

SchInsurance Requirements

- 1.1. The *Subcontractor*, without prejudice to any obligation to indemnify the *Contractor* under the contract, from the date of the contract takes out and maintains or procures the taking out and maintenance in full force and effect insurance in accordance with the requirements specified in the Insurance Table and any other insurances as may be required by law (together the “Required Insurances”); and ensure that the Required Insurances are effective in each case not later than the date on which the relevant risk commences.
- 1.2. The Required Insurances are taken out and maintained with insurers who (in the reasonable opinion of the *Contractor*) are of good financial standing, sound security and of good repute in the United Kingdom insurance market.
- 1.3. The *Subcontractor* does not (and the *Subcontractor* procures that any sub-subcontractor (at any stage of remoteness from the *Contractor*) of the *Subcontractor* does not) take any action, or permit anything to occur in relation to it, which entitles any insurer to refuse to pay any claim under any insurance policy in which that party is an insured, a co-insured or additional insured person.
- 1.4. The Required Insurances
 - 1.4.1. where specified in the Insurance Table, name the *Contractor* as co-insured for its separate interest,
 - 1.4.2. where specified in the Insurance Table, provide for non-vitiation and severability of interests protection in respect of any claim made by the *Contractor* as a co-insured,
 - 1.4.3. where specified in the Insurance Table, include an undertaking from the relevant insurer to waive all rights of subrogation howsoever arising and/or claims against the *Contractor*, its employees, servants or agents which they may have or acquire, arising out of any occurrence in respect of which any claim is admitted and is insured under the Required Insurances. The provisions of this requirement do not apply against any *Contractor* officer, director, employee, agent and assign who has caused or contributed to such an occurrence or claim by fraud, deliberate misrepresentation, deliberate nondisclosure or deliberate breach of policy condition and
 - 1.4.4. where specified in the Insurance Table, contain an indemnity to principals clause under which the *Contractor* is indemnified in respect of claims made against the *Contractor* arising from the

acts or omissions of, or performance of the *Subcontractor* under the contract.

- 1.5. Where the insurers purport to cancel, suspend, terminate or decline to renew any of the Required Insurances
 - 1.5.1. the *Subcontractor* procures that the insurers, as soon as is reasonably practicable, notify the *Subcontractor* (and, where the *Contractor* is named on the policy, the *Contractor*) in writing in the event of any such proposed suspension, cancellation or termination and
 - 1.5.2. where the *Subcontractor* receives notification from insurers in relation to a policy on which the *Contractor* is not named, the *Subcontractor* promptly notifies the *Contractor* in writing of receipt of such proposed suspension, cancellation or termination.
- 1.6. If the *Subcontractor* is in breach of the obligation to procure and maintain the Required Insurances in accordance with the Insurance Table the *Contractor* may (at its option) pay any premiums required to keep such insurance in force or itself procure such insurance, and in either case, recover such amounts from the *Subcontractor* on written demand, together with all reasonable expenses incurred in procuring such insurance.
- 1.7. The *Subcontractor* discharges all its obligations under the Insurance Act 2015 when placing, renewing, amending or maintaining any insurances required by the contract, including
 - 1.7.1. complying with the duty of fair presentation to insurers and
 - 1.7.2. taking the actions needed to protect the *Contractor's* separate interests where the *Contractor* is required to be named as an insured party.

Insurance Table (Required Insurances)	
1.	Contractors' "All Risks" Insurance (CAR)
1.1	<u>Insureds</u>
1.1.1	<i>Subcontractor</i>
1.1.2	<i>Contractor</i>
	as appropriate, each for its respective rights and interests in the Contract.
1.2	<u>Insured Property</u>
	The permanent and temporary works, materials, goods, plant and equipment for incorporation in the <i>subcontract works</i> (plus constructional machinery, plant, tools,

Insurance Table (Required Insurances)	
	accommodation and equipment belonging to or the responsibility of the <i>Subcontractor</i> or its sub-subcontractors) and all other property used or for use in connection with works associated with the contract.
1.3	<p><u>Coverage</u></p> <p>"All Risks" of physical loss, damage or destruction to the Insured Property (in paragraph 1.2 above) unless otherwise excluded.</p>
1.4	<p><u>Cover Features and Extensions</u></p> <p>1.4.1 Terrorism.</p> <p>1.4.2 Additional costs of completion clause.</p> <p>1.4.3 Professional fees clause.</p> <p>1.4.4 Debris removal clause.</p> <p>1.4.5 Seventy two (72) hour clause.</p> <p>1.4.6 European Union local authorities clause.</p> <p>1.4.7 Free issue materials clause.</p> <p>1.4.8 Ten percent (10%) escalation clause.</p> <p>1.4.9 Automatic reinstatement of sum insured clause.</p> <p>1.4.10 Loss minimisation.</p> <p>1.4.11 Plans and specifications clause.</p> <p>1.4.12 Guarantee maintenance or extended maintenance to the extent available.</p> <p>1.4.13 Payments on account.</p> <p>1.4.14 Temporary repairs.</p> <p>1.4.15 Offsite storage and repairs.</p> <p>1.4.16 Fire Joint Code of Practice.</p> <p>1.4.17 Multiple insured clause incorporating the <i>Contractor</i> as a co-insured party with attendant non vitiation, waiver of subrogation and notice of cancellation provisions.</p>
1.5	<p><u>Principal Exclusions</u></p> <p>1.5.1 War and related perils.</p> <p>1.5.2 Nuclear/radioactive risks.</p> <p>1.5.3 Pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.</p> <p>1.5.4 Wear, tear and gradual deterioration.</p> <p>1.5.5 Consequential financial losses.</p> <p>1.5.6 Cyber risks.</p> <p>1.5.7 Inventory losses, fraud and employee dishonesty.</p> <p>1.5.8 Faulty design, workmanship and materials DE5 or LEG3.</p>

