



Contractor's All Risk Policy

Whereas the Insured named in the Schedule hereto has made to **Etiqa Insurance Berhad** (hereinafter referred to as the Company) a written proposal by completing a Questionnaire which together with any other statements made in writing by the Insured for the purpose of this Policy is deemed to be incorporated herein.

Now this policy of insurance witnesses that subject to the Insured having paid to the Company the premium mentioned in the Schedule and subject to the terms, exclusions, provisions and conditions contained herein or endorsed hereon the Company will indemnify the Insured in the manner and to the extent hereinafter provided.

General Exclusions

The Company will not indemnify the Insured in respect of loss, damage or liability directly or indirectly caused by or arising out of or aggravated by

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

In any action, suit or other proceeding where the Company allege that by reason of the provisions of Exclusion (a) above any loss, destruction, damage or liability is not covered by this Insurance the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.

Period of Cover

The liability of the Company shall commence, notwithstanding any date to the contrary specified in the Schedule, directly upon commencement of work or after the unloading of the items entered in the Schedule at the site. The Company's liability expires for parts of the insured contract works taken over or put into service.

At the latest the Insurance shall expire on the date specified in the Schedule. Any extensions of the Period of Insurance are subject to the prior written consent of the Company.

General Conditions

1. The due observance and fulfillment of the terms of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the questionnaire and proposal made by the Insured shall be a condition precedent to any liability of the Company.
2. The Schedule and the Section(s) shall be deemed to be incorporated in and form part of this Policy and the expression "this Policy" wherever used in this contract shall be read as including the Schedule and the Section(s). Any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule or of the Section(s) shall bear such meaning wherever it may appear.
3. The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Company to prevent loss, damage or liability and comply with statutory requirements and manufacturers' recommendations.
4.
 - (a) Representatives of the Company shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Company with all details and information necessary for the assessment of the risk.
 - (b) The Insured shall immediately notify the Company by facsimile and in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.

No material alteration shall be made or admitted by the Insured whereby the risk is increased, unless the continuance of the Insurance is confirmed in writing by the Company.

5. In the event of any occurrence which might give rise to a claim under this Policy, the Insured shall:
 - (a) immediately notify the company by telephone or facsimile as well as in writing, giving an indication as to the nature and extent of loss or damage;
 - (b) take all steps within his power to minimize the extent of the loss or damage;
 - (c) preserve the parts affected and make them available for inspection by a representative or surveyor of the Company; furnish all such information and documentary evidence as the company may require;
 - (d) inform the police authorities in case of loss or damage due to theft or burglary.

The Company shall not in any case be liable for loss, damage or liability of which no notice has been received by the Company within 14 days of its occurrence.

Upon notification being given to the Company under this condition, the Insured may carry out the repairs or replacement of any minor damage; in all other cases a representative of the Company shall have the opportunity of inspecting the loss or damage before any repairs or alterations are effected. If a representative of the Company does not carry out the inspection within a period of time which could be considered adequate under the circumstances the Insured is entitled to proceed with the repairs or replacement.

The liability of the Company under this Policy in respect of any item sustaining damage shall cease if said item is not repaired properly without delay.

6. The Insured shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or required by the Company in the interest of any rights or remedies, or of obtaining relief or indemnity from parties (other than those Insured under this Policy) to which the Company are or would become entitled or which is or would be subrogated to them upon their paying for or making good any loss or damage under this Policy, whether such acts and things are or become necessary or required before or after the Insured's indemnification by the Company.
7. If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to the decision of an Arbitrator to be appointed in writing 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, within one calendar month after having been required in writing so to do by either of the parties, or, in case the Arbitrators do not agree, of an Umpire to be appointed in writing by the Arbitrators before entering upon the reference. The Umpire shall sit with the Arbitrators and preside at their meetings. The making of an award shall be a condition precedent to any right of action against the Company.
8. If a claim is in any respect fraudulent, or if any false declaration is made or used in support thereof, or if any fraudulent means or devices are used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy, or if a claim is made and rejected and no action or suit is commenced within three months after such rejection or, in the case of arbitration taking place as provided herein, within three months after the Arbitrator or Arbitrators or Umpire have made their award, all benefit under this Policy shall be forfeited.
9. If at the time any claim arises under the Policy there is any other Insurance cover covering the same loss, damage or liability the Company shall not be liable to pay or contribute more than their rateable proportion of any claim for such loss, damage or liability.

Section 1- Material Damage

The Company hereby agree with the Insured that if at any time during the period of cover the items or any part thereof entered in the Schedule shall suffer any unforeseen and sudden physical loss or damage from any cause, other than those specifically excluded, in a manner necessitating repair or replacement, the Company will indemnify the Insured in respect of such loss or damage as hereinafter provided by payment in cash, replacement or repair (at their own option) up to an amount not exceeding in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in anyone event the limit of indemnity where applicable and not exceeding to all the total sum expressed in the Schedule as covered hereby.

The Company will also reimburse the Insured for the cost of clearance of debris following upon any event giving rise to a claim under this Policy provided a separate sum therefore has been entered in the Schedule.

SPECIAL EXCLUSIONS TO SECTION I

The Company shall not, however, be liable for

- (a) the deductible stated in the Schedule to be borne by the Insured in anyone occurrence;
- (b) consequential loss of any kind or description whatsoever including penalties, losses due to delay, lack of performance, loss of contract;
- (c) loss or damage due to faulty design;
- (d) 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;
- (e) wear and tear, corrosion, oxidation, deterioration due to lack of use and normal atmospheric conditions;

- (f) loss or damage to construction plant, equipment and construction machinery due to electrical or mechanical breakdown, failure, breakage or derangement, freezing of coolant or other fluid, defective lubrication or lack of oil or coolant, but if as a consequence of such breakdown or derangement an accident occurs causing external damage, such consequential damage shall be indemnifiable;
- (g) loss of or damage to vehicles licensed for general road use or water borne vessels or aircraft;
- (h) loss of or damage to files, drawings, accounts, bills, currency, stamps, deeds, evidences of debt, notes, securities, cheques;
- (i) loss or damage discovered only at the time of taking an inventory.

