

## **ERECTION ALL RISK INSURANCE**

### **PROSPECTUS**

Universal Sampo General Insurance Company introduces Erection All Risks (EAR) insurance which offers protection to principal and contractors and also to manufacturers and suppliers erecting machinery and plant etc. against financial loss due to any sudden fortuitous and unforeseen causes resulting in loss or damage to the property insured at the project site whilst being stored, erected, tested and commissioned.

#### **Policy For Whom**

EAR policy can be taken by Principal, Contractor or sub-contractor, either individually or jointly.

#### **Scope of Cover**

Erection All Risks (EAR) policy covers all risks in respect of projects of erection, testing and commissioning subject to exclusions and term and conditions.

#### **Extensions/Add-on Covers**

- Cover for insured contract works taken over or put into service
- Existing property or property belonging to or held in care, custody or control by insured
- Vibration, removal or weakening of support
- Additional Cost of Completion
- Automatic Reinstatement
- Additional customs Duty
- Brands and Trademarks
- Deliberate Damage Clause
- Temporary Removal
- Temporary Repair
- Involuntary Betterment
- Cessation of Work
- Waiver of Subrogation
- Valuable Documents
- Automatic Increase Clause
- Owners Surrounding Property
- Removal of Debris
- Cover for Off-site Storage
- Third Party Liability Cover With or without Cross Liability extension within geographical limits of India
- Escalation Costs
- Extended Maintenance Cover
- Construction Machineries, Plant and Equipment Extension
- Expediting Cost including Air Freight and Express Freight
- Design Defect Liability as per Munich Re Wordings (DE4)
- Continuity of Cover During Operational Phase For Unit/Plant Tested but awaiting Integral Testing
- Inland transit
- Employees personal effects and tools
- Sound/undamaged property destruction
- Leased equipment rental costs

- Cover for external debris
- Incompatibility of undamaged machinery
- Errors & omissions to insure
- Claim preparation cost
- Salvage disposal coverage
- Temporary structures and plant & equipment - temporary works including roads, camps for workers, material storage place, buildings / sheds / site offices / support structures, portacabins
- Contractual liability cover
- Civil authority clause
- Cover of manufacturers' risk
- Cover for increased customs duty
- Cover of extra charges for overtime, night work, and work on public holidays, express freight excluding air freight
- Limited defective condition exclusion de-3
- Design improvement exclusion de-5
- Loss or damage due to strike, riot and civil commotion (srcc)
- Leg 2/96 model "consequences" "defects wording
- Leg 3/06 model 'improvements' defects exclusion
- Leg 3/96 model 'improvements' defects exclusion
- Limited maintenance visits cover
- Air freight

Provision also exists for extending the policy period and testing period during the currency of the policy.

## Clauses

- On Account Payment Clause
- Non-Vitiation Clause
- Multiple Insured
- Policy Extension On Pro-Rata Basis
- Innocent Non-Disclosure / Breach Of Policy Conditions
- Free Issue Of Material
- Serial Losses
- Intermittent Testing
- Primary And Non-Contributory Clause
- 50:50 Clause
- Designation Of Property

- Special Conditions Concerning The Construction And/Or Erection Time Schedule
- Public Authorities Clause
- Nominated Loss Adjusters Clause
- 72 Hours Clause
- Professional Fees Clause
- Loss Minimization Expenses
- Waiver Of Contribution
- Pair and set clause
- No control clause
- Co-insurance clause
- Agreed bank clause
- Event clause
- Loss payee clause
- Outright defect exclusion de-1
- Extended defective condition exclusion de-2
- Sanction, limitation and exclusion clause
- Cofferdams
- Declaration clause

### Exclusion

- War and Nuclear group of perils
- Willful act / negligence
- Loss discovered at time of taking inventory
- Normal wear and tear; Gradual deterioration due to atmospheric conditions or otherwise, rust
- Scratching of painted or polished surface, Breakage of glass
- Loss or damage due to faulty design, defective material or casting and bad workmanship (limited to items immediately affected)
- Cost of rectification or correction of any error during erection not resulting in physical loss or damage
- Damage to files, drawings, accounts and bills etc.
- Penalties for non-fulfillment of contractual obligations
- Consequential losses
- Aesthetic defects
- Operational deficiencies
- Costs of any alterations, additions and/or improvements after a claim
- Contractor's Plant and Machinery loss or damage by its own explosion/mechanical electrical breakdown/derangement

The details furnished above do not constitute the entire coverage, exclusions, terms and conditions. For full details please refer to our Policy document.

