

Contractors Combined Policy /



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redefining / standards





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General introduction section

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Welcome to AXA

Thank you for choosing AXA. Please read carefully all documents that **we** have provided and keep them in a safe place.

If **you** have any questions, need anything explaining or believe this contract does not meet **your** needs, please contact **us** or **your** insurance adviser.

Your policy

Your policy is divided into a number of sections. The sections of cover that apply in addition to the General introduction section are shown under **your** cover summary which is in the schedule. **Your** cover summary contains a list of sections available, but only those shown as 'insured' apply. Where a section does not apply **your** cover summary will state that it is 'not insured' and this section will not be included within the **policy**.

Your policy is a contract of insurance between **you** and **us**. The information and declaration, which **you** or anyone on **your** behalf has provided to **us** in applying for the insurance together with **your policy**, forms the basis of the contract.

The **policy** describes the cover for which **we** have accepted **your** premium. The **policy** wording, schedule and any endorsements must be read together.

Your policy is renewable provided **we** agree to accept **your** premium for any subsequent **period of insurance**. A new schedule will be issued for each **period of insurance** showing any changes to **your** cover.

Throughout **your policy**, **we** use defined terms. Defined terms are used to explain what a word means and are highlighted in bold blue print.

Headings have been used for **your** guidance to help **you** understand the cover provided. The headings do not form part of the contract.

Under the heading 'What is covered' **we** give information on the insurance provided. This must be read with 'What is not covered', the **policy** conditions and any conditions of cover that are applied to each section.

Under the heading 'What is not covered' **we** draw **your** attention to what is excluded from **your policy**.

Making a claim

If **you** need to make a claim please first check **your policy** to make sure **you** are covered. **You** must then follow the Claims notification condition and Claims procedures condition of pages 6 and 7 of this section, headed Policy conditions.

Please contact **your** insurance adviser who will help **us** deal with **your** claim.

Making a complaint

If **you** are not happy with the way a claim or any other matter has been dealt with, please read 'Making a complaint' on page 9 of this section.

Meanings of defined terms

These meanings apply throughout **your policy**. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used. There may be additional defined meanings in each section.

Business

Business shown in **your** schedule.

Excess

First amount of any claim or claims for which **you** are responsible.

Period of insurance

Period from the start date to the expiry date of **your** cover shown in **your** schedule.

Policy

Policy, schedule and any endorsements attached or issued.

Policy territories

Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

We/us/our

AXA Insurance UK plc.

You/your/yourself

Person(s), firm, company or organisation shown in **your** schedule as The insured.

Policy conditions

These are conditions of the cover and apply throughout **your policy**. There may also be additional conditions under each section of cover. If **you** do not comply with a condition **you** may not receive payment for a claim or **you** may lose all rights to **your** cover.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Applicable law condition

You and **we** can choose the law which applies to this **policy**. **We** propose that the Law of England and Wales apply. Unless **we** and **you** agree otherwise, the Law of England and Wales will apply to this **policy**.

Cancellation condition

- 1 **You** may cancel **your policy** within 14 days of receiving **your policy** in the first **period of insurance** if for any reason **you** are dissatisfied or the **policy** does not meet **your** requirements.
- 2 **You** may cancel **your policy** at any time if the **business** is sold by **you** or **you** cease trading or **you** sell all the property insured shown in **your** schedule.
- 3 **We** can cancel **your policy**
 - a by giving **you** 30 days written notice if
 - i there is a material change in **your business**
 - ii the information that forms the basis of the contract changes
 - iii **you** have not completed any risk improvements within a reasonable period of time required by **us** following a survey at any of **your** premises or sites
 - b immediately, if the premium has not been paid.

Where the **policy** is cancelled in accordance with any of the above provisions, **we** will refund part of the premium paid, proportionate to the unexpired **period of**

insurance following cancellation, provided that no claim has been paid or is outstanding in the current **period of insurance**.

Cancellation of **your policy** will not affect any claims or rights **you** or **we** may have before the date of cancellation.

We do not have to offer renewal of **your policy** and cover will cease on the expiry date.

Change in risk condition

You must tell **us** as soon as possible of any change in circumstances of the **business** or alteration to the risk during the **period of insurance** which increases the risk of injury, loss or damage.

If **you** do not comply with this condition **we** will make the **policy** void, which means that it is no longer in existence, from the date of such change or alteration.

We do not have to accept any request to change **your** cover. If **we** accept any change to the cover, an increase in the premium or different terms or conditions of cover may be required by **us**.