PROVISIONS APPLYING TO SECTION I

Memo 1 - Sum Insured

It is a requirement of this Insurance that the sums covered stated in the Schedule shall not be less than

- For item 1 the full value of the contract works at the completion of the construction, inclusive of all material, wages, freight, customs duties, dues, and materials or items supplied by the Principal;
- For item 2 and 3 the replacement value of construction plant, equipment and construction machinery, which shall mean the cost of replacement of the Insured items by new items of the same kind and capacity;

and the Insured undertakes to increase or decrease the amounts of Insurance in the event of any material fluctuation in wages or prices provided always that such increase or decrease shall take effect only after the same has been recorded in the Policy by the Company.

If, in the event of loss or damage, it is found that the sums covered are less than the amounts required to be insured, then the amount recoverable by the Insured under this Policy shall be reduced in such proportion as the sums Insured bear to the amounts required to be insured. Every object and cost items is subject to this condition separately.

Memo 2 - 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,

however, only to the extent the costs claimed had to be borne by the Insured and to the extent they are included in the sums Insured and provided always that the provisions and conditions have been complied with.

The Company will make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be. All damage which can be repaired shall be repaired, but if the cost of repairing any damage equals or exceeds the value of the items immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (b) above.

The cost of any provisional repairs will be borne by the Company if such repairs constitute part of the final repairs and do not increase the total repair expenses.

The cost of any alterations, additions and/or improvements shall not be recoverable under this Policy.

Memo 3. Extension of Cover

Extra charges for overtime, night work, work on public holidays, express freight are covered by this Insurance only if previously and specially agreed upon in writing.

Section II - Third Party Liability

The Company will indemnify the Insured up to but not exceeding the amounts specified in the Schedule against such sums which the Insured shall become legally liable to pay as damages consequent upon

- (a) accidental bodily injury to or illness of third parties (whether fatal or not)
- (b) accidental loss of or damage to property belonging to third parties

occurring in direct connection with the construction or erection of the items Insured under Section I and happening on or in the immediate vicinity of the site during the Period of Cover.

In respect of a claim for compensation to which the indemnity provided herein applies, the Company will in addition indemnify the Insured against

- (a) all costs and expenses of litigation recovered by any claimant from the Insured, and
- (b) all costs and expenses incurred with the written consent of the Company,

provided always that the liability of the Company under this section shall not exceed the limits of indemnity stated in the Schedule.

SPECIAL EXCLUSIONS TO SECTION II

The Company will not indemnify the Insured in respect of;

1. the deductible stated in the Schedule to be borne by the Insured in anyone occurrence;
2. the expenditure incurred in doing or re-doing or making good or repairing anything covered or coverable under Section I of this Policy;
3. 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);
4. 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 I, 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 the Insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.

SPECIAL CONDITIONS APPLYING TO SECTION II

1. No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company who shall be entitled, if they so desire, to take over and conduct in the name of the Insured the defense or settlement of any claim or to prosecute for their own benefit in the name of the Insured any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceeding or in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.
2. The Company may so far as any accident is concerned pay to the Insured the limit of indemnity for anyone accident (but deducting therefrom in such case any sum or sums already paid as compensation in respect thereof or any lesser sum for which the claim or claims arising from such accident can be settled and the Company shall thereafter be under no further liability in respect of such accident under this section.

Clauses

1.0 The following Clauses are applicable to this Policy:

PROPERTY DAMAGE CLARIFICATION CLAUSE

Property damage covered under this Agreement shall mean physical damage to the substance 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 programs that it caused by a deletion a corruption or a deformation of the original structure.

Consequently the following are excluded from this Agreement:

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

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

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

THEFT BY DECEPTION CLAUSE

The Company shall not be liable for any loss or damage caused by or attributed to the act of cheating by any person within the meaning of the definition of the offence of cheating set out in the Penal Code. Cheating as defined in the Penal Code is as follows:-

"Whoever, by deceiving any person, fraudulently or dishonestly induces the person so deceived to deliver any property or intentionally induces the person so deceived to do or omit to do anything which he would not do or omit if he were not so deceived, and, which act or omission causes or is likely to cause damage or harm to that person in body, mind, reputation or property, is said to 'cheat'."

DATE RECOGNITION CLAUSE

It is noted and agreed that this Policy is hereby amended as follows:

- A. The Company will not pay for any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly caused by, consisting of, or arising from, the failure or inability of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the Insured or not, and whether occurring before, during or after the year 2000 that results from the failure or inability of such device and/or software as listed above to:
1. Correctly recognize any date as its true calendar date;
 2. Capture, save, or retain, and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date other than its true calendar date; and/or
 3. Capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.
- B. It is further understood that the Company will not pay for the repair or modification of any part of any electronic data processing system or any device and/or software as listed above in A.
- C. It is further understood that the Company will not pay for any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly arising from any advice, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Insured or for the Insured or by or for others to determine, rectify or test any potential or actual failure, malfunction or inadequacy described in A above.
- D. It is further understood that the Company will not pay for any consequential loss resulting from any continuing inability of the computer and equipment described in A above to correctly recognize any date as its true calendar date after the lost or damaged property has been replaced or repaired.

Such loss or damage or any consequential loss referred to in A, B, C, or D and above, is excluded regardless of any other cause that contributed concurrently or in any other sequence to the same.

EXCLUSION OF TERRORISM

With effect from inception, this Policy is deemed to exclude terrorism cover:-

Any act of terrorism

For this purpose 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.

TOTAL ASBESTOS EXCLUSIONS

It is hereby understood and agreed that this contract shall not cover any actual or alleged liability whatsoever for any claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

2.0 The following Clauses are applicable to this Certificate if specified in the schedule:

001 STRIKE RIOT AND CIVIL COMMOTION

It 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 Policy shall be extended to cover loss or damage due to strike, riot and civil commotion which for the purpose of this Endorsement shall mean (subject always to the Special Conditions hereinafter contained) loss of or damage to the property insured directly caused by

1. The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in item 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 minimizing the consequences of any such disturbance,
3. The willful act of any striker or locked-out worker performed in furtherance of a strike or in resistance to a lockout,
4. The action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

provided that it is hereby further expressly agreed and declared that

1. all 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,
2. The following Special Condition 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.

