



CO-OPERATIVE INSURANCE COMPANY PLC

For the people, by the people . . .

Co-op Insurance House, 74/5, Grandpass Road, Colombo 14, Sri Lanka

CONTRACTORS ALL RISK INSURANCE Insurance Product Information Document



1. Information about the type of insurance cover

Contractor's All Risks (CAR) Insurance Policy is designed to protect contractors, builders, and project owners against accidental physical damage or loss to civil construction projects during the construction period. These projects may include buildings, roads and railways, dams and canals, ports and airports, flyovers and bridges, canals, and hydropower projects. This policy also covers injury or property damage to third parties caused by construction activities.

2. A Summary of Basic Covers

The cover is provided in two sections under this insurance policy

Section 1 - Material Damage

This section covers any sudden and unforeseen physical loss or damage to construction works during the construction period from any causes other than specifically excluded under the policy exclusion section

Section 11 - Third Party Liability

This section covers third party death, bodily injury and property damage arising out of construction works during the construction period

3. Additional Covers & Extensions (as stated in policy schedule if obtained)

- a) Riots & Strike, Civil Commotion (*for more details, please refer SRCC Endorsement attached to the policy schedule*)
- b) Terrorism (*for more details, please refer Terrorism Endorsement attached to the policy schedule*)
- c) Removals of debris
- d) Cover for cross liability (*for more details, please refer Clause No. MR 002 under the clauses section in the policy schedule*)
- e) Extension of Maintenance Period - (*for more details, please refer Clause No. MR 004 under the clauses section in the policy schedule*)

- f) Cover for Extra charges for overtime, night work, work on public holidays and express freight *(for more details, please refer Clause No. MR 006 under the clauses section in the policy schedule)*
- g) Cover for Air Freight *(for more details, please refer Clause No. MR 007 under the clauses section in the policy schedule)*
- h) Cover for property and stocks stored in outside the site *(for more details, please refer Clause No. MR 013 under the clauses section in the policy schedule)*
- i) Cover for testing of Machinery *(for more details, please refer Clause No. MR 100 under the clauses section in the policy schedule)*
- j) Cover for Construction Plant, Machinery & Equipment *(for more details, please refer Clause No. MR 108 under the clauses section in the policy schedule)*
- k) Cover for Materials in transit to the site *(for more details, please refer Clause No. MR 113 under the clauses section in the policy schedule)*
- l) Cover for Existing Property and Property belonging to or care custody or under control by the insured *(for more details, please refer Clause No. MR 119 under the clauses section in the policy schedule)*
- m) Cover for total or partial collapse to third party properties caused by vibration , removals and weakening of support *(for more details, please refer Clause No. MR 120 under the clauses section in the policy schedule)*

4. Key features of the policy document including exclusions, terms and conditions applicable

i. General Exclusions

The Company shall not be liable for any loss of or damage caused by:

- a. Directly or indirectly caused by, or arising through, or in consequence of war, invasion, act of foreign enemy, hostilities or any kind of warlike operation (whether war be declared or not), mutiny, civil war, riots, strike, civil commotion, rebellion, military rising or military or usurped power, martial law, state of siege, or act of terrorism.
- b. Nuclear Reaction, Nuclear Radiation or Radioactive Contamination
- c. Willful Act or Wilful Negligence of the Insured or his representatives
- d. Cessation of work whether total or partial

(For more details about exclusion, please refer to General Exclusions section of the Policy Documents)

ii. Exclusions under Section 1 - Material Damage

- a) Penalties, losses due to delay and any kind of consequential losses
- b) Loss or damage due to faulty design
- c) The cost of repair, replacement and rectification due to bad workmanship and defective materials

- d) Wear & Tear, corrosion, oxidation, deterioration
- e) Electrical & Mechanical Breakdown to Construction Plant, Machinery & Equipments
- f) Loss or damage to vehicles licensed for General Roads use, Water Borne Vessels or Aircraft
- g) Loss or damage to Files, Account Books, Drawing, Money, Bills, Stamps, Deeds, Cheques, Securities
- h) Loss occur at the time of taking an inventory

(For more details about exclusion, please refer to Special Exclusions to section I in the Policy Documents)

iii. Exclusions under Section 11 - Third Party Liability

Any liability arising out of,

- a) Damage or loss of property caused by vibration , removals and weakening of support and death or bodily injury to any person resulting from such damage
- b) Death or bodily injury to workmen of the contractor or principals
- c) Loss or damage to property belonging to or care custody or under control by the contractor or principals or their employees or workmen
- d) Any accident caused by vehicles licensed for General Roads use, Water Borne Vessels or Aircraft
- e) Contractual Liability by the insured

(For more details about exclusion, please refer to Special Exclusions to section II in the Policy Documents)

iv. Terms & Conditions - Basis of loss Settlement

- a. In case of partial loss damage - cost of repair to restore to items to their condition immediately before occurrence of loss less salvage
- b. In case of total loss - Actual value of the item immediately before occurrence of loss less salvage

(For more details , please refer to Memo 2 - Basis of loss settlement in the provision applying to section I of the Policy Documents)

5. The mode of payment of premium – Single Payment

6. Obligations of the policyholder in disclosing material facts

If any material change is made to the subject matter of insurance (e.g., delay of contract work, temporary stopping of works due to lack of material and workforce, change of sub contractors or their works and duties, change of construction methods etc.), the policyholder shall immediately notify the Company in writing and pay any additional premium required due to the increased hazard.

