage arising out of or in connection with the exercise by the Insured or his Employees or any person acting for him or on his behalf having professional qualifications of professional skill associated with such qualifications.
8. the cost of repairing or replacing loss of or damage to the Insured property which is recoverable under Section 1 which would be recoverable thereunder but for the application of the Insured's Retained Liability
9. damage to Property
 - (a) belonging to or in the care custody or control of the Insured
 - (b) in the care custody or control of any Employee
10. the amount specified in the Schedule as the Insured's Retained Liability

CONDITIONS TO SECTION II

1. The insurers may at any time pay the Limit of Liability after deduction of any sum or sums already paid or any less amount which any claim or claims can be settled and shall then relinquish the conduct and control thereof and be under no further liability in respect thereof except for the payment of costs and expenses incurred prior to the date of such payment
2. Cover under this section during the Maintenance Period is restricted to liability incurred by the Insured whilst a contractor is on site and arising from work being undertaken by the contractor for the purpose of complying with maintenance obligations under the Contract

DEFINITIONS (SECTION II)

1. The "Insured" means any person or any company described in the Schedule
2. "Injury" means bodily injury and includes death and disease
3. "Damage" includes loss of

4. "property" means material property
5. "Accidental" means unexpected or unintended from the standpoint of the Insured
6. "The Contract" means that described in the Schedule and includes the provision of canteen social and sports and welfare facilities for Employees fire first aid and ambulance service
7. The "Contract Site" is defined in the Schedule
8. "Employee" means
 - (a) any person under a contract of service or apprenticeship with the Insured or
 - (b) any person supplied to or hired or borrowed by the Insured for the performance of the Contract
9. "Pollution" means the discharge dispersal release or escape of any solid liquid gaseous or thermal irritant or contaminant including but not limited to smoke vapour, soot fumes, acid alkalis chemicals or waste into or upon land the atmosphere or any water course or body of water. Waste includes material to be recycled reconditioned or reclaimed.

GENERAL EXCEPTIONS

This Policy does not cover

1. liquidated damages penalties for delay or in connection with guarantees of performance or efficiency or any other form of consequential loss unless specifically provided for herein
2. damages directly or indirectly occasioned by happening through or in consequence of War Invasion Act or Foreign Hostilities or Warlike Operations (whether war be declared or not) Civil War, Mutiny, Insurrection, Rebellion, Revolution, Conspiracy, Military Naval or Usurped Power Martial Law or State of Siege or any of the events or causes which determine the proclamation or maintenance of Martial Law or State of Siege Confiscation Destruction or Requisition by order of the Government or any Public Authority, Riot, Civil Commotion, Strike Lockout or directly or indirectly caused by persons taking part in Labour Disturbances or Malicious Persons acting on behalf of or in connection with any Political Organisation.
3.
 - (a) any accident or any loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
 - (b) any legal liability of whatever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel Solely for the purpose of this exclusion combustion shall include any self-sustaining process of nuclear fission. The indemnity or compensation provided by this Policy shall not apply to nor include any accident loss destruction damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.

CONDITIONS

This Policy together with its Schedule and Specification shall be read as one document and any word or expression to which a specific meaning has been attached herein shall bear such meaning wherever it may appear

1. If there is any material change in the risk insured during the Period of Insurance or if any defects or conditions of working are discovered which render the risk more than usually hazardous the Insured shall forthwith notify the Insurers and take such precautions as circumstances may require

In the event of stoppage of work by the Contractor on the Contract Site from any cause for a period of three consecutive months cover under this Policy shall be suspended unless its continuance be agreed to in writing by the Insurers

2. The Insured shall afford reasonable facilities for representatives of the insurers to inspect and examine any Insured Property to which this insurance applies. The insured shall also take and cause to be taken all reasonable precautions in the selection of labour and to prevent accidents and to safeguard the Insured property against loss or damage and to ensure that all Government and other regulations relating to the operation and inspection of the Insured Property are observed

In the event of partial or total cessation of work the Insured shall use due diligence and do all things reasonably practicable to protect the Insured Property