Special Conditions

1. This Insurance shall 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,
 - d) Consequential loss or liability of any kind or description, any payments over and above the indemnity for the material damage as provided herein.

Provided nevertheless that the Company 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 shall not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrence, namely
 - a) War, invasion, act of foreign enemy, hostilities or warlike operations (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 organization 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.

In any action, suit or other proceeding, where the Company allege that by reason of the provision 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 Company on notice to that effect being given by registered post at the Insured's last known address, in which case the Company shall be liable to repay rateable proportion of the premium for the unexpired term from the date of termination.
4. The limit of indemnity any one occurrence as stated below shall be understood to limit the indemnity for all loss or damage covered by this Endorsement during a consecutive period of 168 hours. The aggregate liability of the Company during the period of this Policy shall be limited by twice the limit of indemnity any one occurrence.

The aggregate liability of the Company during the period of cover of this Policy shall be limited by twice the limit of indemnity any one occurrence

Limit of Indemnity: AS PER SCHEDULE

002

COVER FOR CROSS LIABILITY

It 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, the third party liability cover of the Policy shall apply to the Insured parties named in the Schedule as if a separate Policy had been issued to each party, provided that the Company shall not indemnify the Insured under this Endorsement in respect of liability for

- loss of or damage to items insured or coverable under Section 1 of the Policy, even if not recoverable due to an excess or any limit.
- fatal or non-fatal injury or illness of employees or workmen who are or could have been insured under Workmen's Compensation and/or Employers Liability Insurance.

The Company' total liability in respect of the Insured parties shall not however exceed in the aggregate for any one accident or series of accidents arising out of one event the limit of indemnity stated in the Schedule.

003

MAINTENANCE VISITS COVER

It 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.

Maintenance Period: As specified in the Schedule.

004

EXTENDED MAINTENANCE COVER

It 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 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,

- occurring during the maintenance period provided such loss or damage was caused on the site during the construction period before the Policy of Completion for the lost or damaged section was issued.

Maintenance Period: As specified in the Schedule.

005 SPECIAL CONDITIONS CONCERNING THE CONSTRUCTION AND/OR ERECTION 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 Company shall be deemed to be incorporated herein.

The Company 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 Company has agreed in writing to such a deviation before the loss occurred.

Deviation from time schedule: as per schedule

006 COVER OF EXTRA CHARGES FOR OVERTIME, NIGHT WORK, WORK ON PUBLIC HOLIDAYS, EXPRESS FREIGHT (LIMIT: AS PER SCHEDULE)

It 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 to cover extra charges for overtime, night work, and work on public holidays and express freight (excluding airfreight).

Provided always that such extra charges shall be incurred in connection with any loss of or damage to the Insured items recoverable under the Policy.

If the sum(s) insured of the damaged item(s) is (are) less than the amount(s) required to be insured, the amount payable under this Endorsement for such extra charges shall be reduced in the same proportion.

007 COVER FOR EXTRA CHARGES FOR AIRFREIGHT (LIMIT: AS PER SCHEDULE)

It 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 to cover extra charges for airfreight.

Provided always that such extra charges shall be incurred in connection with any loss of or damage to the Insured items recoverable under the Policy.

Provided further that the maximum amount payable under this Endorsement in respect of airfreight shall not exceed the amount stated below during the period of Insurance.

008 WARRANTY CONCERNING STRUCTURE IN EARTHQUAKE ZONES

It is agreed and understood that otherwise subject to the terms, exclusions, provision and conditions contained in the Policy or endorsed thereon, the Company shall only indemnify the Insured for loss, damage or liability directly or indirectly arising out of earthquake if the Insured provides 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.

009 EXCLUSION OF LOSS, DAMAGE OR LIABILITY DUE TO EARTHQUAKE

It is agreed and understood that otherwise subject to the terms, exclusions, provision and conditions contained in the Policy or endorsed thereon, the Company shall not indemnify the Insured for loss, damage or liability directly or indirectly caused by or resulting from earthquake.

010 EXCLUSION OF LOSS, DAMAGE OR LIABILITY DUE TO FLOOD AND INUNDATION.

It is agreed and understood that otherwise subject to the terms, exclusion, provisions and conditions contained in the Policy or endorsed thereon, the Company shall not indemnify the Insured for loss, damage or liability directly or indirectly caused by or resulting from flood and inundation.

012 EXCLUSION OF LOSS, DAMAGE OR LIABILITY DUE TO WINDSTORM OR WIND-RELATED WATER DAMAGE

It is agreed and understood that otherwise subject to the terms, exclusions, provision and conditions contained in the Policy or any endorsements agreed upon, the Company shall not indemnify the Insured for loss, damage or liability directly or indirectly caused by or resulting from windstorm equal to or exceeding grade 8 on the Beaufort Scale (mean wind speed exceeding 62 km/h) or any water damage occurring in connection with or as consequence of such windstorm.

013 PROPERTY IN OFF-SITE STORAGE

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or any Endorsements agreed upon and subject to the Insured having the agreed extra premium, Section 1 of the Policy shall be extended to cover loss of or damage to property insured (except property being manufactured, processed or stored at the manufacturer's, distributor's or supplier's premises) in off-site storage within the territorial limits as stated below.

The Company shall not indemnify the Insured for loss or damage caused by the failure to take generally accepted loss prevention measures for warehouses or storage units. Such measures shall include, in particular:

- ensuring that the storage area is enclosed (either a building or at least fenced in), guarded, protected against fire, as appropriate for the particular location or type of property stored;
- separating the storage units by fire-proof walls or by a distance at least 50 meters
- positioning and designing the storage units in such a way as to prevent damage by accumulating water or flooding due to rainfall or by a flood with a statistical return period of less than 20 years;
- limiting the value per storage unit

Territorial limit : as per schedule
Limit of indemnity (any one occurrence) : as per schedule
Deductible : as per schedule

100 COVER FOR TESTING OF MACHINERY AND INSTALLATIONS (LIMIT: AS PER SCHEDULE)

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the period of cover shall be extended to include a test operation or a test loading but not beyond four (4) weeks from the date of commencement of the test.

