

# ERCTION ALL RISK INSURANCE POLICY (COMMERCIAL)

## SALES LITERATURE

## ERCTION ALL RISK INSURANCE POLICY (COMMERCIAL)

Erection All Risks (EAR) insurance 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

- Air Freight
- Express Freight, Holiday and overtime rates of wages.
- Additional Customs duty
- Contractors Plant & Machinery up to specified limits.
- Storage risk at fabricators premises
- Clearance and removal of debris.
- Third party liability
- Cross Liability
- Surrounding Property
- Escalation.

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

### Exclusions

- 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 freight, custom duty and erection costs.

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