

# Home Renovation Insurance Policy



1. NOW THIS POLICY WITNESSETH that in consideration of the Insured having paid or agreed to pay to FWD General Insurance Company Limited (hereinafter called "the Company") the premium stated in the said Schedule

THE COMPANY HEREBY AGREES subject to the terms, exceptions and conditions contained herein or attached hereto or endorsed hereon that if during the Period of Insurance stated in the said Schedule or during any further period in respect of which the Insured shall have paid and the Company shall have accepted premium the Insured shall sustain loss or damage or shall incur liability in the circumstances provided for by this Policy and defined herein the Company shall indemnify the Insured in the manner hereinafter described.

**IMPORTANT**

Please examine this Policy carefully. For enquiry, please contact the Company or your Insurance Broker/Agent immediately.

**注意**

請貴保戶詳細查閱此保單之內容，如有任何查詢，請從速與本公司或閣下之保險經紀/代理人聯絡。

SPECIMEN

## 2. GENERAL EXCEPTIONS

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

- 2.1.1 war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, military or usurped power; or persons acting on behalf of or in connection with any political organisation with activities directed towards the overthrow or influencing of a government, de jure or de facto, by force, confiscation, nationalisation, commandeering, requisition or destruction or damage by order of any government, de jure or de facto, or by any public authority, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege;
- 2.1.2 strike, riot, lock out or persons taking part in labour disturbances;
- 2.1.3 This insurance does not cover loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with nuclear energy or radioactivity of any kind including but not limited to any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:
  - i) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
  - ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
  - iii) any weapon or other device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

In any action, suit or other proceeding where the Company alleges that by reason of the provisions of exceptions 2.1.1, 2.1.2 and 2.1.3 above any loss damage or liability is not covered by this insurance the burden of proving that such loss damage or liability is covered shall be upon the Insured.

### 2.2 Terrorism Exclusion Endorsement

Notwithstanding any provision to the contrary within this policy or any endorsement thereto it is agreed that this policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this policy the burden of proving the contrary shall be upon the Insured.

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

### 2.3 Terrorism Exclusion for Contamination & Explosives

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

- (a) biological or chemical contamination
  - (b) missiles, bombs, grenades, explosives
- due to any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological, or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

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

If the Company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

### 2.4 Cyber Risks Exclusion

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

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

Consequently the followings are excluded from this policy :

- (a) Loss of or damage to data or 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 which is 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 from such loss or damage.

### 2.5 Sanction Exclusion

Notwithstanding anything to the contrary in the Policy the following shall apply:

If, by virtue of any law or regulation which is applicable to the Company at the inception of this Policy or becomes applicable at any time thereafter, providing coverage to the Insured is or would be unlawful because it breaches any sanction,

prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United States of America or The People's Republic of China/Hong Kong SAR, that the Company shall provide no coverage or benefit or have no liability whatsoever to the Insured, to the extent that it would be in breach of such law or regulation.

### **3. SECTION I – MATERIAL DAMAGE**

- 3.1 The Company shall indemnify the Insured in respect of loss of or damage to the Insured Property described in the Schedule whilst at the Site during the Period of Insurance arising from any cause whatsoever not hereinafter excluded.
- 3.2 The Company shall not indemnify the Insured in respect of that part of the Works:
- 3.2.1 which has been taken into use or occupation by the Employer from the time of such taking into use or occupation or
  - 3.2.2 for which a Certificate of Completion has been issued from the expiry of 28 days from the date of completion certified therein;
  - 3.2.3 whichever of 3.2.1 or 3.2.2 is the earlier unless;
  - 3.2.4 such loss or damage be occasioned during the Maintenance Period stated in the Schedule and
  - 3.2.5 was caused by an occurrence during the Construction Period stated in the Schedule or
  - 3.2.6 was caused by an insured contractor in the course of complying with his obligations under the maintenance and defects liability clauses of the Contract.
- 3.3 Provided that the total liability of the Company under this Section shall not exceed the Sum Insured shown in the Schedule for each insured item.