If however, a part of a plant or one or several machine(s) is (are) tested and/or put into operation or taken over, the cover for that particular part of the plant or machine(s) and any liability resulting therefrom ceases whereas the cover continues for the remaining parts to which the above does not apply.

It is further agreed and understood that for the machinery and installations undergoing a test, exclusions c and d of the exclusions to Section I of the Policy are deleted and the following exclusion shall apply:
"Loss or damage due to faulty design, defective material or casting, bad workmanship other than faults in erection"

In the case of second-hands, the insurance hereunder shall, however, cease immediately on the commencement of the test.

101 SPECIAL CONDITIONS CONCERNING THE CONSTRUCTION OF TUNNELS, GALLARIES, TEMPORARY OR PERMANENT SUBSURFACE STRUCTURES OR INSTALLATIONS.

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

- alterations in the construction method or due to unforeseen ground conditions or obstructions
- measures which become necessary to improve or stabilize ground conditions or to seal against water ingress unless necessary to reinstate indemnifiable loss or damage,
- removing material which has been excavated or due to overbreak in excess of the design profile and/or for refilling cavities resulting therefrom,

- dewatering unless necessary to reinstate indemnifiable loss or damage
- loss or damage due to breakdown of the dewatering system if such loss or damage could have been avoided by use of standby facilities,
- the abandonment or recovery of tunnel-boring machines,
- the loss of bentonite, suspensions, or any media or substance used for excavation support or as a ground-conditioning agent.

In the event of indemnifiable loss or damage the maximum amount payable under this Policy shall be limited to the expenses incurred to reinstate the Insured property to a standard or condition technically equivalent to that which existed immediately before the occurrence of loss or damage but not in excess of the percentage as stated below of the original average per-metre construction cost of the immediate damaged area.

Maximum percentage payable: as per schedule

102 SPECIAL CONDITIONS CONCERNING UNDERGROUND CABLES, PIPES AND OTHER FACILITIES.

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Company 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 has inquired with the relevant authorities about the exact position of such cables, pipes or other underground facilities and takes all necessary steps to avoid damage to same.

Claims in respect of loss of or damage to such underground facilities which are in the same position as shown on the underground maps (drawings indicating the position of the underground facilities) shall be payable after applying a deductible as stated below.

Claims in respect of loss of or damage to underground facilities incorrectly shown on the underground map shall be payable after applying the deductible stated under b below.

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

Deductibles: as per schedule

103 EXCLUSION OF LOSS OF OR DAMAGE TO CROPS, FORESTS AND CULTURES

It is agreed and understood that otherwise subject to the terms, exclusion, provisions and conditions contained in the Policy or endorsed thereon, the Insurance Operator's 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.

104 SPECIAL CONDITIONS CONCERNING THE CONSTRUCTION OF DAMS AND WATER RESERVOIRS

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

- grouting of soft rock areas and/or other additional safety measures even if their necessity arises only during construction,
- expenses incurred for dewatering even if the quantities of water originally expected are exceeded substantially,
- loss or damage due to breakdown of the dewatering system if such breakdown could have been avoided by sufficient stand-by-facilities,
- expenses incurred for additional sealing or waterproofing and additional facilities for the discharge of run-off and/or underground water,
- loss or damage due to subsidence if caused by insufficient compacting,
- cracks and leakage.

106 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 Company's shall only indemnify the Insured for loss, damage or liability directly or indirectly caused to or by embankments, cuttings and

benching, ditches, canals or road works if these embankments, cuttings and benching, ditches, canals or road works are constructed in sections not exceeding in total the length stated below, irrespective of the state of completion of the Insured works, and the indemnification for any loss event shall be limited to the cost of repair of such sections.

Maximum length of section: as per schedule

107 WARRANTY CONCERNING CAMPS AND STORES

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Company shall only indemnify the Insured for loss damage or liability directly or indirectly caused to camps and stores by fire, flood or inundation if these camps and stores are located above the highest water level recorded anywhere on the site during the last 20 years and the individual storage units are either at least 50m apart or separated by fire walls

It is also agreed that the Company shall indemnify the Insured for any one occurrence only up to a limit of indemnity of as per schedule for camps and for each individual storage unit.

108 WARRANTY CONCERNING CONSTRUCTION PLANT, EQUIPMENT AND MACHINERY

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Company shall only indemnify the Insured for loss, damage or liability directly or indirectly caused to construction plant, equipment and machinery by flood and inundation if, after the execution of works or in case of any interruption, such construction plant, equipment and machinery are kept in an area not endangered by 20-year floods.

109 WARRANTY CONCERNING CONSTRUCTION MATERIAL

It is agreed and understood that otherwise subject to the terms, exclusions, provision and conditions contained in the Policy or endorsed thereon, the Company shall only indemnify the Insured for loss, damage or liability directly or indirectly caused to construction materials by flood or inundation if such construction material does not exceed three (3) days' demand and the exceeding quantities are kept in areas not endangered by 20-years floods.

110 SPECIAL CONDITIONS CONCERNING SAFETY MEASURES WITH RESPECT TO PRECIPITATION, FLOOD AND INUNDATION

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

For the purposes of this Endorsement adequate safety measures shall mean that, at all times throughout the Policy period, allowance is made for precipitation, flood and inundation up to a return period of 20 years for the location insured on the basis of the statistics prepared by the meteorological agencies.

Loss, damage or liability resulting from the Insured's not immediately removing obstructions (e.g. sand, trees) from watercourse within the construction site, whether carrying water or not, in order to maintain free water flow shall not be identifiable.

111 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 Company 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.