### Basis of Sum insured

Completely erected value of the property inclusive of freights, custom duty and erection costs.

### Claims Procedure

In case of any Occurrence that may give rise to a claim under your policy, you must:

- a) inform us of this as soon as you can and in any event within 30 days of becoming aware of any such loss or damage. We may, at our sole discretion, condone the delay in notification of claim on merits based on the

reason for delay furnished by You to Us in writing.

- b) provide such written documents and information as we may require and, if asked, include verification of particulars on oath; and
- c) take all steps within your power to minimise the extent of loss, damage or liability.
- d) preserve any property affected and make it available for us or our representatives; and
- e) inform the Police if the loss or damage has been caused by any act purporting to be an offence under the applicable laws; and forward to us every letter, writ, summons and process in relation to your claim as soon as you receive it; and
- f) advise us in writing as soon as you receive notice of any prosecution or inquest that involves you and is relevant to your claim and provide any assistance that we may reasonably require.

## **B) Documentation**

The documents normally required to be submitted in the event of a claim are :

1. Duly completed Claim form
2. Estimate of loss
3. Invoice/ Bills/Receipts

Any other details/documents called for a specific loss

## **Grievances**

If You have any grievance about any matter relating to the policy, or Our decision on any matter, or Our decision about Your claim, You can pursue Your grievance with

1. Our Grievance Redressal Officer

You can send Your grievance in writing by post or email to Our Grievance Redressal Officer at the following address:

### **Grievance cell,**

Universal Sampo General Insurance Co.Ltd, Unit No. 601 & 602, 6th Floor, Reliable Tech Park, Cloud City Campus; Gut no 31, Mouje Elthan, Thane Belapur Road, Airoli, Navi Mumbai – 400708

If you have a grievance that you wish us to redress, you may contact us with the details of your grievance through:

- Emails – [grievance@universalsompo.com](mailto:grievance@universalsompo.com)
  - Designated Grievance Officer in each branch.
  - Company Website – [www.universalsompo.com](http://www.universalsompo.com)
2. The Consumer Affairs Department of IRDAI—You can register Your grievance on IRDAI's Integrated Grievance Management System (IGMS),
  3. The Insurance Ombudsman, depending on the nature of grievance and the financial implication, if any, or
  4. The Consumer Protection Forum or the Court.
  5. You can find more details about Insurance Ombudsmen at [www.ecoi.co.in](http://www.ecoi.co.in) or [www.irdai.gov.in](http://www.irdai.gov.in).

## **Contact Details**

- **Website:** [www.universalsompo.com](http://www.universalsompo.com)
- **Toll Free Numbers:** 1800-22-4030, 1800-200-4030
- **Landline Numbers:** (022)-39635200 (Chargeable)
- **E-mail :** [contactus@universalsompo.com](mailto:contactus@universalsompo.com)

- **Courier:** Universal Sampo General Insurance Co. Ltd, Unit No- 601 & 602 A Wing, 6th Floor, Reliable Tech Park, Cloud City Campus; Thane- Belapur Road, Airoli- 400708

**INSURANCE ACT 1938 SECTION 41- Prohibition of Rebates**

No person shall allow or offer to allow either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer.

ANY PERSON MAKING DEFAULT IN COMPLYING WITH THE PROVISIONS OF THIS SECTION SHALL BE PUNISHABLE WITH FINE WHICH MAY EXTEND TO TEN LAKHS RUPEES.

**Disclaimer: In the event of any question relating to interpretation of the insurance coverage, the policy document will prevail.**