

Section 5N

Contractors All Risks

(Operative only if so stated in the schedule)

Definitions

**Property Insured
Item
Sum Insured
Total Sum Insured**



As stated in the specification to this section

Works and plant

All permanent and temporary works undertaken by the Insured and all plant used by the Insured in carrying out a contract including

- a) The works which includes
 - materials and goods supplied free of charge for incorporation into the contract
 - office furniture, fixtures and fittings
 - business books, computer systems records and documents but for only the cost of the materials and of clerical labour and computer time expended in reproducing such records: patterns, models, moulds, plans and designs, but only for the cost of the materials and labour expended in reinstating such property
 - telephone installations intended directly for use with the contract.
- b) Machinery, plant and equipment for use in connection with the works, excluding hand tools or hand-held portable power tools.
- c) Temporary buildings for use in connection with the contract
- d) Hand tools or hand-held portable power tools for an amount not exceeding £7,500.

All belonging to the Insured, or for which the Insured is responsible and while at or in the vicinity of the contract sites or while in transit to and from any contract site but remaining in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Maintenance period

The period not exceeding 12 months stated in any contract entered into by the Insured during which the Insured is responsible for rectifying defects originating during the performance of the contract.

Cover

If the property insured by any item, or any part of such property, sustains loss, destruction or damage during the period of insurance, NFU Mutual will either

- a) pay to the Insured the value of such property at the time of its loss or destruction, or the amount of the damage,

or

- b) at its option, reinstate or replace such property, or any part of it

Provided that NFU Mutual's liability (including any liability under Cover Extensions) will not exceed

- a) in respect of each item, the sum insured on that item, plus the additional amount shown in the inflation provision in respect of works
- b) in respect of hand tools or hand-held portable power tools the sum insured subject to a maximum of £1,000 any one tool unless stated otherwise
- c) in all, the total sum insured

at the time of the loss, destruction or damage.

Such sums insured being those remaining after deduction (unless NFU Mutual has agreed to reinstate any such sums insured) of the amount of NFU Mutual's liability for any other loss, destruction or damage which has occurred during the same period of insurance.

Exclusions

- 1) NFU Mutual will not be liable for
 - a) loss, destruction or damage due to or caused by
 - i) penalties, delay, lack of performance or loss of contract or consequential loss of any description
 - ii) faulty design, plan or specification, defective materials or workmanship. This exclusion will be limited to the part of the contract works directly affected and will not apply to loss, destruction or damage to any otherwise sound part of the contract works caused as a result
 - iii) wear and tear, gradual deterioration, latent defect, corrosion, insects, vermin, mildew, wet or dry rot fungi, distortion, internal corrosion, or the actual process of cleaning, repair or renovation
 - iv) electrical or mechanical breakdown of any plant belonging to the Insured
 - v) piling or the use of explosives
 - vi) frost, failure of seed to germinate or failure of plants to grow
 - b) loss, destruction or damage caused by pollution or contamination except (unless otherwise excluded) for loss, destruction or damage to the property insured caused by

- i) pollution or contamination which itself results from fire, lighting, explosion, aircraft or other aerial devices or articles dropped from such craft or devices, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, theft, earthquake, storm, flood, escape of water from any tank, apparatus or pipe or impact by any road vehicle or animal
- ii) any of the events listed in b) i) above which itself results from pollution or contamination
- c) loss, destruction or damage attributable solely to change in the water table level
- d) any loss
 - i) the cause of which cannot be explained
 - ii) which is discovered as a shortage on the taking of an inventory
- e) loss or destruction of or damage to
 - i) any item machinery or plant (or its contents) caused by its own explosion
 - ii) aircraft or other aerial devices, water-borne craft, hovercraft or anything in or on any of them
 - iii) any mechanically propelled vehicle except motorised equipment used where compulsory insurance is not required
 - iv) cash or any money instrument, jewellery, furs, computers or mobile phones
 - v) any property more specifically insured
- f) loss or destruction of or damage to the property insured in respect of which a certificate of completion has been issued unless
 - i) it occurs during the maintenance period from a cause arising before the issue of a certificate of completion, or
 - ii) it is caused by the Insured in the course of fulfilling his obligations during the maintenance period as required by the terms of the contract, or
 - iii) it occurs within 14 days of the issue of the certificate of completion and it is the responsibility of the Insured to effect insurance against such loss, destruction or damage
- g) loss or destruction of or damage to the property insured
 - i) if it is a speculative development by the Insured or
 - ii) If there is no provision for a certificate of completion in the contract

and the loss, destruction or damage occurs after practical completion
- h) loss or destruction or damage to hand tools and hand-held portable power tools caused by
 - i) theft or loss of hand tools or hand-held portable tools unless contained in an area which is locked and secured outside the Insured's normal daily working hours including emergency call outs
 - ii) theft of hand tools or hand-held portable power tools from any unlocked, unsecured vehicle
 - iii) exposure to weather conditions while in the open or in open-sided buildings
 - iv) their operation or use during the course of working
- i) loss, destruction or damage arising from the use of
 - i) blowlamps, torches, or similar equipment involving the use of naked flames, or
 - ii) electric, oxy-acetylene or similar welding or cutting equipment

unless the following precautions have been taken:

