

**ERECTION ALL RISKS POLICY
SALES LITERATURE**



UIN No. - IRDAN150RP0010V01201213

Introduction:

Erection All Risks (EAR) policy is designed to cover risks under erection. A single policy can cover the interests of Principal, Contractors; Subcontractors and Financiers and various project proponents for the entire value of the project. The policy seamlessly covers project items whilst in storage, erection, testing and commissioning.

Scope of Cover:

The policy is structured on an 'All Risk' basis with specified exclusions and is not a "named peril" policy. It would indemnify the Insured against sudden and unforeseen physical loss of or damage to the property insured. The policy would cover all Accidental / Act of God perils whilst in storage, erection, testing and commissioning unless specifically excluded.

Cover incept from the time of unloading of the first consignment at the project site and terminates on completion of testing or handing over of the project to the Principal, or the period chosen, whichever is earlier. The policy can be issued on a long term basis for the entire project period.

Significant Exclusions:

The policy would have 'named excluded perils' which majorly include war, nuclear / radioactive radiations, willful acts, work cessation, inventory losses, wear & tear, defective design / workmanship and other listed exclusions specified in the policy wordings.

Policy is subject to deductible excess as specified in the policy wordings

Sum Insured:

Sum to be insured is the completely erected value of the plant and machinery inclusive of freight, custom duty and cost of erection.

Premium:

Premium depends on type, value, and duration of the project and the period of testing.

Main Extensions:

Policy can be extended on payment of additional premium to cover

- Escalation.
- Maintenance

- Clearance and Removal of Debris.
- Damage to Owner's Surrounding Property.
- Third Party Liability
- Additional Customs Duty.
- Express Freight.
- Holiday and Overtime rates and Wages.

It is possible to integrate transit insurance (inland/overseas) on project materials with EAR policy and opt for a combined Marine-cum-Erection policy.