If the development or discovery of a defect in any of the Contract Works shall indicate or suggest that a similar defect exists in other parts of the said Works the Insured shall forthwith investigate and if necessary rectify the defect in such other parts at his own expense or alternately bear all loss arising out of the said defect

3. On the happening of any event giving rise or likely to give rise to a claim under this Policy coming to the knowledge of the Insured the Insured shall
 - (a) give immediate notice thereof by telephone or telegram if practicable and in writing also addressed to the Insurers
 - (b) preserve any damaged or defective Insured Property for inspection by the Insurers' officials and this Policy shall be proof of leave and license for making such inspection
 - (c) in the case of property lost stolen or wilfully damaged take all practicable steps (including the giving of immediate notice to the police) to discover any guilty person and to trace and recover the missing property
 - (d) in the case of a claim made upon the Insured by a third party forward to the Insurers forthwith after receipt thereof every written notice of information as to any verbal notice of claim and all proceedings

4. If the Insured Property covered by this Policy shall at the time of any loss or damage be of greater value than the Sum Insured thereon then the Insured shall be considered as being his

own insurer for the difference and shall bear a rateable share of the loss or damage (N.B. If the Premium is shown in the Schedule as being subject to adjustment this Condition shall not apply)

5. The Insurers may at their option repair reinstate or replace any property lost or damaged or pay the amount of the loss or damage in money. The Insurers shall not be responsible for temporary repairs carried out without the consent of the insurers and any consequences thereof nor for the cost of any alterations additions improvements or overhauls carried out on the occasion of a repair
6. In connection with any claim for loss of or damage to the Insured Property the Insured is entitled to recover supplementary charges such as of packing freight custom dues erection and profit only if and so far as such charges have been provided for in the Sum Insured
7. If a claim be made by or on behalf of the Insured which shall be in any respect unfounded or fraudulent or intentionally exaggerated or if any false declaration or statement be made in support thereof no claim shall be recoverable hereunder
8. The Insurers shall not be liable for any loss damage or liability which at the time of happening of such loss damage or liability is insured by or would but for the existence of this Policy be insured by any other Policy or Policies except in respect of any excess beyond the amount which would have been payable under such other Policy or Policies had this insurance not been effected
9. In the case of a claim for loss of or damage to the Insured property the Insured shall at the request and at the expense of the Insurers do not and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Insurers for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Insurers shall be or would become entitled or subrogated upon their paying for or making good such loss or damage under this Policy whether such acts or things shall be or become necessary or required before or after his indemnification by the Insurers. The Insured shall not in any case be entitled to abandon any property to the Insurers. The Insured shall not make nor accept any payment nor make nor accept any settlement or arrangement in respect of any loss or damage nor incur any expense in making good any loss or damage without the written consent of the Insurers.
10. In the case of a claim made upon the Insured by a third party in respect of which the Insurers may be liable under this insurance the Insured shall not incur any expense whether by litigation or otherwise or make any payment settlement arrangement or admission or liability without the written authority of the Insurers. The Insurers shall be entitled to use the name of the Insured for all purposes in connection with this insurance including the bringing defending enforcing or settling of legal proceedings for the benefit of the Insurers
11. If the premium is shown in the Schedule as being subject to adjustment the Insured shall on the completion of the Contract declare to the Insurers the actual value of the Contract and if the amount so declare exceeds or falls short of the Estimated Contract Value the Insured shall pay or the Insurers shall refund as the case may be a sum calculated at the rate agreed between the Insured and the insurers on the difference
12. All differences arising out of this Policy shall be referred to the decision of an Arbitrator to be

appointed by the parties in difference or if they cannot agree upon a single Arbitrator to the decision of two Arbitrators one to be appointed in writing by each of the parties or in any case of disagreement between the Arbitrators to the decision of an Umpire to be appointed in writing by the Arbitrators before entering on the reference and an award shall be a condition precedent to any liability of the Insurers or any right of action against the Insurers.