 - i) one employee on site made responsible for fire safety and fighting
 - ii) all employees on site made familiar with the operation of the fire fighting equipment
 - iii) all movable combustible materials moved at least 15 metres from the area of work
 - iv) at least two fully charged fire extinguishers made available at the immediate vicinity of the work
 - v) lighting of the equipment carried out strictly in accordance with the manufacturer's instructions
 - vi) no lighted equipment left unattended
 - vii) gas cylinders not required for immediate use kept at least 15 metres from place of work and outside the building in which any work is being done
 - viii) checks made for a period of 1 hour following completion of the work to ensure there is no risk of fire.
- j) loss, destruction or damage to works involving:
 - i) demolition, unless such work forms part of a contract for erection, reconstruction, alteration, maintenance, installation or repair by the Insured
 - ii) asbestos removal, tunnelling, water diversion, dam construction or work within or behind dams
 - iii) the use of explosives
 - iv) the construction, alteration, maintenance or repair of towers, steeples, chimney shafts, blasts furnaces, dams, canals, viaducts, bridges or tunnels
 - v) the making of sewers or other excavations exceeding 8 metres in depth
 - iv) work on or at any oil rig, oil drilling platform or offshore oil/gas installation, supply, support or accommodation vessel or other offshore structure relating to such an installation
 - vii) chemical works, power stations or nuclear stations
 - viii) any computer installations or computer room

- ix) any airport, dock, pier or wharf.
- 2) NFU Mutual will not be liable, in respect of each and every happening of loss, destruction or damage to the under mentioned property insured at each contract site, for the amounts stated below as the excess:

| Property Insured | Excess |
|--------------------------------------|--------|
| Employees tools and personal effects | £100 |
| All other losses | £500 |

Cover Extensions

1 Additional insured expenditure

Each item includes expenditure reasonably incurred by or on behalf of the Insured to

- a) minimise loss, destruction or damage insured by this section
- b) prevent the occurrence of loss, destruction or damage which otherwise would have been inevitable and would, had it occurred, have been insured by this section.

NFU Mutual will not be liable for expenditure

- a) in excess of the amount which would otherwise have been payable under this section had such expenditure not been incurred
- b) in connection with remedial work to any property or structure in existence before the commencement of the contract.

2 Plant recovery costs

Each item includes expenditure necessary incurred by the Insured for the withdrawal or recovery of accidentally immobilised plant, provided that such withdrawal or recovery is not necessitated solely by electrical or mechanical breakdown or derangement.

3 Professional Fees

Each Item includes architects', surveyors', consulting engineers', legal and other fees necessarily incurred in the reinstatement of the property insured by the item, but not for preparing any claim.

4 Debris removal costs

Each item includes expenditure necessarily incurred by the Insured, with the consent of NFU Mutual, in

- a) removing debris
- b) dismantling and/or demolishing
- c) shoring up or propping,

of the portions or portions of the property insured destroyed or damaged:

NFU Mutual will not be liable for any expenditure

- a) incurred in removing debris, except from the site of such property destroyed or damaged and the area immediately adjacent to such site
- b) arising from pollution or contamination of property not insured by this section.

5 Property elsewhere

Each item includes

- a) materials intended for incorporation into the works while temporarily stored elsewhere than on the contract sites but only for the amount for which the Insured is responsible under contract conditions
- b) machinery, plant, equipment, temporary buildings, hand tools and hand-held portable power tools anywhere but

remaining in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

6 Personal effects

Each item insuring works and plants includes, so far as they are not otherwise insured, directors', partners', visitors' and employees' personal effects of every description (other than motor vehicles) and employees' tools, for an amount not exceeding £500 per person, while at or in the vicinity of the contract sites

7 European Union and Public Authorities

If the property suffers loss, destruction or damage by any cause insured by this section NFU Mutual will pay the extra costs the Insured have to pay to comply with the regulations imposed by the European Union Legislation or building or other regulations stipulated under any Act of Parliament or bye-law or any public authority, provided that the work of reinstatement is commenced and carried out without unreasonable delay.

NFU Mutual will not be liable for any expenditure

- a) where the Insured has received notice to comply before loss, destruction or damage occurred
- b) relating to undamaged parts of the property covered other than foundations (unless specifically excluded) of that portion of the property damaged
- c) relating to any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which maybe payable by reason of compliance with any of the regulations imposed by the European Union or Local Authority.

8 Employer's Interest

NFU Mutual will cover the interest of any employer, for which the Insured is carrying out a contract to which this section applies, but only to the extent that such interest is required to be insured jointly with the Insured under the contract conditions.

NFU Mutual will not pay for loss, destruction or damage to an existing structure.

9 Single Occurrence Clause

If during anyone period of 72 consecutive hours there shall be a series of incidents arising out of one of the perils of earthquake, subsidence or collapse, storm, flood or other water damage, which results in loss, destruction or damage to each item insured, the said series of incidents shall be deemed to constitute one occurrence with regards to both the sum insured and Excess stated in the specification.

10 Inflation Provision

NFU Mutual will pay for an inflationary increase in the value of any works but not more than 20% of the sum insured.