#### **EXCEPTIONS TO SECTION I**

- 3.4 The Company shall not indemnify the Insured in respect of:
- 3.4.1 loss or damage due to any fault, defect, error or omission in or failure of any design plan or specification;
  - 3.4.2 loss or damage due to defect in material or workmanship but this exception shall be limited to that part of the Insured Property directly affected and shall not exclude loss or damage to other parts of the Insured Property resulting from an accident due to such defect;
  - 3.4.3 loss of or damage to any item of machinery forming part of the Works or Constructional Plant due to its own explosion, mechanical or electrical breakdown or derangement but this exclusion shall not be deemed to exclude damage to other parts of the Works or Constructional Plant arising as a consequence of such explosion, breakdown or derangement;
  - 3.4.4 loss of Insured Property due to it being stolen or otherwise missing from the Site unless such loss is identifiable by the Insured with a specific occurrence;
  - 3.4.5 loss of or damage to cash, bank notes, treasury notes, cheques, postal orders, money orders, stamps, deeds, bonds, bills of exchange, promissory notes and securities;
  - 3.4.6 loss of use, liquidated damages, penalties, performance guarantees or other consequential losses;
  - 3.4.7 loss or damage due to wear and tear, rust, mildew or other deterioration due to gradually operating causes;
  - 3.4.8 the cost of maintenance;
  - 3.4.9 loss of or damage to any locomotive, waterborne vessel, aircraft or vehicle other than any land vehicle which is used solely on the Site and which is not used on any public road or public highway to which any road traffic legislation applies;
  - 3.4.10 damage to tyres whilst attached to a vehicle or plant unless the vehicle or plant is damaged at the same time;
  - 3.4.11 loss or damage due to cessation of work whether total or partial.

#### **CONDITIONS TO SECTION I**

- 3.5 The Sum Insured shall in respect of Constructional Plant represent the new replacement value inclusive of erection, freight and customs.
- 3.6 If in the event of loss or damage to the Insured Property under Constructional Plant it is found that the Sums Insured are less than the amounts required to be insured the amount recoverable under this Policy shall be reduced in such proportion as the Sums Insured bear to the amounts required to be insured.
- 3.7 In the event of loss or damage to the Insured Property under the Item of Constructional Plant indemnifiable under this Policy the basis of loss settlement shall be :
- 3.7.1 in the case of damage which can be repaired, the costs of necessary repairs without deduction for depreciation, however indemnification shall be limited to costs not exceeding the actual value of the damaged property;
  - 3.7.2 in the case of a total loss, the actual value of the Insured Property immediately before the occurrence of the loss less salvage.
- 3.8 In the event of loss or damage to the Insured Property the insurance hereunder shall be maintained in force during the Period of Insurance for the Sum Insured the Insured undertaking to pay an additional premium at the agreed rate on the amount of any loss exceeding HK\$100,000, pro rata from the date of such loss or damage to the expiry of the Period of Insurance but this additional premium shall be disregarded for the purpose of any adjustment of premium under General Condition 5.6 of this Policy.

### **4. SECTION II – LIABILITY TO THIRD PARTIES**

- 4.1 The Company shall indemnify the Insured in respect of all sums which the Insured shall become legally liable to pay for :
- 4.1.1 accidental death, bodily injury, illness or disease suffered by any person arising out of the performance of the Contract described in the Schedule;
  - 4.1.2 accidental loss or damage to physical property arising out of the performance of the Contract described in the Schedule.

- 4.2 The liability of the Company under this section of the Policy for all compensation payable to any claimant or number of claimants in respect of or arising out of all occurrences of a series consequent on or attributable to one original cause shall not exceed the Limit of Indemnity specified in the Schedule.
- 4.3 In respect of any claim covered by this Section of the Policy the Company shall in addition be liable for :
- 4.3.1 all costs and expenses of litigation recovered by any claimant against the Insured;
- 4.3.2 all costs and expenses of litigation incurred by the Insured with the written consent of the Company in resisting any claim.
- 4.4 Where the Insured consists of more than one party the insurance by this Section shall apply to each party as if a separate policy had been issued to each party.
- 4.5 Provided always that the aggregate liability of the Company shall not be increased beyond the Limit of Indemnity specified in the Schedule.