7. Obligation of the policy holder when a claim is made

- I. Take reasonable all steps to minimize the extend of the loss or damage
- II. Make available for inspect the damages to contract works by a surveyor / loss adjustor or representative of the Insurance Company

- III. Provide all information and documentary evidence at the request by the Insurance Company
- IV. Inform to nearest police station in case of loss due to theft or burglary or any external party involvement of such damage

8. Procedure to be followed in the event of claim

- i. Immediately notify the Company of the incident through the Company hotline No. 0112 557 300 – 9 as soon as any loss or damage occurs.
- ii. Submit a claim form, loss estimate & price quotations , copy of BOQ documents, site plans and other supporting documents requested by the Non-Motor Claims Department within 30 days from the date of loss via email, registered post, or through any of our branch offices.

Email Address :- nonmotor.claim@coopinsu.com

Postal Address :- The Manager - Non Motor Claims,

Cooperative Insurance Company PLC,

Coop Insurance House, No. 74/5, Grandpass Road, Colombo 14.

- iii. Resolution Process of claim dispute - Claims disputes will be settled through negotiation with the Company or the process of arbitration (*please refer condition no. 07 of policy document for more details*) or referred to an insurance ombudsman and the Insurance Regulatory Commission of Sri Lanka

a. Insurance Ombudsman

Address: No 1, Bethesda Place, Colombo 05,

Tele: +94 11 250 5542 /+94 11 250 5041

Email: info@insuranceombudsman.lk

b. Insurance Regulatory Commission of Sri Lanka

Address: Level 11, East Tower, World Trade Centre, Colombo 1

Telephone: 0112396184-9 General Line :- 0112335167

Email: info@irsl.gov.lk

9. Complaint and grievance handling procedure

Policyholders may submit their complaints and grievances to the Company through any of the following channels:

- Online: Visit the Company's official website at www.ci.lk and access the Customer Complaints Web Portal
- Telephone: 011 247 2795
- Email: complaint@coopinsu.com
- Registered Post: Customer Complaint & Grievance Unit, Cooperative Insurance Company PLC, No. 74/5, Grandpass Road, Colombo 14

10. Few Things to Remember

i. **Policy Cancellation** -This insurance may cancel by the insured at any time by registered letter, in which case the Company will retain the premium for the period the policy was in force, based on the short-period rate. The Company may also cancel the policy at any time by giving seven days' notice by registered letter to the insured and will refund the rateable portion of the premium for the unexpired terms from the date of the cancelment.

ii. **Sum Insured**

a. Contract work - Full value of contract after completion of works including materials cost, salaries and wages, custom duties, freight charges and cost of items supplied by the principals

b. Plant, Machinery & Equipments - Replacement Cost of the Insured items by new items of the same kind and capacity

(For more details , please refer to Memo 1 - Sum Insured in the provisions applying to section 1 of the Policy Documents)

iii. **Period of Insurance**

a. Construction Period – Cover is commence at the time of unloading the materials at the construction site and cover will cease when construction work is completed or property put in to service

b. Maintenance Period will be started up to specified period as declared by the contact when construction work is completed or property put in to service. The policy is indemnified any loss or damages to property due to carry out of obligation work according to the term & conditions of the contract during the maintenance period.

iv. **Extension of Policy Period** – If the construction work is not completed on or before the expiry of the contract period stated in the policy schedule, the insured party shall request an extension of the policy period by informing the insurance company in writing and paying the applicable additional premium.

v. **Premium Payment Warranty** - If an insurance policy is issued with a 60-day credit period from the date of issuance, the policyholder must settle the premium within this period. Failure to pay the premium before the expiry of the credit period will result in the termination of the insurance coverage(*For more details , please refer to Premium Payment Warranty in the Warranty Section in the Policy Schedule*)

11. Contact Information of the Company to get further information

- Telephone :- 011- 2557300 - Extension - 261
- Email - nonmotor.uw@coopinsu.com
- By registered post – The Manager – Non Motor, Cooperative Insurance Company PLC, No. 74/5, Grandpass Road, Colombo 14
- Visit any of the Cooperative Insurance Company PLC island wide branch offices

12. Importance Note given in the Direction

The IPID is intended to provide a summary of the main cover and additional covers, if applicable and key features of the policy and is not personalized to your specific individual needs. Complete pre-contractual and contractual terms on the full and personalized information, and exclusions of the product are provided in your policy document. The IPID shall not form a part of the policy/contract. Therefore, in case of any conflict, the terms and conditions mentioned in the policy document shall prevail.”