Claims notification condition

You must

- 1 as soon as practical
 - a give **us** notice of any circumstances which might lead to a claim under **your policy**
 - b give **us** all the information **we** request.
- 2 immediately
 - a on receipt send **us** every letter, court order, summons or other legal document served upon **you**
 - b tell **us** about any prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential claim under **your policy**
 - c notify the police of any loss or damage that has been caused by malicious persons, thieves, rioters, strikers or vandals.

If **you** do not comply with this condition **we** have the right to refuse to pay **your** claim.

General introduction section *continued*

Claims procedures condition

- 1 **You** must take or allow others to take practical steps to prevent further injury, loss or damage, recover property lost and otherwise minimise the claim.
- 2 At **your** expense **you** must provide **us** with
 - a full details in writing of any injury, loss or damage and any further information or declaration **we** may reasonably require
 - b any assistance to enable **us** to settle or defend a claim
 - c details of any other relevant insurances.
- 3 **You** may not accept, negotiate, pay, settle, admit or repudiate any claim without **our** written consent.
- 4 Following a claim **you** must allow **us** or anyone authorised by **us**
 - a access to premises
 - b to take possession of, or request delivery to **us** of any property insured.
- 5 **You** may not abandon any property to **us**.
- 6 **We** will be allowed complete control of any proceedings and settlement of the claim.

If **you** do not comply with this condition **we** have the right to refuse to pay **your** claim.

Fraud condition

If **you** or anyone acting for **you**:

- 1 knowingly makes a fraudulent or exaggerated claim under **your policy**;
- 2 knowingly makes a false statement in support of a claim (whether or not the claim itself is genuine); or
- 3 knowingly submit a false or forged document in support of a claim (whether or not the claim itself is genuine),

We will:

- a refuse to pay the claim;
- b declare the **policy** void, treating it as if it had never existed without any refund of premium; and
- c recover any sums that we have already paid under the **policy** in respect of the claim and any previous claims.

We may also inform the police of the circumstances.

Policy administration fees condition

We may charge **you** an administration fee if **we**

- 1 make any changes to **your policy** on **your** behalf
- 2 agree to cancel **your policy**, or
- 3 are requested to print and re-send **your policy** documents to **you**.

We will not make a charge without informing **you**.

Instalments condition

If **you** fail to pay a premium instalment to **us** on the date due, this will result in **your policy** being cancelled from the date the missed instalment was due. **You** will not be entitled to any return of premium where this happens.

If a claim has been made or there has been any incident likely to lead to a claim during the current **period of insurance** the annual premium remains due in full.

Misrepresentation and non-disclosure condition

You must

- 1 disclose all information relevant to this insurance
- 2 not make any statement which is incorrect.

If **you** fail to disclose information relevant to this insurance or make any statement which is incorrect **we** will make the **policy** void, which means that it is no longer in existence, from the date the contract was formed.

Other insurance condition

If a claim is made under **your policy** and there is other insurance cover for which **you** are, or would be but for this **policy**, entitled to have a claim paid under the other insurance, **we** will at **our** option, either pay

- 1 a proportionate share of the claim
- or
- 2 an amount beyond that which is or would be payable under the other insurance.

General introduction section *continued*

Reasonable care condition

You must take reasonable steps to

- 1** prevent or protect against injury, loss or damage
- 2** keep **your** premises, machinery, plant and equipment and all other property insured in good condition and in full working order
- 3** remedy any defect or any danger that becomes apparent, as soon as possible.

If required by **us**, **you** must allow access to **your** premises and/or activities of **your business** to carry out inspection or survey. **You** must complete any risk improvements that **we** ask for, within a reasonable period of time advised by **us**.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim.

Renewal term agreement condition

If **your** schedule shows that a renewal term agreement is operative, certain terms and conditions have been agreed by **you** and **us** that regulate the annual premium at which **we** will offer renewal. The agreement is included as part of the insurance contract and if **we** offer renewal in accordance with the agreement **you** agree that **your policy** will be renewed each year up to the expiry date of the agreement shown in **your** schedule.

Subrogation (our rights) condition

We will be entitled to undertake in **your** name or on **your** behalf

- 1** the defence or settlement of any claim
- 2** steps to enforce rights against any other party before or after payment is made by **us**.

Third party rights condition

This contract is between **you** and **us**. The rights under this contract will not be enforceable by any other party because of the Contract (Rights of Third Parties) Act 1999.

Making a complaint

AXA Insurance aims to provide the highest standard of service to every customer.

If **our** service does not meet **your** expectations **we** want to hear about it so **we** can try to put things right.

All complaints **we** receive are taken seriously. Following the steps below will help **us** understand **your** concerns and give **you** a fair response.