#### **EXCEPTIONS TO SECTION II**

- 4.6 The Company shall not indemnify the Insured in respect of :
- 4.6.1 liability in respect of death, bodily injury, illness or disease suffered by:
- (a) Any person employed by any insured party for the purpose of execution of insured Contract or any parts thereof; and
- (b) Any person to whom part or parts of the insured Contract have been sub-contracted including but not limited to self-employed sub-contractors.
- 4.6.2 liability in respect of compensation claimed from the Insured by an injured person or dependent under any Employees Compensation Legislation;
- 4.6.3 liability resulting from or attributable to or caused by the ownership or possession or use by or on behalf of the Insured of any locomotive, waterborne vessel, aircraft or vehicle other than any land vehicle which is used solely on the contract Site and which is not used on any public road or public highway to which any Road Traffic Legislation applies;
- 4.6.4 liability compulsorily insurable under any legislation governing the use of motor vehicles;
- 4.6.5 liability in respect of loss or damage to any building, property or structure caused by or resulting from vibration or by the removal or weakening of support;
- 4.6.6 liability in respect of loss of or damage to property belonging to or in the care, custody or control of the Insured;
- 4.6.7 liability in respect of loss or damage to permanent or temporary Works or materials forming part of the Contract or Contracts insured under this Policy;
- 4.6.8 liability consequent upon any agreement by the Insured to pay any sum by way of indemnity or otherwise or predetermined penalties or liquidated damages imposed under any contract entered into by the Insured unless such liability would have attached also in the absence of such agreement, contractual penalty or liquidated damages;
- 4.6.9 actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity;
- 4.6.10 liability in respect of claims arising out of
- a) the rendering of or failure to render professional advice or service or any error or omission connected therewith or
- b) any error in advice design formula or specification or
- c) a breach of the duty owed in a professional capacity by the Insured.
- 4.6.11 liability caused or occasioned by or contributed to by or in connection with or as a result of or in consequence of or arising from or out of any goods or any containers thereof sold, supplied, hired out, constructed, erected, installed, repaired, altered, cleaned, processed, serviced or otherwise treated by or on behalf of the Insured and no longer in the Insured's possession or control.
- 4.7 This insurance does not cover any liability for:
- 4.7.1 Personal injury or bodily injury or loss of, damage to, or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this paragraph 4.7.1 shall not apply to liability for personal injury or bodily injury or loss of or physical damage to or destruction of tangible property, or loss of use of such property damaged or destroyed, where such seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the Period of Insurance.
- 4.7.2 The cost of removing, nullifying or cleaning-up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the Period of Insurance.
- 4.7.3 Fines penalties, punitive or exemplary damages.

This Clause shall not extend this insurance to cover any liability which would not have been covered under this insurance had this Clause not been attached.

#### **5. GENERAL CONDITIONS**

- 5.1 This Policy shall be construed according to the laws of Hong Kong.
- 5.2 The Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear such meaning wherever it may appear.
- 5.3 The expressions "Constructional Plant", "Certificate of Completion", "Contract", "Contractor", "Contract Sum", "Final Contract Sum", "Hong Kong", "Maintenance Period", "Site", "Specification" and "Works" shall bear the meaning ascribed to them in the Government of Hong Kong Special Administrative Region General Conditions of Contract for Civil Engineering Works/Building Works (1999 Edition).

