



Contract works section – Tradesmen

AXA Business Insurance

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Contract works section – Tradesmen

Your schedule will show if this section is covered

Meanings of defined terms

These definitions apply to this section and are in addition to the policy definitions that have already been described in the Essential Information document. If a word or phrase has a defined meaning it will be underlined and will have the same meaning wherever it is used in this section



Computer systems

Computer or other equipment or component or system or item which processes stores transmits or receives data.



Contract limit

The estimated maximum original value of any one contract or development, prior to the commencement of the works by you.



Contract works

The permanent or temporary works carried out in the performance of any contract or development undertaken by you or on your behalf, including materials used

- 1) while on the site of any contract anywhere within the policy territories
- 2) while on the site of any contract elsewhere within the European Union in connection with temporary work by employed persons ordinarily resident within the policy territories for a period or periods of up to 180 days in total, during any one period of insurance
- 3) while being transported by road, rail or inland waterway but excluding
 - a) any works that exceed the contract limit
 - b) constructional plant, machinery, trailers, tools, equipment, site huts or caravans, portable tools or equipment.



Damage

Loss or destruction or damage.



Data

Any data of any sort whatever, including without limitation tangible or intangible data, and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatever.



Defined peril

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any tank, apparatus or pipe or impact by any road vehicle or animal.



Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or computer systems. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other computer systems.



Hacking

Unauthorised access to any computer systems, whether your property or not.



Phishing

Any access or attempted access to data or information made by means of misrepresentation or deception.



Substantial completion

The date of completion of the works, apart from the prospective purchasers or tenants choice of decoration and/or final fitments



Terrorism

In England, Scotland and Wales: Acts of persons acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of Her Majesty's Government in the United Kingdom or any other government de jure or de facto.

In Northern Ireland: An act including, but not limited to the use of force or violence and or 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 put the public or any section of the public in fear.

In the Channel Islands and the Isle of Man: An act of any person(s) acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of any government de jure or de facto.



Virus or similar mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, computer systems, data or operations, whether involving self-replication or not. The meaning of virus or similar mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

What is covered

| What is covered | What is not covered |
|--|---------------------|
| Damage to property insured cover | |
| <p><u>We</u> will cover <u>you</u> for accidental <u>damage</u> occurring during the <u>period of insurance</u> to any of the property insured shown in <u>your</u> schedule. <u>We</u> will pay <u>you</u> for the value of the property at the time of its <u>damage</u> or for the amount of the <u>damage</u>, or at <u>our</u> option reinstate or replace the property or any part of it, in accordance with the following basis of settlement. <u>We</u> will not pay more than the sum insured stated in <u>your</u> schedule.</p> | |
| Basis of settlement | |
| <p><u>We</u> will pay up to the sum insured shown in <u>your</u> schedule for the <u>contract works</u>, plus any additional amount shown in the Escalator cover.</p> <p>In the event of any loss the sum insured will be automatically reinstated from the date of the loss, unless there is written notice by <u>us</u> or <u>you</u> saying otherwise. <u>You</u> will have to pay an additional premium for this.</p> | |
| Sum insured | |
| <p><u>We</u> will pay up to the <u>contract limit</u> shown in <u>your</u> schedule in respect of the <u>contract works</u>, plus any additional amount shown in the Escalator cover.</p> | |
| Debris removal and professional costs cover | |
| <p><u>We</u> will reimburse costs and expenses that <u>we</u> have approved for</p> <ol style="list-style-type: none"> 1) removing debris 2) dismantling or demolishing shoring up, propping and fencing off 3) clearing or repairing drains and 4) service mains on the site 5) architects, surveyors and consultants fees in connection with reinstatement of the <u>contract works</u> as a result of <u>damage</u> to the <u>contract works</u>, but not for preparing any claim. | |
| Escalator cover | |
| <p>If there is an increase in the value of any contract during the <u>period of insurance</u> the sum insured shown in <u>your</u> schedule will automatically increase for that contract, up to a maximum of 20% of the original <u>contract limit</u>.</p> | |

What is covered

What is not covered

Sum insured

European Community and public authorities (including undamaged property) cover

We will cover the extra cost of reinstatement that may be needed to meet

- 1) European Community legislation or
- 2) Building or other regulations under or framed in pursuance of any Act of Parliament or Bye-laws of any public authority referred to as the stipulations, for
 - a) damage to the contract works
 - b) undamaged portions of the contract works

Conditions applicable to the European Community and public authorities (including undamaged property) cover

- 3) reinstatement work must be started and carried out without unreasonable delay and must be completed within twelve months after the damage or any further time that we agree (during those twelve months) and may be carried out on another site (if the stipulations require) subject to our liability under this cover not being increased

the maximum recoverable under this cover will not exceed 15% of the sum insured.