How to make your complaint

The majority of complaints can be resolved quickly and satisfactorily by the department **you** are dealing with. If **your** complaint relates to a claim on **your** policy, please contact the department dealing with **your** claim. If **your** complaint relates to anything else, please contact the agent or AXA office where **your** policy was purchased. Telephone contact is often the most effective way to resolve complaints quickly.

Alternatively **you** can write to **us** at

AXA Insurance
Commercial complaints
AXA House
4 Parklands
Lostock
Bolton
BL6 4SD

Tel: 01204 815359

Email: commercial.complaints@axa-insurance.co.uk

When **you** make contact please tell **us** the following information:

- Name, address and postcode, telephone number and e-mail address (if **you** have one)
- **Your** policy and/or claim number, and the type of policy **you** hold
- The name of **your** insurance agent/firm (if applicable)
- The reason for **your** complaint

Any written correspondence should be headed 'COMPLAINT' and **you** may include copies of supporting material.

** free for people phoning from a 'fixed line' (for example, a landline at home)*

*** free for mobile-phone users who pay a monthly charge for calls to numbers starting 01 or 02*

Beyond AXA

Should **you** remain dissatisfied following **our** final written response, **you** may be eligible to refer **your** case to the Financial Ombudsman Service (FOS).

The FOS is an independent body that arbitrates on complaints about general insurance products. The FOS can only consider **your** complaint if **we** have given **you our** final decision.

You have six months from the date of **our** final response to refer **your** complaint to the FOS. This does not affect **your** right to take legal action.

Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR

Tel: 0800 023 4567*

Tel: 0300 123 9123**

Fax: 020 7964 1001

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

Web: www.financial-ombudsman.org.uk

Our promise to you

We will

- Acknowledge written complaints promptly.
- Investigate **your** complaint quickly and thoroughly.
- Keep **you** informed of progress of **your** complaint.
- Do everything possible to resolve **your** complaint.
- Learn from **our** mistakes.
- Use the information from complaints to continuously improve **our** service.

Telephone calls may be monitored and recorded.

General introduction section *continued*

Financial Services Compensation Scheme (FSCS)

AXA Insurance UK plc are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation in the unlikely event **we** cannot meet **our** obligations to **you**. This depends on the type of insurance, size of the business and the circumstances of the claim. Further information about the compensation scheme arrangements is available from the FSCS (www.fscs.org.uk).

This document is available in other formats.

If you would like a Braille, large print or audio version, please contact your insurance adviser.

www.axa.co.uk

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Contractors all risks section – annual contract

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Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Contractors all risks section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout **your policy**, and not just this section, can be found on page 5 of the General introduction section of **your policy**.

Contract

Any contracts undertaken by **you** in the course of the **business**, which are not more specifically insured, anywhere within the **policy territories** where the original **contract price** does not exceed the sum insured shown in **your** schedule.

Contract price

The actual contract price of any works for the **contract** or actual cost to **you** of a speculative development prior to the start of the **permanent or temporary works**.

Damage

Accidental loss, destruction or damage.

Defined peril

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, **flood**, escape of water from any tank apparatus or pipe or impact by any road vehicle or animal.

Contractors all risks section – annual contract *continued*

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

Employee

Any person under a contract of service or apprenticeship with **you**.

Employees tools

Employees tools and other personal effects for use in connection with the **contract** whilst on or adjacent to the **contract** site.

Flood

Damage caused by

- 1 the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal, drain or dam.
- 2 inundation from the sea.
- 3 inundation by rainwater or rainwater induced run off other than where the inundation is solely caused by or solely results from ingress of rainwater through or via the roof of the building.

Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether **your** property or not.

Hired in plant

Constructional plant, tools, scaffolding and equipment hired by **you** for use in connection with the **contract** whilst on or adjacent to the **contract** site.

Money

Bills of exchange, uncrossed promissory notes, cash, bank and currency notes, uncrossed cheques, giro cheques including pre-authenticated giro

cheques, uncrossed postal orders, uncrossed money orders, uncrossed warrants, current postage stamps, unused units in franking machines, National Savings stamps and certificates, National Insurance stamps, trading stamps, gift tokens, gaming machine tokens, lottery tickets (excluding scratch cards held in stock for resale), customer redemption vouchers, authenticated travel tickets, phone cards (excluding phone cards held in stock for resale), holiday with pay stamps, luncheon vouchers, securities for money, travel warrants, crossed warrants, credit company sales vouchers, debit card sales vouchers, crossed cheques, crossed giro drafts, crossed postal orders and crossed money orders, crossed national giro bank orders, crossed promissory notes, crossed bankers drafts, premium bond certificates, VAT purchase receipts, credit card counterfoils, premium bonds, savings bonds, stamped National Insurance cards and National savings certificates.