- 5.4 If any change shall occur materially varying any of the facts upon which this Policy is based the Insured shall immediately give notice in writing to the Company and the premium shall be adjusted in accordance with any agreed rate.
- 5.5 The Insured shall within three months of the expiration of the Period of Insurance furnish to the Company a declaration of the Final Contract Sum and if such sum shall differ from the Contract Sum the premium shall be adjusted accordingly subject to any minimum retained premium previously agreed.
- 5.6 The Insured shall also take and cause to be taken all reasonable precautions to prevent loss damage or accident and shall comply with the "Construction Sites (Safety) Regulations" and any ordinance or regulation which might apply in respect of the insured Contract.
- 5.7 In the event of any occurrence which might give rise to a claim under this Policy the Insured shall :
- 5.7.1 notify the Company as soon as possible and in writing give an indication as to the nature and extent of the damage;
  - 5.7.2 at the expense of the Company take such immediate action as is necessary to minimise the loss provided that such expenses shall not increase the Company ultimate loss;
  - 5.7.3 keep parts affected and make them available for inspection by a representative or surveyor of the Company for a reasonable period of time but the Insured shall not in any case be entitled to abandon any property to the Company whether taken possession of by the Company or not;
  - 5.7.4 submit a formal claim and furnish all such information and documentary evidence as the Company may require within six months of the occurrence or such further time as the Company may in writing agree, such agreement not to be unreasonably withheld;
  - 5.7.5 inform and assist the police authorities in case of loss or damage due to theft or burglary or malicious action;
  - 5.7.6 immediately send to the Company upon receipt any writ summons or other proceedings which may be commenced against the Insured;
  - 5.7.7 give to the Company all information and assistance to enable the Company to settle or resist any claim or institute proceedings.
- 5.8 In the event of a claim or claims arising for which the Company could be liable under this Policy the Company shall be entitled:
- 5.8.1 to undertake in the name and on behalf of the Insured the absolute conduct and control of any proceedings and the settlement of the same;
  - 5.8.2 to take proceedings at their own expense and for their own benefit but in the name of the Insured to recover compensation or secure an indemnity from any third party in respect of anything covered by this Policy;
  - 5.8.3 to pay to the Insured in respect of any claim or claims the maximum liability of the Company under Section II of this Policy as stated in the Schedule or such lesser sum for which the said claim or claims can be settled (subject to deduction in either case of any sum or sums already paid on account for such claim or claims) and thereafter the Company shall be under no further liability in respect of said claim or claims except for payment of costs and expenses incurred prior to the date of such payment and for which the Company may be liable hereunder.
- 5.9 The Insured shall not negotiate, pay, settle, admit or repudiate any claim under the Policy without the written consent of the Company.
- 5.10 This insurance is not to be called upon in contribution and is only to pay any loss hereon if and so far as not recoverable under any other insurance.
- 5.11 All differences arising out of this Policy 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 appointed by the Arbitrators before entering upon the reference. The Umpire shall sit with the Arbitrators and preside at their meetings and the making of an award shall be a condition precedent to any right of action against the Company. If the Company shall disclaim liability to the Insured for any claim hereunder any such claim shall not within twelve months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
- 5.12 Any unintentional or inadvertent error or omission, misrepresentation, misdescription or non-disclosure of any material facts in name or description of amount or reporting or notification in respect of this Policy by one of the Insured shall not operate to the prejudice of any of the other Insured's rights, providing the error or omission is corrected when discovered by the Insured.
- 5.13 The Contracts (Rights of Third Parties) Ordinance (Cap 623 of the Laws of Hong Kong) does not apply to this Policy, and only parties who may enforce the terms of the Policy are the Company and the Insured (or their authorized representatives).

## ENDORSEMENTS

The following standardised endorsements are optional and supplementary and only apply to this Policy when specifically mentioned in the Schedule.

### Group A : Extension of Cover

- A1. Extension of cover for vibration or removal or weakening of support
- A2. Extension of cover for testing and commissioning
- A3. Extension of cover for designer's risk
- A4. Extension of cover for inland transit
- A5. Extension of cover for storage
- A6. Extension of cover for extra charges
- A7. Extension of cover for Employer's property

### Group B : Special Conditions

- B1. Safety Precautions
- B2. Special conditions for underground services
- B3. Special conditions for underground works
- B4. Special conditions for marine work
- B5. Special excess clauses

Additional endorsements may be attached as warranted and agreed.

### **A1. EXTENSION OF COVER FOR VIBRATION OR REMOVAL OR WEAKENING OF SUPPORT**

A1.1 It is agreed and understood that notwithstanding Exception 4.6.5 and 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 indemnify the Insured for :

- A1.1.1 liability in respect of the collapse of any building, property or structure or any part thereof or any damage which impairs the structural stability of any building, property or structure or which endangers its users caused by or resulting from vibration or removal or weakening of support;
- A1.1.2 provided that prior to the occurrence of such collapse or damage the condition of such building, property or structure was sound and all reasonable safety precautions had been taken.
- A1.1.3 provided that upon discovery of damage which does not immediately result in the collapse of any building, property or structure or any part thereof or any damage which impairs the structural stability of any building, property or structure or which endangers its users which is caused by or alleged to be caused by or resulting from vibration or removal or weakening of support arising out of any operations in connection with the execution of the insured Contract the Insured shall immediately suspend such operations or shall at their own expense take all reasonable safety precautions;
- A1.1.4 provided that the Company shall not indemnify the Insured in respect of damage caused by or resulting from vibration or removal or weakening of support to any building, property or structure under demolition or declared by the relevant public authority to be unsafe.