We will not cover

- 1) the cost incurred in complying with the stipulations
 - a) for damage occurring prior to the granting of this cover
 - b) for damage not insured by this section
 - c) where you have been served notice prior to the damage happening
 - d) where there is an existing requirement which has to be implemented within a given period
 - e) for property entirely undamaged
- 2) cost that would have been required to make good contract works lost, destroyed or damaged to a condition the same as when new, had the need to comply with the stipulations not arisen
- 3) the amount of any charge or assessment arising out of capital appreciation which may be payable for contract works or by the owner to comply with the stipulations

Expediting costs cover

We will cover you for the extra charges of overtime, night work, work on public holidays, express freight, air freight and other transport charges necessary and approved by us in relation to a claim under this section, where damaged property is repaired or replaced.

Financial interest cover

the financial interest of anyone with whom you have entered into a loan, lease or hire purchase agreement in respect of any item or part of the contract works is automatically noted and should be advised to us in the event of a claim.

Free materials cover

The contract works includes any materials supplied by or provided to you by the employer for inclusion in any contract for which you are responsible.

| What is covered | What is not covered |
|--|---------------------|
| Indemnity to principals cover | |
| <p>The interests of <u>your</u> employer or principal are also covered under this section as necessary under the conditions of contract in force between <u>you</u> and <u>your</u> employer or principal as long as they follow the terms, exclusions and conditions of <u>your</u> <u>policy</u> as though they were <u>you</u>.</p> | |
| Off-site storage cover | |
| <p><u>We</u> will cover the offsite storage of materials intended to be used for any contract while they are temporarily stored anywhere within the <u>policy</u> <u>territories</u>, as long as <u>you</u> are responsible for them under the terms of contract with <u>your</u> principal or employer</p> | |
| Redrawing plans and documents cover | |
| <p><u>We</u> will cover <u>you</u> for costs and expenses up to £25,000 for any one claim for the re-writing or re-drawing of plans, drawings or other contract documents following <u>damage</u> to them</p> | |
| Show houses and contents cover | |
| <p><u>We</u> will cover show house properties and show house contents until they are sold (including while being transported by road, rail or inland waterway and in temporary storage all within the <u>policy</u> <u>territories</u>). The maximum <u>we</u> will pay in respect of the contents of any one show house is £10,000...</p> | |
| Speculative building cover | |
| <p>The <u>contract</u> <u>works</u> includes any property that is being built by <u>you</u> other than under contract but the cover for the property will end on the earlier of</p> <ol style="list-style-type: none"> 1) the date the property is sold or let, or 2) three months after <u>substantial</u> <u>completion</u> 3) the expiry of the cover under this section <p>Where the property comprises of several units within one block then 1 above will apply to each individual unit, but cover for the whole block will not exceed 3 months from <u>substantial</u> <u>completion</u> if parts of it are still unsold or not let.</p> <p>If work on the site stops for more than three months in a row, cover will cease immediately, unless <u>we</u> agree to it continuing by writing to <u>you</u>.</p> | |

What is covered

What is not covered

Subcontractors cover

If any contract awarded under a standard form of building contract is insured under this section and damage is caused to the contract works by any of the specified perils defined in the contract, we will not pursue any rights of recovery against subcontractors directly engaged by the main contractor for the contract.

This cover will apply only if

- 1) required by the sub-contract,
- 2) the sub-contractor follows the terms, exclusions and conditions of your policy as though they were you.

What is not covered



Cessation of work exclusion

- 1) We will not cover you for damage to any part of the permanent works if work on the contract site stops for a period in excess of 45 consecutive days unless cover is agreed by us.