Other items

The items shown under the heading of Other items in **your** schedule belonging to **you** for use in connection with the **contract** whilst on or adjacent to the **contract** site.

Own constructional plant and equipment

Constructional plant, tools, scaffolding and equipment belonging to **you** or hired to **you** under a hire purchase or lease agreement for use in connection with the **contract** whilst on or adjacent to the **contract** site.

Permanent or temporary works

The permanent or temporary works carried out in performance of any **contract** which does not exceed the **contract price**, undertaken by **you** or on **your** behalf within the **policy territories**, including unfixed materials whilst on or adjacent to the **contract** site.

Phishing

Any access or attempted access to data or information made by means of misrepresentation or deception.

Substantial completion

The date of completion of the **permanent or temporary works**, apart from the prospective purchasers or tenants choice of decoration and/or final fitments.

Temporary buildings

Site huts, temporary buildings and office furniture, fixtures and fittings in or on them, belonging to **you** for use in connection with the **contract** whilst on or adjacent to the **contract** site.

Terrorism

In England, Scotland and Wales: Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of Her Majesty's Government in the United Kingdom or any other government de jure or de facto.

In Northern Ireland: An act including but not limited to the use of force or violence and or 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 put the public or any section of the public in fear.

In the Channel Islands and the Isle of Man: An act of any person(s) acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of any government de jure or de facto.

Virus or similar mechanism

Program code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations, whether involving self-replication or not. This meaning of virus or similar mechanism includes but is not limited to, trojan horses worms and logic bombs.

What is covered

We will cover **you** for **damage** occurring during the **period of insurance** to any of the items described in **your** schedule. **We** will pay **you** for the value of the property at the time of its **damage** or for the amount of the **damage**, or at **our** option reinstate or replace the property or any part of it in accordance with the following Basis of claims settlement.

Basis of claims settlement

- 1 For **permanent or temporary works**, **we** will pay up to the sum insured shown in **your** schedule plus any additional amount up to the amount shown in the Escalator cover.
- 2 For **own constructional plant and equipment**, **we** will pay up to the value of the item at the time of the **damage** with an adjustment for wear and tear, but no more than the sum insured shown in **your** schedule.
- 3 For **temporary buildings**, **we** will pay up to the value of the item at the time of the **damage** with an adjustment for wear and tear, but no more than the sum insured shown in **your** schedule.
- 4 For **hired in plant**, **we** will pay up to the sum insured shown in **your** schedule for any one item but only for **your** liability under any hire conditions.
- 5 For **employees tools**, **we** will pay up to the sum insured shown in **your** schedule but no more than the limit shown in **your** schedule for any one **employee**.
- 6 For **other items**, **we** will pay up to the value of the item at the time of the **damage** with an adjustment for wear and tear, but no more than the sum insured shown in **your** schedule.

We will also pay the costs and expenses necessarily incurred by **you** as a result of **damage** to property insured with **our** written consent for

- 1 removing debris
- 2 dismantling and/or demolishing
- 3 shoring up, propping and fencing off
- 4 clearing and/or repairing drains and service mains on the **contract** site

Contractors all risks section – annual contract *continued*

- 5** architects, surveyors and consultants fees in connection with the reinstatement of the **permanent or temporary works** as a result of **damage**, but not for preparing any claim.

We will not cover costs and expenses arising from pollution or contamination of property not insured by this section.

Our liability will not exceed the sum insured shown in **your** schedule plus any additional amount shown in the Escalator cover.

Escalator cover

In the event of an increase in the original value of any **contract price**, the sum insured for the **permanent and temporary works** will automatically be altered by the amount shown in **your** schedule.

European Community and public authorities (including undamaged property) cover

The cover for **permanent works** also includes the additional cost of reinstatement that may be incurred solely due to the necessity to comply with the stipulations of

- 1** European Community legislation
or
- 2** building or other regulations under or framed in pursuance of any Act of Parliament or Bye-laws of any public authority

referred to as the stipulations, for

- 1** **damage** to the property insured
- 2** undamaged portions of the property insured but excluding
 - 1** the cost incurred in complying with the stipulations
 - a** for **damage** occurring prior to the start date of this section cover
 - b** for **damage** not insured by this section
 - c** where notice has been served on **you** prior to the **damage** happening
 - d** where there is an existing requirement which has to be implemented within a given period
 - e** for property entirely undamaged by any covered event.

- 2** the additional cost that would have been required to make good the property lost, destroyed or damaged to a condition the same as when new, had the need to comply with the stipulations not arisen
- 3** the amount of any charge or assessment arising out of capital appreciation which may be payable for the property or by the owner to comply with the stipulations.