A1.2 In respect of each and every occurrence of damage indemnifiable under this endorsement the Company shall not be liable for the first HK\$..... or 20% of adjusted loss whichever is the greater.

A1.3 The liability of Company in respect of damage caused by vibration or removal or weakening of support shall during the Period of Insurance not exceed HK\$..... in aggregate.

### **A2 EXTENSION OF COVER FOR TESTING AND COMMISSIONING**

A2.1 It is agreed and understood that notwithstanding Exception 3.4.3 and 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 insurance shall be extended to cover :

- A2.1.1 mechanical and electrical breakdown as a consequence of the testing and commissioning of machinery and installations forming part of the Insured Property described in Item 1 on the Schedule;
- A2.1.2 for a period not exceeding..... weeks from the date of commencement of the testing or commissioning operations as declared in the Schedule.

A2.2 If a part of such machinery and installations or one or several machine(s) is/are tested and/or put into operation or taken over by the Employer the cover for that particular part of machine(s) and any liability resulting therefrom ceases whereas the cover continues for the remaining parts.

A2.3 The Company will not indemnify the Insured in respect of loss of or damage to machinery and installations undergoing testing or commissioning due to defective material, casting or workmanship other than faults in erection.

A2.4 In respect of each and every occurrence of loss or damage indemnifiable under this endorsement the Company shall not be liable for the first HK\$.....

### **A3 EXTENSION OF COVER FOR DESIGNER'S RISK**

A3.1 It is agreed and understood that notwithstanding Exception 3.4.1 and 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 insurance shall be extended to indemnify the Insured for :

- A3.1.1 loss or damage as a result of an accident due to any fault, defect, error or omission in or failure of any design plan or specification of the permanent Works but shall always exclude that part of the Insured Property directly affected by such fault, defect, error or omission in or failure of any design plan or specification.

A3.2 In respect of each and every occurrence of loss or damage indemnifiable under this endorsement the Company shall not be liable for the first HK\$.....

**A4. EXTENSION OF COVER FOR INLAND TRANSIT**

A4.1 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 insurance shall be extended to cover :

A4.1.1 loss of or damage to Insured Property occurring during transit elsewhere within the territorial limits of Hong Kong subject to a limit of HK\$..... for any one loss.

A4.2 in respect of each and every occurrence of loss or damage indemnifiable under this endorsement the Company shall not be liable for the first HK\$.....

**A5. EXTENSION OF COVER FOR STORAGE**

A5.1 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 the insurance shall be extended to cover :

A5.1.1 loss of or damage to Insured Property occurring whilst in storage elsewhere within the territorial limits of Hong Kong subject to a limit of HK\$.....for any one loss.

A5.2 in respect of each and every occurrence of loss or damage indemnifiable under this endorsement the Company shall not be liable for the first HK\$.....

**A6. EXTENSION OF COVER FOR THE COSTS OF EXTRA CHARGES FOR OVERTIME, NIGHT WORK, WORK ON PUBLIC HOLIDAYS AND EXPRESS FREIGHT ARISING FROM A CLAIM INDEMNIFIABLE UNDER THE POLICY**

A6.1 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 insurance shall be extended to cover :-

A6.1.1 extra charges for overtime, night work, work on public holidays and express freight (excluding air freight) arising from a claim but limited to 10% of the amount of the adjusted claim.

A6.1.2 subject to such extra charges being incurred solely and directly for the repair or replacement of Insured Property lost or damaged by an insured peril.

**A7. EXTENSION OF COVER FOR EMPLOYER'S PROPERTY**

A7.1 It is agreed and understood that notwithstanding Exception 4.6.6 and 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 indemnify the Insured for :-

A7.1.1 liability in respect of loss of or damage to any building, structure or property belonging to the Employer in the care, custody or control of an insured Contractor in connection with the execution of the insured Contract;

A7.1.1.1 more particularly

.....  
.....  
.....