112 SPECIAL CONDITIONS CONCERNING FIRE-FIGHTING FACILITIES AND FIRE SAFETY ON CONSTRUCTION SITES

It is agreed and understood that otherwise subject to terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Company shall only indemnify the Insured for loss or damage directly or indirectly caused by or resulting from fire or explosion, provided always that;

1. With regard to the progress of work adequate fire- terms, fighting equipment and sufficient extinguishing Policy or gents are available and operative all at times.

Fully operative wet riser hydrants are installed up to one level the highest current work level and are sealed by temporary end caps;
2. The cabinets containing hose reels and portable fire extinguishers are inspected at regular intervals but at least twice a week;
3. Fire compartments as required by local regulations are installed as soon as possible after the removal of formwork.

Openings for lift shafts, service ducts and other voids are provisionally closed as soon as possible but not later than at the commencement of fit out work.
4. Waste material is removed regularly. All floors undergoing fit-out are cleared of combustible waste at the end of each working day.
5. A "permit to work" system is implemented for all contractors engage in "hot work" of any kind such as but not limited to
 - grinding, cutting or welding operations,
 - use of blow lamps and torches,
 - application of hot bitumen,
 or any other heat producing operation.

"Hot work" is carried out only in the presence of at least one worker equipped with a fire extinguisher and trained in fire-fighting.

The area of any "hot work is examined one hour after the work has finished.
6. Storage of material for the construction or erection shall be subdivided into storage units not exceeding the value stated below per storage unit. The individual storage units shall be either at least 50m apart or separation by fire-proof walls.

All flammable material and especially all flammable liquids and gases shall be stored at a sufficiently large distance from the property under construction or erection and any hot work.
7. A Site Safety Coordinator is appointed.

A reliable fire alarm system is installed and whenever possible a direct communication link maintained with the nearest fire brigade.

A Fire Protection Plan and Site Fire Action Plan are implemented and updated regularly.

The contractor's personnel are trained in fire-fighting and fire-fighting drills carried out weekly.

The nearest fire brigade is familiarized with the site and immediate access maintained for it all times.
8. The site is fenced off and access controlled.

Value per storage unit: As per schedule

113

INLAND TRANSIT (LIMIT: AS PER SCHEDULE)

It is agreed and understood that 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, Section I of this Insurance shall be extended to cover loss of or damage to the property insured whilst in transit to the contract site other than on waterways or by air within the territorial limits of Malaysia that the maximum amount payable under this Endorsement does not exceed as per schedule per conveyance.

114

SERIAL LOSSES

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the following clause shall apply to this insurance:

Loss or damage due to faulty design (if covered by endorsement), defective material and/or workmanship arising out of the same cause to structures, parts of structures, machines or equipment of the same type shall be indemnified according to the following scale after applying the policy deductible for each loss:

100% of the first 2 losses
80% of the 3rd loss
60% of the 4th loss
50% of the 5th loss

Further losses shall not be indemnified.

115 COVER FOR DESIGNER'S RISK

It 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, exclusion (c) under special exclusion to Section 1 of the Policy shall be deleted and exclusion (d) replaced by the following wording:

- (d) "The cost of replacement, repair or rectification of loss or damage to items due to defective material and/or workmanship and/or faulty design, 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 and/or faulty design."

116 COVER FOR INSURED CONTRACT WORKS TAKEN OVER OR PUT INTO SERVICE

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon subject to the Insured having paid the agreed extra premium, the Policy shall be extended to cover

- loss of or damage to parts of the insured contract works taken over or put into service if such loss or damage emanates from the construction of the items insured under Section I and happens during the period of cover.

117 SPECIAL CONDITIONS FOR LAYING WATER SUPPLY AND SEWER PIPES

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Company shall indemnify the Insured for any loss, damage or liability due to the flooding or silting of pipes, trenches or shafts only up to the maximum length of open trench stated below, partially or completely excavated, for any one loss event.

The Company shall be liable only if

- 1) the pipes, immediately after laying, have been secured in such a manner by backfilling that they cannot be displaced if the trench is flooded;
- 2) the pipes, immediately after laying, have been closed to prevent water, silt or the like from penetrating;
- 3) the trenches of tested pipe sections have been backfilled immediately upon completion of the pressure test.

Maximum length: (as specified in the schedule) meters

118 DRILLING WORK FOR WATER WELLS

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the cover for well drilling work shall be restricted to loss or damage due to or resulting from the following named perils:

- earthquake, volcanism, tsunami
- storm, cyclone, flood, inundation, landslide
- blow-out and/or cratering
- fire/explosion
- artesian water flow
- mud loss, which cannot be overcome by known practices
- collapse of hole including collapse of casing due to abnormal pressure or heaving shales, which cannot be overcome by known practices

The indemnity shall be calculated on the basis of the costs (including material) spent for drilling the well up to the very moment when the first phenomena of the above perils are apparent and the well

has to be abandoned due to a hazard insured against, and the Insured shall bear a deductible of 10% of the loss amount, minimum as stated below for any one occurrence.

Special Exclusions

- loss of or damage to drilling rig and drilling equipment (for which the drilling contractor may conclude a special Insurance/insurance),
- costs of fishing operations of all kinds,
- costs of reconditioning and workover operations to restore well conditions including all stimulation work (acidizing, fracturing, etc).

Deductible: as per schedule

119

EXISTING PROPERTY OR PROPERTY BELONGING TO OR HELD IN CARE, CUSTODY OR CONTROL BY THE INSURED (LIMIT: AS PER SCHEDULE)

It 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, Section I of this Policy shall be extended to cover loss of or damage to the existing property or property belonging to or held in care, custody or control by the Insured caused by or arising out of the construction or erection of the items insured under Section I.

The Company shall only indemnify the Insured for loss of or damage to the Insured property provided that prior to the commencement of construction its condition is sound and the necessary safety measures have been taken.

In respect of loss of or damage caused by the vibration or by the removal or weakening of support Company shall only indemnify the Insured for loss or damage as a result of a total or partial collapse of the insured property, and not for superficial damage which neither impairs the stability of the Insured property nor endanger it users.