Special conditions applicable to European community and public authorities cover

- 1** Reinstatement work must be started and carried out without unreasonable delay and must be completed within 12 months of the date of the **damage** or any further time that **we** agree (during those 12 months).
- 2** The reinstatement work may be carried out on another site (if the stipulations require) subject to **our** liability under this cover not being increased.
- 3** If **our** liability under this section is reduced by the application of any of the terms and conditions of the **policy**, then **our** liability will be reduced proportionately.
- 4** The total amount recoverable under any item of this section for this cover will not exceed
 - a** for the lost, destroyed or damaged property
 - i** 15% of its sum insured
 - ii** where the sum insured by the item applies to property at more than one location 15% of the total amount which **we** would have been liable for had the property insured by the item been totally destroyed at the damaged site
 - b** for undamaged portions of property (other than foundations) 15% of the total amount for which **we** would have been liable had the property insured by the item at the **contract** site suffered **damage**.

Our liability under any item of this section will not exceed its sum insured shown in **your** schedule.

Contractors all risks section – annual contract *continued*

Expediting costs cover

We will cover **you** for the extra charges for overtime, night work, work on public holidays, express freight, air freight or other transport costs, necessarily incurred by **you** with **our** consent, following reinstatement or replacement of any damaged property forming the basis of a claim under this section.

Free materials cover

Permanent or temporary works will include any materials supplied by or provided to **you** for inclusion in the **contract** for which **you** are responsible, provided that they are covered by this section. The value of these materials will not be included in determining the **contract price**.

Hired in plant cover

Where cover is provided for **hired in plant**, **we** will cover **you** for **your** legal liability under the terms of hiring conditions

- 1** to make good to the owner of the **hired in plant** any **damage**, covered by this section, to the **hired in plant** which is caused by its own breakdown or its own explosion
- 2** to pay to the owners of any **hired in plant** hire charges incurred as a result of and solely due to
 - a** physical **damage** to the **hired in plant**
 - b** breakdown of the **hired in plant** due to the negligence, misdirection or misuse by **you** or **your** employees

Provided that

- 1** the hire charges will be calculated at the appropriate idle time rate for the period while the **hired in plant** is necessarily idle due to **damage** or breakdown excluding the first 48 hours but not exceeding the amount shown in **your** schedule from that date of the **damage** or breakdown
- 2** this cover does not apply to **damage** by any wilful act or **your** wilful neglect
- 3** the Plant or machinery breakdown exclusion and the Penalties under contract exclusion do not apply to this cover.

Our liability will not exceed the amount per day shown in **your** schedule.

Immobilised plant cover

We will cover **you** for the necessary costs incurred in the recovery of the plant described in **your** schedule which may become immobilised or immovable whilst being used in connection with the **contract**.

Provided that the cause of immobilisation or immovability is the subject of a claim covered by this section.

Indemnity to principals cover

The interests of **your** employer/principal are covered under this section but solely to the extent required by the conditions of contract in force between **you** and **your** employer/principal.

Provided that the employer/principal observes, fulfils and is subject to the terms, exclusions and conditions of this **policy** as though they were **you**.

Off-site storage cover

The cover for

- 1** the **permanent or temporary works** extends to cover materials and goods within the **policy territories** whilst not on the site of any **contract**, but intended for inclusion in any **contract** insured by this section where **you** are responsible under any standard printed contract conditions. Provided that the value of the materials and goods has been included in an interim certificate and the materials are stored and identified as being designated for incorporation in a specific **contract**.

Our liability in any one **period of insurance** will not exceed the amounts shown in **your** schedule for non ferrous metals and for any other materials.

- 2** **own constructional plant and equipment, temporary buildings** and **hired in plant**, includes that property whilst at **your** premises or in a securely locked compound or store within the **policy territories**.

Re-drawing plans or documents cover

We will cover **you** for the costs and expenses necessarily incurred in re-writing or re-drawing plans, drawings or other contract documents following **damage** to them.

Contractors all risks section – annual contract *continued*

Our liability for any one claim will not exceed £50,000.

Reinstatement of sum insured after loss cover

In the event of **damage** the sum insured by this section will be automatically reinstated from the date of the **damage** unless written notice is given to the contrary either by **us** or by **you**.

Provided that in the event of reinstatement **you** will

- 1** pay the necessary premiums that may be required for the reinstatement from the date of reinstatement
- 2** complete any additional risk improvements which **we** may reasonably require.

Seventy two hour cover

We will cover **you** for **damage** within 72 consecutive hours of and caused by storm or **flood** as one claim provided that peril is covered by this section.