Completed work exclusion

We will not cover you for damage to any part of the permanent works

- 2) after each part has been completed and delivered to the owner, tenant or occupier
- 3) where a certificate of completion has been issued, other than where damage
 - a) happens during the defects liability period specified in the contract and arising from a cause occurring prior to commencement of the period
 - b) occurs to materials or other contract works on site for the purpose of carrying out remedial works during the defects liability period specified in the contract, and for which you are responsible under the terms of the contract during the defects liability period
 - c) occurs within 14 days of the certificate of completion being issued and where you are required by the terms of the contract to insure.



Confiscation risks exclusion

We will not cover you for confiscation of or damage to contract works by or under the order of any government or public or local authority.



Contract responsibilities exclusion

We will not cover you for damage to any part of the permanent works, which under conditions of contract, you are not responsible for insuring.



Date recognition exclusion

We will not cover damage directly or indirectly caused by, contributed to or arising from the failure of equipment (including hardware and software) to correctly recognise any given date or to process data or to operate properly due to failure to recognise any given date.



Deeds, documents and valuables exclusion

We will not cover you for damage to

- 1) deeds, bonds, bills of exchange, promissory notes, money, stamps, securities or documents of title
- 2) precious metals or stones, or articles made from them.



Electronic risks exclusion

We will not cover you for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1) damage to or the destruction of any computer systems; or
- 2) any alteration, modification, distortion, erasure or corruption of data

in each case whether your property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from virus or similar mechanism or hacking or phishing or denial of service attack.

We will cover subsequent damage which is covered by this section, which itself results from a defined peril covered by this section, except for loss destruction or damage caused by malicious persons other than thieves.



Excess exclusion

We will not cover you for the amount of the excess shown in your schedule

- 1) If a single incident results in a claim under more than one of the following sections of cover
 - a) own plant tools and equipment,
 - b) hired in plant, or
 - c) contract works

you will not be responsible for more than one excess. Where the excess varies between each of those sections of cover, the higher amount will apply.



Existing property exclusion

We will not cover you for damage to any existing property including any existing property being altered or repaired.



Faulty workmanship, materials and design exclusion

We will not cover you for a fault in the design, plan, specification, materials or workmanship and damage to the contract works will not be regarded as having occurred, just because a faulty condition exists in the contract works. This does not exclude resultant damage to other contract works which is free of any such fault, other than where damage is caused to other contract works in order to enable the replacement, repair or rectification of the fault.

What is not covered



Penalties under contract exclusion

We will not cover you for penalties under contract for delay, detention or loss of use or any other losses arising in connection with guarantees of performance or efficiency or any indirect losses



Radioactive contamination exclusion

We will not cover you for loss of or damage or consequential loss resulting or arising from

- 1) ionising radiation or contamination by radioactivity from any irradiated nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 2) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or its nuclear component.



Sonic bangs exclusion

We will not cover you for damage by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.



Terrorism and Northern Ireland exclusion

We will not cover you for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1) In England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a) any act of terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b) any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.
- 2) in Northern Ireland
 - a) any act of terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b) any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism
 - c) riot, civil commotion and (except for damage or interruption to the business caused by fire or explosion) strikers, locked-out workers or people taking part in labour disturbances or malicious people.

If any of the points above are found to be invalid or unenforceable, the remainder shall remain in full force and effect.

In any action, law suit or other proceedings or where we state that any loss, damage, cost or expense is not covered by this section it will be your responsibility to prove that they are covered.



Theft from unattended vehicle exclusion

We will not cover you for theft or attempted theft of own plant tools and equipment while contained in an unattended vehicle or trailer, unless there is evidence of forcible and violent entry to the vehicle or trailer



Unexplained losses

We will not cover you for unexplained disappearance or inventory shortage.



War risk exclusion

We will not cover

- 1) any claims caused by or happening through war, invasion, act of foreign enemy hostilities (whether war is declared or not) civil war, rebellion, revolution, insurrection or military or usurped power
- 2) confiscation, nationalisation, requisition or destruction of or damage to property by or under the order of any government or public or local authority.



Wear and tear exclusion

We will not cover you for

- 1) damage due to wear and tear or gradual deterioration, rust, action of light or atmospheric conditions
- 2) the cost of normal upkeep, cleaning or normal repairs.