The Company shall not indemnify the Insured for

- loss or damage which is foreseeable having regards to the nature of the construction work or the manner of its execution.
- the cost of loss prevention or minimization measures which become necessary during the period of Insurance.

120

VIBRATION, REMOVAL OR WEAKENING OF SUPPORT

It 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, Section II of this Insurance shall be extended to cover liability consequent upon loss or damage caused by vibration or by the removal or weakening of support.

Provided always that:

- a) the Company will indemnify the Insured in respect of liability for loss or damage to any property or land or building only if such loss or damage results in the total or partial collapse;
- b) the Company will indemnify the Insured in respect of liability for loss or damage to any property or land or building only if prior to the commencement of construction its condition is sound and the necessary loss prevention measures have been taken;
- c) the Insured if required shall before commencement of construction and at his own expenses prepare a report on the condition of any endangered property or land or building.

The Company will not indemnify the Insured in respect of liability for:

- a) loss or damage which is foreseeable having regard to the nature of the construction work or the manner of its execution,
- b) superficial damage which impairs the stability of the property, land or buildings nor endangers their users,
- c) the costs of loss prevention or minimization measures which become necessary during the period of insurance

SPECIAL CONDITIONS CONCERNING PILING FOUNDATION AND RETAINING WALL WORKS

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

1. for replacing or rectifying piles or retaining wall elements
 - a) which have become misplaced or misaligned or jammed during their construction,
 - b) which are lost or abandoned or damaged during driving or extraction, or
 - c) which have become obstructed by jammed or damaged piling equipment or casings,
- 2) for rectifying disconnected or declutched sheet piles,
- 3) for rectifying any leakage or infiltration of material of any kind,
- 4) for filling voids or for replacing lost betonies,
- 5) as a result of any piles or foundation elements having failed to pass a load bearing test or otherwise not having reached their designed load bearing capacity,
- 6) for reinstating profiles or dimensions.

THIS ENDORSEMENT SHALL NOT APPLY TO LOSS OR DAMAGE CAUSED BY NATURAL HAZARDS. THE BURDEN OF PROVING THAT SUCH LOSS OR DAMAGE IS COVERED SHALL BE UPON THE INSURED.

RD REMOVAL OF DEBRIS (LIMIT: AS PER SCHEDULE)

The Insurance by this section includes in addition the cost of removal of debris necessary to undertake the repair or replacement of any loss or damage insured hereby and further extends to include the cost and expenses necessarily and reasonably incurred by the Insured in demolition, removal and/or satisfactory disposal of debris or wreck following loss of or damage to the insured property, including such costs incurred to satisfy the requirements of any competent statutory body.

PF PROFESSIONAL FEES CLAUSE (LIMIT: AS PER SCHEDULE)

The Sum Insured by this section includes any amount in respect of Architects, Surveyors and Consulting Engineers reimbursable fees or other professional fees (including the direct costs of the engineer named in the Construction and Erection Contract) necessarily incurred by the Insured in the reinstatement of the Insured property consequent upon its loss destruction or damage but not for preparing any claim, it being understood that the amount payable or such fees shall not exceed LIMIT AS PER SCHEDULE of the Total Contract Value.

WEA WEATHER AGGREGATE (72 HOURS)

It is agreed that any loss of or damage to the Insured property arising during any one period of 72 consecutive hours caused by strong tempest flood or earthquake shall be deemed as a single event and therefore to constitute one occurrence with regard to the Insured's retained liabilities provided for herein.

For the purpose of the foregoing the commencement of any such 72 hours period shall be decided at the discretion of the Insured it being understood and agreed, however, that there shall be no overlapping in any two or more such 72 hour period in the event of damage occurring over a more extended period of time.

PAY PAYMENT ON ACCOUNT CLAUSE

It is hereby declared and agreed that in the event of an occurrence of a loss or damage under this Policy and subject to the insured complying with the claims conditions of this Policy, the Company will make payment on account in respect of such in respect of such loss to the Insured if desired.

C013 AUTOMATIC REINSTATEMENT OF SUM COVERD CLAUSE

In consideration of the Insured having undertaking to pay an additional premium at the agreed rate on the amount of loss calculated on a 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.

50/50

FIFTY-FIFTY CLAUSE

Upon their arrival at the contract site, goods are to be inspected by the Insured for possible damage incurred during transit. In the case of packed goods which are to be left in their packing until a later date, the packing is to be visually inspected for signs of possible damage. If any sign of damage is visible, the goods are to be unpacked immediately and inspected, any damage discovered is excluded hereunder

Where the packing of goods manifests no sign of damage to the goods having been Insured during transit, any damage to the goods which become manifests upon their unpacking within the period allowed will be ascribed to the Marine Cover or the Construction Risks Cover according to whether it clearly was caused before or after arrival of goods at the contract site.

Where it is not possible to establish whether the damage was cause before or after arrival of the goods at the contract site it is agreed that settlement will be made on a 50/50 basis by the Marine Cover and the construction risks cover

LOS

LOSS NOTIFICATION CLAUSE (LIMIT: AS PER SCHEDULE)

Notwithstanding anything contained herein to the contrary, it is agreed that this Insurance will not be prejudiced by any inadvertent delays, errors or omissions in notifying the Company of any circumstances or events giving rise or likely to give rise to a claim under this Policy.

LUL

LOADING AND UNLOADING CLAUSE

It is hereby declared and agreed that this Policy is extended to indemnify the Insured against legal liability in respect of bodily injury and/or damage to property.

- 1) Arising out of and in course of loading or unloading operations from a stationary vehicle including delivery or collection of the load from or to the vehicle.
- 2) Caused by any article or part of the load falling from a vehicle whilst in transit.

The above extension shall operate only when the Insured is not entitled to indemnity under any other certificate.

Subject otherwise to the terms, exceptions and conditions of the Policy.

CEW

CESSATION OF WORKS ENDORSEMENT (LIMIT: AS PER SCHEDULE)

Notwithstanding anything stated in the Policy to the contrary cover under the Policy shall not be suspended in the event of stoppage of work by the Contractor or the contract site from any cause for the period not exceeding AS PER SCHEDULE days. 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's property.