You can decide when the 72 hour period starts as covered by this section, provided that **damage** occurred before the end of the **period of insurance**.

Show properties and contents cover

We will cover show houses and flats and the contents in them until sold provided that

- 1** cover will end no later than the number of days shown in **your** schedule from the date that the last building on the **contract** site reaches **substantial completion**
- 2** during the months of October, November, December, January, February and March all water systems will be drained or the heating system will be put into effective operation to maintain the internal temperature at a minimum of 4 degrees centigrade
- 3** whenever the show house and/or flats are left unattended, the following security measures must be put into full and effective operation
 - a i** external timber doors must be secured with a mortice deadlock which has 5 or more levers and conforms to British Standards BS 3621 or European Norm EN 1303 together with a matching

metal box striking plate installed in accordance with the manufacturers recommendations

- ii** external aluminium doors or UPVC doors must be secured with integral cylinder key operated mortice deadlocks conforming to EN 1303
- b** all opening windows must be secured with key operated window locks, installed in accordance with the manufacturers recommendations

4 our liability for

- a** the contents of show houses or flats will not exceed the sum insured shown in **your** schedule
- b** the show houses or flats will not exceed the **contract price**

For the purpose of this cover the term unattended will mean when sales personnel are not either

- 1** showing prospective clients around the show house or flat
- or
- 2** in an adjacent sales office.

Speculative development cover

It is agreed that

- 1** the property insured for **permanent or temporary works** includes the property being built or erected by **you** other than under contract
- 2** for property being built or erected other than under contract, the insurance by this section will end from
 - a** the date the property is sold or let
 - or
 - b** 90 days after **substantial completion** whichever is the earlier.

Where the property comprises of several units within one block then **2 a** will apply to each individual unit, but cover for the whole block will not exceed 90 days from **substantial completion** if parts of it are still unsold or not let.

The cover provided under **1** and **2** above will not exceed 12 months from the start date of the work.

Sub-contractors cover

If any **contract** awarded under a standard form of building contract is covered by this section and **damage** is caused to the **permanent or temporary works** by any of the specified perils defined in the contract, it is agreed that if required by the sub-contract **we** will not pursue any rights of subrogation against sub-contractors directly engaged by the main contractor.

Provided that the sub-contractor observes, fulfils and is subject to the terms, exclusions and conditions of this **policy** as though they were **you**.

Transit cover

We will cover **you** for **damage** to the property insured whilst in transit within the **policy territories** but **we** will not cover

- 1 transit by sea or air
- 2 any mechanically propelled vehicle moving under its own power
- 3 **employees tools**.

What is not covered

Aircraft or aerial devices exclusion

We will not cover **you** for loss, destruction or damage caused by or occasioned by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds but **we** will cover subsequent **damage** which itself results from a cause covered by this section.

Cessation of cover exclusion

We will not cover **you** for loss, destruction or damage to any part of the **permanent or temporary works**

- 1 after each part has been completed and delivered to the owner, tenant or occupier
- 2 after each part has been taken into use by the owner, tenant or occupier
- 3 if work on the **contract** site stops for a period in excess of 90 consecutive days unless cover is agreed by **us** in writing
- 4 where a certificate of completion has been issued other than where **damage** occurring during the **period of insurance**

- a happens during the defects liability period specified in the contract and arising from a cause occurring prior to the start of the defects liability period
- b is for materials or other property insured on the **contract** site for the purpose of carrying out remedial works during the defects liability period specified in the contract, and for which **you** are responsible under the terms of the contract during the defects liability period
- c occurs within 14 days of the date the certificate of completion is issued and where **you** are required by the terms of the contract to provide cover.

Contract responsibilities exclusion

We will not cover **you** for loss, destruction or damage which **you** are not responsible for under the conditions of contract.

Date recognition exclusion

We will not cover **you** for loss, destruction or damage directly or indirectly caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date, to process data or to operate properly, due to failure to recognise any given date but **we** will cover subsequent **damage** which is covered by this section which results from a **defined peril** or theft or attempted theft provided that peril is covered by this section.

Deeds, money exclusion

We will not cover **you** for loss, destruction or damage to deeds, **money**, stamps, securities or documents of title, precious metals, precious stones or articles made from them.

Defective design material or workmanship exclusion

We will not cover **you** for loss, destruction or damage to or the cost necessary to replace, repair or rectify

- 1 property insured which is in a defective condition due to a defect in design, plan, specification, materials or workmanship of the property or any part of it

Contractors all risks section – annual contract *continued*

- 2 property insured lost or damaged to enable the replacement, repair or rectification of property insured excluded by **1** above.