ENDORSEMENTS

1 INSURED'S RETAINED LIABILITY

It is hereby declared and agreed that the Insured's retained liability under this Policy is deemed to be as follows:-

- (a) In respect of claims arising from hazards of water, storm, flood subsidence/landslide, earthquake and collapse - As per the schedule
- (b) In respect of Third Party Property Damage – As per the schedule
- (c) In respect of all other claims including Burglary – As per the schedule

2 RIOT STRIKE AND CIVIL COMMOTION

It is hereby 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 Riot, Strike and Civil Commotion which for the purpose of this Endorsement shall mean (subject always to the Special Conditions hereinafter contained) loss of damage to the property Insured directly caused by

1. the act of any person taking part together with others in any disturbances of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in Condition 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 minimising the consequence of any such disturbance
3. the wilful act of any such striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out
4. the action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimising the consequences of any such act.

Provided that is hereby further expressly agreed and declared that:-

- (a) 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

- (b) 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

MAINTENANCE VISITS COVER

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 solely 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.

SPECIAL CONDITIONS CONCERNING THE CONSTRUCTION TIME SCHEDULE

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the following shall apply to this insurance: The construction and/or erection time schedule together with any other statements made in writing by the Insured for the purpose of obtaining cover under the Policy as well as technical information forwarded to the Insurers shall be deemed to be incorporated herein.

The Insurers shall not indemnify the Insured in respect of loss or damage caused by or arising out of or aggravated by deviations from the construction and/or erection time schedule exceeding the number of weeks stated below unless the Insurers had agreed in writing to such a deviation before the loss occurred.

SPECIAL CONDITIONS

1. This insurance does 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

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 does 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 operation (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 organisation 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.

For the purpose of this Condition "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.

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 to the Insured's last known address, in which case the Insurers shall be liable to repay a rateable proportion of the premium for the unexpired term from the date of cancellation.

3 ONUS OF PROOF

It is hereby understood and agreed that this policy is issued on the express understanding that in the event of a claim hereunder, the onus is upon the Insured to establish that the loss or damage concerned occurred during the period and the operations covered by this Policy.

4 GOOD CONDITION WARRANTY

Warranted that at the time of the commencement of this insurance the machinery specified herein is in good condition and free from defects and further that any tools tackle and conveyances used in carrying out the operations described herein shall be in good condition and suitable in every respect for the work involved.

5 WARRANTY CONCERNING SECTIONS

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the insurers shall only indemnify the Insured for loss, damage or liability directly or indirectly caused to or by embankments, cutting and benchings, ditches and canals if these embankments, cuttings and benching, ditches and canals are constructed in sections (as defined below) not exceeding in total the length stated below, irrespective of the state of completion of the Insured works, and the indemnification for any one loss event shall be limited to the cost of repair of such sections.

Maximum Length of Section: 1.5 km per incident and 6 km in aggregate

Definition of Sections

A section shall mean each structural element of the road separately.

6 REINSTATEMENT OF SUMS INSURED

In consideration of the Insured undertaking to pay an additional premium at the agreed rate on the amount of loss calculated on pro rata basis from the date of such loss to the expiry of the current period of insurance, it is agreed that in the event of loss the insurance hereunder shall be maintained in force for the full sum insured.

7. DE-WATERING

This policy does not cover expenses incurred in de-watering even if the quantities of water originally expected are exceeded.

8. OVER-TOPPING OF COFFERDAMS

This policy does not cover loss or damage arising from the over-topping of cofferdams.

9. IMPACT BY SHIPPING

This policy does not cover loss or damage caused by impact of shipping.

10. WARRANTY CONCERNING STRUCTURES IN EARTHQUAKE ZONES

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall only indemnify the Insured for loss, damage or liability arising out of earthquake if the Insured proves that the earthquake risk was taken into account in design according to the official building codes valid for the site and that the qualities of material and workmanship and the dimensions on which the calculations were based were adhered to.

11. EXPIRY NOTICE

It is agreed and understood that the insurers shall notify the Insured of the impending expiry date within at least thirty (30) days prior to the expiry date. In the absence of instructions for a period extension cover will still remain in force for at least an extra thirty (30) days at an additional premium.

12. THEFT WARRANTY

Theft within the meaning of this policy shall mean theft following upon housebreaking (causing actual foreseeable visible damage to the site construction stores or premises or part thereof) and connected therewith or if there shall arise any damage to the said stores or premises, the property of the Insured or for which the Insured is legally responsible, which shall be due to any such theft as aforesaid or any attempt threat, excluding theft by or with the connivance of any of the family, construction staff or domestic servants or the Insured or any other person lawfully on the construction site stores or premises.