A7.2 In respect of each and every occurrence of loss or damage indemnifiable under this endorsement the Company shall not be liable for the first HK\$..... or 20% whichever is the greater.

A7.3 The liability of Company in respect of loss of or damage to the Employer's property held in care, custody or control shall during the Period of Insurance not exceed HK\$..... in aggregate.

**B1. SAFETY PRECAUTIONS**

B1.1 Further to General Condition 5.7 the Insured shall :

B1.1.1 take into account the prevailing weather conditions in Hong Kong;

B1.1.2 construct storage facilities for cement and other material as water tight structures in areas not exposed to flooding and shall store cement at least 0.6 metres above ground level. The Company shall not indemnify the Insured in respect of loss or damage to cement due to rain, flood or other forms of ingress of water unless the cement storage structures also suffer damage by a cause indemnifiable under the Policy;

B1.1.3 take all reasonable measures to secure the Site against unauthorised entry and shall have watchman on guard 24 hours a day 7 days a week;

B1.1.4 take all reasonable precautions against fire hazards and provide and maintain fire fighting equipment.

**B2. SPECIAL CONDITIONS FOR UNDERGROUND SERVICES**

B2.1 The Company shall not indemnify the Insured in respect of liability as a result of loss of or damage to existing underground services (such as water, gas and sewage pipes, electric and telephone cables) unless :

B2.1.1 prior to the commencement of excavation the Insured has inquired with the relevant authorities about the exact position of such services and

B2.1.2 in the event of the relevant authorities indicating the presence of such services in the vicinity of the Site the Insured shall proceed to locate such services by the hand-digging of trial pits prior to any mechanical excavation and

B2.1.3 if such services cannot be located by hand-digging the Insured shall approach each relevant authority and seek their assistance in locating its services.



B2.2 The liability of Company shall be restricted to the cost of repair or replacement or reinstatement of such damaged services and shall not extend to cover any consequential loss resulting from the interruption of the service.

B2.3 In respect of each and every occurrence of loss or damage indemnifiable under this clause the Company shall not be liable for the first HK\$..... or 20% whichever is the greater.

**B3. SPECIAL CONDITIONS FOR UNDERGROUND WORK**

B3.1 The Company shall not indemnify the Insured in respect of :

- B3.1.1 the cost of grouting of soft rock areas and/or other additional safety measures unless such costs are incurred in accordance with General Condition 5.8.2;
- B3.1.2 all costs and additional expenses resulting from the refilling of cavities caused by excavation in excess of the minimum excavation provided for in the Specifications of the insured Contract (i.e. Overbreak);
- B3.1.3 expenses incurred for dewatering unless such expenses are incurred in accordance with General Condition 5.8.2;
- B3.1.4 loss or damage due to breakdown of the dewatering system if such breakdown would have been avoided by sufficient standby facilities;
- B3.1.5 expenses incurred for additional installations and facilities for the discharge of run-off and/or underground water;
- B3.1.6 all costs and expenses arising out of misalignment or abandonment of the Insured Property or any part thereof whether in connection with a claim or otherwise.

**B4. SPECIAL CONDITIONS FOR MARINE WORK**

B4.1 The Company shall not indemnify the Insured for :

- B4.1.1 loss of or damage to the Insured Property due to normal action of the sea which shall be deemed to mean the state of the sea which occurs up to No. 8 on the Beaufort Scale or which occurs in connection with any typhoon other than a typhoon necessitating hoisting of the Number Eight Signal or higher;
- B4.1.2 the cost of dredging or redredging, overdredging or loss or damage resulting therefrom;
- B4.1.3 the loss of fill material.

**B5. SPECIAL EXCESS CLAUSES**

B5.1 The following clauses are supplementary and may be applied individually.

B5.2 In respect of each and every occurrence of loss or damage indemnifiable under Section I the Company shall not be liable for the first HK\$..... of such loss of or damage to the Works caused by theft, burglary or robbery.

B5.3 In respect of each and every occurrence of loss or damage indemnifiable under Section I the Company shall not be liable for the first HK\$..... or 50% (whichever is the greater) of such loss or damage to hydroseeding.