These exclusions do not apply to other parts or items of the property insured which are free from defect but are damaged as a result of the defect.

The property insured will not be regarded as lost or damaged solely by virtue of the existence of any defect in design, plan, specification, materials or workmanship in the property or any part of it.

Electronic risks exclusion

We will not cover **you** for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1 the alteration, modification, distortion, corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software); or
- 2 any alteration modification distortion erasure, corruption of data processed by any such computer or other equipment or component or system or item

whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

We will cover subsequent **damage** which is covered by this section, which itself results from a **defined peril** covered by this section, except for **damage** caused by malicious persons other than thieves.

Excess exclusion

We will not cover **you** for the **excess** shown in **your** schedule for each and every claim in respect of

- 1 **damage** to **employees tools** of each **employee**
- 2 **damage** by theft or malicious act
- 3 **damage** by **flood**
- 4 all other **damage**.

Existing property exclusion

We will not cover **you** for loss, destruction or damage to any existing property and/or structure including any existing property and/or structure being altered or repaired.

Hazardous works exclusion

We will not cover **you** for any **contract** involving

- 1 work within 10 metres of any river, lake, reservoir, dam or tidal water or within cofferdams or caissons or in the sea
- 2 structural work on bridges, viaducts, subways, tunnels or motorways
- 3 work on nuclear installations
- 4 any work where the depth of excavation exceeds 5 metres.

Normal upkeep exclusion

We will not cover **you** for the cost necessary for normal upkeep or making good.

Penalties under contract exclusion

We will not cover **you** for penalties under contract for delay, detention or loss of use or losses arising in connection with guarantees of performance or efficiency or any consequential loss or damage of any kind.

Plant or machinery breakdown exclusion

We will not cover **you** for loss, destruction or damage to any vehicle or item of plant or machinery caused by its own breakdown or its own explosion.

Pollution or contamination exclusion

We will not cover **you** for any loss, destruction or damage caused by pollution or contamination unless the damage is caused by

- 1 pollution or contamination which itself results from a **defined peril** provided that peril is covered by this section
- 2 any **defined peril** provided that peril is covered by this section, which itself results from pollution or contamination.

Radioactive contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from damage to any property, or any consequential loss directly or indirectly caused by or contributed to by or arising from

- 1** ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 2** the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly.

Seeds and plant exclusion

We will not cover **you** for loss, destruction or damage to plants caused by non rooting, disease or the failure of seeds to germinate.

Terrorism and Northern Ireland exclusion

We will not cover **you** for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1** In England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
- 2** In Northern Ireland
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
 - c** riot, civil commotion and (except for damage or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious persons.

If any of the points above are found to be invalid or unenforceable, the remainder of the points shall remain in full force and effect.

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

Theft of tools or equipment exclusion

We will not cover **you** for theft or attempted theft of tools or equipment from any unattended vehicle unless

- 1** all doors and windows and other points of access have been closed and securely locked and there are outward signs of forced entry to the vehicle

and

- 2** the vehicle is in a locked garage or a walled or fenced compound that is either locked or has a watchman in constant attendance between the hours of 9 p.m. and 6 a.m.

It will be up to **you** to prove that any theft or attempted theft occurred before 9 p.m. and after 6 a.m.

Unexplained loss exclusion

We will not cover **you** for loss caused by or consisting of disappearance, unexplained or inventory shortage.

Vehicles exclusion

We will not cover **you** for loss, destruction or damage to any mechanically propelled vehicle intended for the transportation of persons, materials or plant and where insurance or security under the Road Traffic Act is necessary.

This exclusion does not apply to any vehicle primarily intended for use at **contract** sites or any vehicle used solely at **contract** sites and which is not licensed for road use.

War risks exclusion

We will not cover any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority.

Watercraft and aircraft exclusion

We will not cover **you** for loss, destruction or damage to any waterborne vessel or craft exceeding 8 metres in length or to any aircraft or aerial device.

Wear and tear, deterioration exclusion

We will not cover **you** for loss, destruction or damage caused by or consisting of inherent vice, latent defect, gradual deterioration, wear and tear, rust, wet or dry rot, contamination, vermin, insects, change in water table level or its own faulty or defective design or materials but this does not exclude subsequent **damage** which itself results from a cause not otherwise excluded.

Section conditions

These conditions of cover apply only to this section. If **you** do not comply with a condition **you** may not receive payment for a claim.

Arbitration condition

If **we** agree to pay **your** claim and **you** disagree with the amount to be paid, the amount of the difference will be referred to an arbitrator who is jointly appointed in accordance with the statutory requirements. **You** will not be able to take legal action against **us** over this disagreement until the arbitrators have made their award.