Warranted that there shall be at the said stores or premises or part thereof a watchman at all times during which this policy is valid.

13. WARRANTY CONCERNING UNDERGROUND CABLES AND PIPES

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall only indemnify the Insured in respect of loss of or damage to existing underground cables and/or pipes or other underground facilities if, prior to the commencement of works, the Insured had inquired with the relevant authorities about the exact position of such cables, pipes or other underground facilities.

The indemnity shall in any case be restricted of the repair costs of such cables, pipes or other underground facilities any consequential damage being excluded from the cover.

14. WARRANTY CONCERNING SAFETY MEASURES

It is understood and agreed that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall only indemnify the Insured for the loss, damage or liability directly or indirectly caused by flood and inundation if adequate safety measures have been taken during the planning and execution of the project.

Adequate safety measures in this context shall mean that the average monthly rain, flood and inundation hazard as known from statistics of the competent meteorological office for the respective month and location has been taken in account.

15. TERRORISM EXCLUSION CLAUSE

The insurance provided under this policy shall not apply to the following:

Any loss, cost or expense arising out of or related to, either directly or indirectly, any "Terrorist Activity" as defined herein. This exclusion applies regardless of any other cause or event that in any way contributes concurrently or in any sequence to the loss, cost or expense. For the purposes of this exclusion,

A. "Terrorist Activity" shall mean any deliberate, unlawful act that:

1. Is declared by any authorized governmental official to be or to involve terrorism, terrorist activity or acts of terrorism; or
2. includes, involves, or is associated with the use or threatened use of force, violence or harm against any person, tangible or intangible property, the environment, or any natural resources, where the act or threatened act is intended, in whole or in part, to:
 - (a) promote or further any political, ideological, philosophical, racial, ethnic, social or religious cause or objective of the perpetrator or any organization, association or group affiliated with the perpetrator; influence, disrupt or interfere with any government related operations, activities or policies:
 - (b) intimidate, coerce or frighten the general public or any segment of the general public; or

- (c) Disrupt or interfere with a national economy or any segment of a national economy; or
3. includes, involves, or is associated with, in whole or in part, any of the following activities, or the threat thereof:
- (a) hijacking or sabotage of any form of transportation or conveyance, including but not limited to spacecraft, satellite, aircraft, train, vessel, or motor vehicle;
 - (b) hostage taking or kidnapping
 - (c) the use of any biological, chemical, radioactive, or nuclear agent, material, device or weapon;
 - (d) the use of any bomb, incendiary device, explosive or firearm;
 - (e) the interference with or disruption of basic public or commercial services and systems, including but not limited to the following services or systems: electricity, natural gas, power, postal, communications, telecommunications, information, public transportation, water, fuel, sewer or waste disposal;
 - (f) the injuring or assassination of any elected or appointed government official or any government employee;
 - (g) the seizure, blockage, interference with, disruption of, or damage to any government buildings, institutions, functions, events, tangible or intangible property or other assets; or
 - (h) the seizure, blockage, interference with, disruption of, or damage to tunnels roads, streets, highways, or other places of public transportation or conveyance.
- B. Any of the activities listed in section a (3) above shall be considered Terrorist Activity except where the insured can conclusively demonstrate to the insurer that the foregoing activities or threats thereof were motivated solely by personal objectives of the perpetrator that are unrelated, in whole or in part, to any intention to:
- 1. promote or further any political, ideological, philosophical, racial, ethnic, social or religious cause or objective of the perpetrator or any organization, association or group affiliated with the perpetrator;
 - 2. influence, disrupt, or interfere with any government related operations, activities or policies;
 - 3. intimidate, coerce or frighten the general public or any segment of the general public; or
 - 4. disrupt or interfere with a national economy or any segment of a national economy

16. TERRORISM EXCLUSION CLAUSE FOR CONTAMINATION AND EXPLOSIVES

It is agreed that, regardless of any contributory causes, this policy does not cover any loss, damage, cost or expense directly or indirectly arising out of

- (a) biological or chemical contamination
- (b) Missiles, bombs, grenades, explosives

due to any act of terrorism.