TP

TOPPING UP (LIMIT: % AS PER SCHEDULE)

Notwithstanding the limit of the sum covered under item I and II of Section I, the indemnity granted by this certificate extends to include the sum covered in excess of the contract value in respect of repair or replacement costs up to a limit of as per schedule of the contract value.

CLP

CLAIMS COST OF PREPARING CLAIMS CLAUSE

It is hereby declared and agreed that the Policy is extended to cover costs and expenses necessarily and reasonably incurred by the Insured following a loss as defined by this Policy sustained by the Insured:

- a) To reconstruct and recompile all relevant details and records that have been lost, destroyed or damaged by unknown persons, and
- b) To extract and recompile information required by the Company from the Insured's own records for the purpose of preparing a claim under the Policy but excluding any legal fees/expenses incurred for the purpose of contesting any claim over the Insurer's liability under the Policy.

Provided always that no amount shall be recoverable under this Clause if the Insurer shall deny liability for any claim in respect of which such expenses had been incurred.

PDC PLANS AND SPECIFICATION CLAUSE (LIMIT: AS PER SCHEDULE)

Whereby the Policy is extended to cover the costs and expenses of rewriting or re-drawing specification or plans of the contract works in order to complete the contract or to obtain payment for work arising from loss or damage of the Insured property.

MAL MALICIOUS DAMAGE ENDORSEMENT

It is hereby agreed and declared that the insurance under the said Riot and Strike Endorsement shall extend to include MALICIOUS DAMAGE which for the purpose of this extension shall mean: Loss of or damage to the property insured directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) not being an act amounting to or committed in connection with an occurrence mentioned in Special Conditions No.2 of the said Riot and Strike Endorsement but the Company shall not be liable under this extension for any loss or damage by fire or explosion nor for any loss or damage arising out of or in the course of burglary, housebreaking, theft or larceny or any attempt thereat or caused by any person taking part therein.

Provided always that all the conditions and provisions of the said Riot and Strike Endorsement shall apply to this extension as if they had been incorporated herein.

VLT VEHICLES LICENSED FOR ROAD USED BUT USED AS TOOLS OF TRADE WITHIN CONTRACT SITE.

Notwithstanding anything herein contained in Special Exclusion 4(c) to Section II this policy is hereby extended to cover the Insured's legal liability for:

- a) accidental bodily injury to or illness of third parties (whether fatal or not)
- b) accidental loss of or damage to property belonging to third parties.

arising out of the use of vehicles licensed for general road use whilst used as a tool of trade and or used as constructional plant and machinery/equipment occurring within the construction site as prescribed in the policy schedule and at the time of such loss and or damage, occurring in direct connection with the construction or erection of items insured under Section I during the Period of cover, provided that such liability is not already insured by any other policy. In instances where a separate policy shall apply to the loss, this policy shall apply in excess of the limits provided by the other policy but not exceeding the limits provided by this policy. The Insurers shall not be liable in respect of damage to any such vehicle.

SUBJECT OTHERWISE TO THE TERMS, EXCLUSIONS, PROVISIONS AND CONDITIONS CONTAINED IN THE POLICY OR ENDORSED THEREON.

PLA ALL PLANT CLAUSE (HIRED/ OWNED/ LEASED/ LOANED)

It is agreed and understood that otherwise subject to the terms, exclusion, provision and condition contained in the Policy or endorsed thereon, Section II of this Policy is extended to indemnify the Insured in respect of liability to third parties arising out of the use of construction plant, tools and equipment, whether hired or owned or leased by or loaned to the Insured but used within the site of the contract Works and occurring in direct connection with the construction or erection of items covered under Section I of the Policy during the period of cover. The liability of the Company shall not in any way exceed the limit of indemnity specified in this Policy.

Provided that this extension shall not apply if there is any other Insurance/ insurance the same liability at the time of any liability arising.

SCO CONTRACTORS AND/OR SUB-CONTRACTORS CLAUSE

Notwithstanding anything contained herein to the contrary the Indemnity expressed in this Policy is deemed to include Liability caused by or in connection with employment of Contractors/Sub-Contractors or the servants or agents of such Contractors/Sub-Contractors by the Insured.

Provided always that:-

- (i) the Contractors/Sub-Contractors shall as though the Insured observe fulfill and be subject to terms of this Policy so far as they supply.
- (ii) the Contractors/Sub-Contractors are not entitled to indemnity under any other Policy of Insurance.
- (iii) at the end of each period of insurance the Insured shall notify the Company of any such Contractors/Sub-Contractors employed during such period of insurance and of the cost thereof and shall pay such additional premium as may be required.

Subject otherwise to the terms exceptions and conditions of the Policy.

SUB WAIVER OF SUBROGATION RIGHTS

In the event of a claim arising under this Policy, the Insurer agrees to waive any rights, remedies or relief to which they might become entitled by subrogation against any company standing in relation to subsidiary or parent to the Insured as defined in Section 102 of the Companies Act 1967.

C026 CO-INSURANCE AND LEADER CLAUSE

It is hereby declared and agreed notwithstanding anything contained in the within Policy, or on any endorsement hereon to the contrary that any reference to "the Company" shall be deemed to mean the following Companies each of which agrees for its individual proportion set against its name subject to the terms, exceptions and conditions herein or attached hereto or endorsed hereon, that if during the period of cover stated in the Schedule the Insured shall sustain loss or damage in the circumstances provided for by this Policy indemnify the Insured in the manner described in the Schedule.

It is further declared and agreed notwithstanding anything contained to the contrary that the lead co-Insurance Operator, is authorised to sign the Policy/Endorsement/Renewal Receipt.

For all intents and purposes this Policy shall have effect as though each of the above-mentioned Company/insurance companies had issued a separate Policy/policy for its individual proportion of the Sum Insured.

