



CO-OPERATIVE INSURANCE COMPANY PLC

For the people, by the people . . .

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

CONTRACTOR'S PLANT & MACHINERY INSURANCE Insurance Product Information Document



1. Information about the type of insurance cover

This policy provides comprehensive cover for contractors' plant and machinery against physical loss or damage while in use at the construction site during the course of contract work.

2. A Summary of Basic Covers

Physical loss of or damage to insured machinery by any unforeseen and sudden causes (other than causes specifically excluded), whether machinery is at work or at rest or being dismantled for cleaning or overhauling or during the subsequent re – erection. However, in any case only after successful commissioning.

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

- i. Riots & Strike, Civil Commotion
(For more details about the cover, please refer to Riots, Strike & Civil Endorsement of the Policy Document)
- ii. Terrorism
(For more details about the cover, please refer to Terrorism Endorsement of the Policy Document)
- iii. Theft of Parts
(For more details about the cover, please refer to Clause No. EG 15 of the Policy Schedule)
- iv. Inland Transit cover including loading and unloading of machinery.
(For more details about the cover, please refer to Clause No. E02 of the Policy Schedule)
- v. Legal liability in respect of death or bodily injury and property damage arising out of machinery operation at a contract site
(For more details about the cover, please refer to Clause No. EG8 of the Policy Schedule)

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

i.Exclusions

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

- a. Directly or indirectly or through or in consequence of war, invasion, act of foreign enemy, hostilities or any kind of war like operation (whether war be declared or not) , mutiny, civil war, riots, strike, civil commotion, rebellion, military rising or military or usurped power or martial law , state of siege or act of terrorism
- b. Electrical or Mechanical Breakdown or failure

- c. Continual influence of operation such as wear, tear, depreciation, corrosion, rust, deterioration of lack of use or normal atmospheric condition
- d. Machinery whilst in transit (if not obtained as additional covers)
- e. Machinery working underground (if not obtained as additional covers)
- f. Theft of Parts (if not obtained as additional covers)
- g. Total or Partial immersion of tidal water
- h. Undergoing a test of any kind other than machinery was designed for that purpose
- i. Consequential loss of any kind
- j. Internal explosion of any boiler or pressure vessel or engine.
- k. Willful act or willful negligence by the Insured or his / her representatives
- l. Nuclear reaction, radiation and radioactive contamination
- m. Loss or damage to,
- n. Replaceable parts and attachments such as belts, chains, saw blades, dies, moulds, bits, drills, tyres, cables etc.
- o. Loss or damage to any faults or defects existing at the time of commencement of the policy
- p. Loss or damage for which the supplier or manufacturer is responsible either by law or under contract.
- q. Vehicle designed and licensed for general road use
- r. Water borne vessel or craft

- s. Loss or damage discovered only at the time of tracking inventory
- t. *(For more details about exclusion, please refer to Exclusions section of the Policy Documents)*

ii. Terms & Conditions

Basis of Claim Settlement

- a. If machinery has been insured on a new replacement cost basis
 - Depreciation will be applied on total loss claims
 - Depreciation will not be applied in respect of damaged parts replaced
(For more details about the cover , please refer to Memo 2 - basis of loss settlement under the provision section of the Policy Documents)

- b. If machinery have been insured on a market value basis.
 - Depreciation will be applied on total loss claims
 - Depreciation will be applied in respect of damaged parts replaced
(For more details , please refer to Condition No. CM01 of the Policy Schedule)

- iii. Cover will be cease if damage items in not repaired. *(For more details , please refer to Condition No. 05 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., change of usage, location, upgrading of machinery 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

Do not repair the damages or replace the damaged items or parts before an inspection of such damage by the loss adjuster / inspector or representative of the Insurance Company.

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 duly completed claim form and estimate 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 cancellation.

ii. **Sum Insured** - The Sum Insured shall represent the new replacement value of the Machinery including freight, and customs duties (if any), and cost of erection. If the insured value is less than the actual value at the time of loss, under insurance will be applied on a partial loss claim

(For more details about the cover , please refer to Memo 1 - Sum Insured under the provision section of the Policy Documents)

iii. **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.”