For the purpose of this endorsement 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 ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

For the purpose of a) "contamination" means the contamination, poisoning, or prevention and/or limitation of the use of objects due to the effects of chemical and/or biological substances.

If the insurers 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 the insured.

17. EXCLUSION OF LOSS OF OR DAMAGE TO CROPS, FORESTS AND CULTURES

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall not indemnify the Insured for loss, damage or liability directly or indirectly caused to crops, forests and/or any cultures during the execution of the contract works.

18. SPECIAL CONDITIONS CONCERNING REMOVAL OF DEBRIS FROM LANDSLIDES

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall not indemnify the Insured in respect of

- expenses incurred for the removal of debris from landslides in excess of the costs of excavating the original material from the area affected by such landslides,
- expenses incurred for the repair of eroded slopes or other graded areas if the Insured has failed to take the measures required or to take them in time.

18. ELECTRONIC DATE RECOGNITION CLAUSE

Section 1

This policy does not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

- (a) the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations by

any computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not; or

- (b) any change, alteration or modification involving the date change to the year 2000 or any other date change, including leap year calculations, to any such computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not.

This clause applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

However, this section shall not apply in respect of physical damage occurring at the insured's premises arising out of the perils of fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, hurricane, cyclone, riot, strike, civil commotion, vandalism, malicious mischief, earthquake, volcano, tsunami, freeze or weight of snow.

Section 2

Notwithstanding Section 1 above, this policy does to cover any costs and expenses, whether preventative, remedial or otherwise, arising out of or relating to change, alteration or modification of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non-computer equipment, whether the property of the insured or not.

Section 3

The date change to the year 2000, or any other date change, including leap year calculations, shall not in and of itself be regarded as an event for the purposes of this policy.

18. CLARIFICATION AGREEMENT

Property damage covered under this policy shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software, In particular any detrimental change in data, software or computer programmes that is caused by a deletion, a corruption of a deformation of the original structure.

Consequently, the following are excluded from this policy.

Loss of or damage to data or software, particularly any detrimental change in data, software, or computer programmes that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such a loss or damage.

Notwithstanding this exclusion, loss of or damage to data or software, which is the direct consequence of insured physical damage to the substance of property, shall be covered.

Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programmes, and any business interruption losses resulting from such loss or damage.

19. WAR, CIVIL WAR, POLITICAL RISK AND TERRORISM EXCLUSION CLAUSE

The following shall be excluded from this Policy:

Any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:-

1. War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.
2. Abandonment and/or permanent or temporary dispossession resulting from detention, confiscation, seizure, restraint, commandeering, nationalization, appropriation, destruction or requisition by order of any government de jure or de facto or by any public authority.
3. Mutiny, civil commotion, military rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.
4. Any act, including but not limited to labour disturbances, lock-out, riot or strike, which is calculated or directed to bring loss or damage in order to further any political aim, objective or cause, or to bring about any social or economic change, or in protest against any State or Government, or any political or local authority or for the purpose of imposing fear in the public or any section thereof.
5. The act of any lawfully constituted authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause 4 above.
6. Plundering, looting, war pillage in connection with civil commotion or any of the activities referred to in clause 4 above.

For the purposes of clauses 4, 5 and 6, any loss or damage occasioned by a labour disturbance, lockout, riot or strike or in order to bring about any social or economic change which is not politically motivated as envisaged in clause 4 shall not be excluded.

In any action, suit or other proceeding in which the Company alleges that by reason of these provisions any loss, damage, cost or expense is not covered by this Policy, the burden of proving that such loss, damage, cost or expense is covered shall be upon the Insured.

20. RADIOACTIVE EXCLUSION CLAUSE

Unless specifically agreed for an insured loss involving nuclear material under determined circumstances, this policy does not cover loss, damage cost or expense of whatsoever nature directly or indirectly caused, resulting from or in connection with nuclear energy or radioactivity of any kind including but not limited to any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.
2. the radioactive, toxic, explosive or other hazardous or contamination properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
3. any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.