CON COVER FOR CONSULTANTS AS THIRD PARTIES

It is hereby declared and agreed that for the purpose of Section II of this Policy, all non-resident Architects, Consulting, Engineers, Quantity Surveyors and other Professional Consultants and/or their representatives engaged in connection with the project shall be deemed as third parties.

Subject otherwise to the Terms and Conditions of the Policy.

DEE DEWATERING EXPENSES EXCLUSION

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

1. additional dewatering expenses incurred due to the quantities of water exceeding those originally expected.
2. expenses incurred for additional installations and facilities for the discharge of run-off and/or underground water.
3. loss or damage due to a failure of the dewatering system if such failure could have been avoided by sufficient standby facilities.
4. expenses incurred for grouting or any other measures to repair or prevent leakage of water into excavations and basements.

For the purpose of this endorsement standby facilities shall mean standby pumps and back-up power supply kept on the site at all times. Furthermore, such facility shall:

- a) be maintained in proper working condition
- b) be run at regular intervals to ensure proper working condition
- c) automatically take over in the event of failure or interruption of the original system.

ESC ESCALATION CLAUSE (PRICE VARIATION)

The Insured shall have the right to request an increase in the Limit of Indemnity under Section I in which event the insurance provided hereunder will extend to include any such increase up to a maximum of 110% above the Limits of Indemnity specified herein and this Policy will be endorsed accordingly and an additional premium shall be payable.

FEX FIRE AND EXPLOSION

It is hereby declared and agreed that notwithstanding anything contained to the contrary the indemnity as granted by this Policy shall apply also to liability in respect of bodily injury illness or property damage as within defined caused by fire or explosion.

Notwithstanding anything contained herein, this indemnity excludes liability in respect of loss or damage to property caused by or in connection with or arising from the bursting of any pressure part of any steam boiler or any economizer or any vessel or apparatus (other than any steam turbine or engine or other steam-driven machinery) intended to operate under steam pressure belonging to or under the control of the Insured or any servant or agent of the Insured.

SGS SUBSIDENCE OF GRADUAL SETTLEMENT

Notwithstanding anything contained in the Policy to the contrary, the Company shall not be liable to indemnify the Insured in respect of loss or damage due to subsidence and / or gradual settlement if caused by insufficient compacting or improvement of subsoil and/or due to foreseeable subsidence, likely to occur having regard to subsoil, material and/or methods of construction used and resulting solely from an unforeseen event.

TAR TEMPORARY ACCESS ROAD

Irrespective of the period of insurance specified in the Policy, the Company will indemnify the Insured only for unforeseen accidental loss of or damage to temporary access roads Insured under the Policy if such loss or damage occurs prior to such roads being completed or taken into use for their purpose by the contractors, whichever takes place first.

C025 APPROVED ADJUSTER CLAUSE

It is hereby agreed that in the event of a loss, the following adjusters (as stated in the schedule) have been approved to investigate the accident. Company(s) have authorised the Insured and/or the broker to appoint any of the approved adjusters (as stated in the schedule) to investigate the loss and report to the Company(s), broker and/or the Insured on their findings within a reasonable time.

Subject otherwise to the terms and conditions of the Policy.

C088 LOSS PAYEE CLAUSE

The proceeds of any claims under this Section of Insurance (excluding Third Party Liability) shall be paid directly to the Employer or as it may direct and such payment shall be full and final and the Company shall have no further liability towards such claims.

Important Notice

The Financial Mediation Bureau (FMB) and BNM's Customer Services Bureau (CSB) provide alternative avenues for members of the public to seek redress against unfair market practices.

PROCEDURE FOR COMPLAINT TO FMB

Any Policyholder who is not satisfied with the decision of the senior management of an Insurance Company, may write to the "Mediator, Insurance Division of FMB", giving details of the dispute, the name of the Insurance Company and the Policy number.

Copies of the correspondence between the Policyholder and the Insurance Company may be sent to facilitate tracing the case file kept by the Insurance Company.

If the Mediator makes an award against an Insurance Company, the Policyholder is required to inform the Mediator whether he accepts the award within fourteen (14) days, so that the Insurance Company can be informed of the Policyholder decision.

There is no appeal procedure within the FMB. If the Policyholder does not want to accept the award, he may reject the decision of the Mediator and he is free to institute Court proceedings against the Insurance Company or refer it to Arbitration.

The FMB is not responsible for handling payment following the decision of the Mediator. The Insurance Company when informed of the acceptance of the award is required to remit the amount direct to the claimant within thirty (30) days.

At present, there is no fee or charge for the services provided by FMB. The contact address is as follows:

Financial Mediation Bureau (FMB)

**Level 25, Main Block
Menara Takaful Malaysia
No. 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur
Telephone Number: 03 2272 2811
Facsimile Number: 03 2272 1577
E-mail: enquiry@fmb.org.my
Website: www.fmb.org.my**

PROCEDURE FOR COMPLAINT TO CSB

Any policyholder or claimant who is not satisfied with the conduct of the Insurance Company may write to CSB, giving details of the complaint, the name of Insurance Company and Policy number or the Claim number.

Copies of the correspondence (if any) between the Policyholder or the Claimant and the Insurance Company may also be sent to facilitate tracing the case file kept by the Insurance Company.

The contact details are as follows:

**Director
Jabatan LINK dan Pejabat Wilayah
Level 13C
Bank Negara Malaysia
P. O. Box 10922
50929 Kuala Lumpur
Telephone Number: 03 2698 8044
Facsimile Number: 03 2693 4051
E-mail: bnmtelelink@bnm.gov.my**

Our Commitment To High Standard Of Customer Service

We do everything We can to ensure that You receive the high standard of service You expect. If We fall below these standards, or You are unhappy with Our service, please write to Our Head of Feedback Centre who will ensure that Your feedback is dealt with instantly.

The address is:

**Head, Customer Service
Level 4, Tower C, Dataran Maybank
No. 1, Jalan Maarof
59000 Kuala Lumpur, Malaysia
Telephone Number: 1300 13 8888 or +603 2780 4500
Facsimile Number: 03 2785 3093
E-mail: cmu@etiqa.com.my**