Contract price condition

Where the **contract price** for a **contract** is greater than the sum insured shown in **your** schedule **you** must advise **us** prior to the **contract** starting.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim.

Contribution and average condition

If, at the time of the claim, there is any other policy covering the same property insured by this section, **we** will be liable only for **our** proportionate share.

If any other policy is subject to any average (under insurance) condition, this section will be subject to average in the same way as the other insurance policy.

If any other policy has a condition that prevents it from paying its share, **our** share of the claim will be limited to the proportion that the sum insured bears to the value of the property insured.

Joint code of practice condition

For the purpose of this condition the words **joint code** whenever it appears shall mean the Fire Protection Association's Joint Code of Practice on the Protection from Fire of Construction Sites and Buildings Undergoing Renovation.

This condition will apply to

- 1 all **contracts** (other than civil engineering **contracts**) having an original **contract price** of £2,500,000 or more
- 2 smaller value **contracts** where these are part of a large contract meaning a contract where the original contract value is £20,000,000 or more
- 3 large timber framed structures of 4 or more storeys where the original **contract price** is £2,500,000 or more
- 4 high-rise construction sites meaning **contract** sites with **permanent or temporary works** exceeding 30 metres in height from the ground
- 5 projects where the risk assessments have indicated significant potential for loss of life or property.

You undertake to comply with the latest version of the **joint code**. A copy of the **joint code** can be obtained from the website www.thefpa.co.uk.

We will have the right at all reasonable times to enter and inspect the site(s) of any **contract** for the purpose of checking whether the conditions of the **joint code** are being complied with by **you**.

If **we** become aware of that **you** are not complying with the conditions of the **joint code**, **we** may inform the employer and/or main contractor and/or **contract** site management of this and detail the actions that **you** must take and the period within which these must be completed.

If the main contractor and/or **contract** site management does not complete the actions within the specified period **we** may confirm this in writing to the employer and/or main contractor and/or **contract** site management and the first

Contractors all risks section – annual contract *continued*

named party of the **policy** when this is not the main contractor and/or **contract** site management at their respective addresses provided by **you** at the start of cover. **We** will provide written confirmation by registered post, recorded delivery, facsimile transmission or by hand.

We may suspend or cancel all cover under this section from the date confirmed to **you** in writing, but this will not be less than 30 days from the date of receipt by both the employer and/or main contractor and/or **contract** site management. The cover may be reinstated from the date on which **we** are satisfied that the actions have been completed.

In the event that any other insurer requires **you** to take actions to comply with the **joint code** in respect of contracts insured by this section, **you** will advise **us** as soon as possible but not later than 48 hours after receiving the requirements from the insurer.

The reference to suspension or cancellation of all cover shall apply to the **contract** site detailed in writing to **you**.

In the event of cancellation of this section **we** will provide **you** with a pro rata proportion of premium for this section provided that there have been

- 1 no claims made under the section for which **we** have made a payment
- 2 no claims made under the section which are still under consideration by **us**
- 3 no incidents likely to give rise to a claim but are yet to be reported to **us**

during the current **period of insurance**.

Police notification condition

You must immediately notify the police of any loss or **damage** by theft or attempted theft of any property covered by this section. **You** must take all reasonable steps for the discovery and punishment of the guilty person or persons and to trace and recover the property lost.

If **you** do not comply with this condition **you** will not be covered and **we** will not make any payment in respect of a claim.

Premium adjustment condition

If the premium for this section has been calculated on an estimate **you** will need to keep an accurate record of all relevant details and provide **us** with such details in writing within 1 month from the end of each **period of insurance**. The premium for the period will be adjusted and the difference paid by or allowed to **you**. Where a return premium is due to **you**, **we** will not return more than 10% of the original premium.

Reasonable precautions condition

You must take all reasonable precautions to safeguard the property insured and prevent **damage** including

- 1 any additional precautions necessary, as the result of partial or total cessation of work by **you** at any **contract** site
- 2 ensuring any moveable materials or plant are adequately secured when the **contract** site is unattended
- 3 securing structures that have reached **substantial completion** to prevent unauthorised access.

If **you** do not comply with this condition **you** may not be covered and **we** may not make any payment in respect of a claim.

Subrogation waiver condition

In the event of a claim under this section **we** agree to waive any rights, remedies or relief to which **we** might have become entitled by subrogation against

- 1 any company standing in relation of parent to subsidiary (subsidiary to parent) to **you**
- 2 any company which is a subsidiary of a parent company of which **you** are a subsidiary

in each case as defined by current law at the time of **damage**.

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