Insurance Table (Required Insurances)	
2.	Third Party Public and Products Liability Insurance
2.1	<u>Insured</u> <i>Subcontractor</i>
2.2	<u>Interest</u> <p>To indemnify the Insured in respect of all sums which the Insured may become legally liable to pay, whether contractually or otherwise, (including claimant's costs and expenses) as damages in respect of accidental;</p> <p>2.1.1 death or bodily injury, illness or disease contracted by any person;</p> <p>2.2.2 loss or damage to property;</p> <p>happening during the period of insurance and arising out of or in connection with the contract.</p>
2.3	<u>Cover Features and Extensions</u> <p>2.3.1 Cross liability clause.</p> <p>2.3.2 Contingent motor vehicle liability.</p> <p>2.3.3 Legal defence costs.</p> <p>2.3.4 Indemnity to principals clause.</p> <p>2.3.5 Health & Safety at Work Act(s) clause.</p> <p>2.3.6 Data Protection Act clause.</p> <p>2.3.7 Defence appeal and prosecution costs relating to the Corporate Manslaughter and Corporate Homicide Act 2007.</p>
2.4	<u>Principal Exclusions</u> <p>2.4.1 War and related perils.</p> <p>2.4.2 Nuclear/radioactive risks.</p> <p>2.4.3 Liability for death, illness, disease or bodily injury sustained by employees of the insured arising out of the course of their employment.</p> <p>2.4.4 Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by legislation in respect of such vehicles.</p> <p>2.4.5 Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the Insured.</p> <p>2.4.6 Liability in respect of loss or damage to property in the care, custody and control of the insured.</p> <p>2.4.7 Events more properly covered under a professional indemnity insurance policy (in paragraph 3 below).</p> <p>2.4.8 Liability arising from the ownership, possession or use of any aircraft or marine vessels.</p> <p>2.4.9 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.</p>

Insurance Table (Required Insurances)	
2.4.10	Losses indemnified under the Contractor's "All Risks" Insurance policy (in paragraph 1 above).
2.4.11	Liability arising from toxic mould.
2.4.12	Liability arising from asbestos.
2.4.13	Cyber risks.
3.	Professional Indemnity Insurance
3.1	<u>Insured</u> <i>Subcontractor</i>
3.2	<u>Interest</u> To indemnify the Insured for all sums which the Insured shall become legally liable to pay (including claimants' costs and expenses) as a result of any claim or claims first made against the Insured during the period of insurance by reason of any act, error and/or omission in the provision of professional services or advice arising from or in connection with the contract.
3.3	<u>Cover Features and Extensions</u> 3.3.1 Loss of documents and computer records extension. 3.3.2 Legal liability assumed under contract, duty of care agreements and collateral warranties.
3.4	<u>Principal Exclusions</u> 3.4.1 War and related perils. 3.4.2 Nuclear/radioactive risks. 3.4.3 Insolvency of the Insured. 3.4.4 Bodily injury, sickness, disease or death sustained by any employee.
4.	Policies to be taken out as required by United Kingdom law. The <i>Subcontractor</i> is required to meet its statutory insurance obligations in full. Insurances required to comply with all statutory requirements including, but not limited to, Employer's Liability Insurance and Motor Third Party Liability Insurance.

Class of insurance	Levels of insurance	Period of insurance
Contractors "All Risks" Insurance	Minimum amount of insurance set out in the Contract will be the replacement cost of the relevant insured property.	From the date of commencement of any relevant works until the completion of the relevant works and thereafter in respect of defects liability until expiry of the defects liability period specified in any relevant building contract

Class of insurance	Levels of insurance	Period of insurance
Professional Indemnity Insurance	Professional Indemnity Insurance = Limit of indemnity ten million pounds (£10,000,000) in respect of any one claim without limit to the number of claims in any annual policy period, but five million pounds (£5,000,000) in respect of any one claim and in the annual aggregate per annum for liability arising out of pollution or contamination (to the extent insured by the relevant policy) and five million pounds (£5,000,000) in respect of any one claim and in the annual aggregate per annum for liability arising out of asbestos (to the extent insured by the relevant policy).	From the date of the Contract for the duration of the Contract and renewable on an annual basis unless otherwise agreed with the <i>Contractor</i> and a period of twelve (12) years following the expiry date or the termination date of the Contract, whichever occurs earlier.
Insurances required by law in the United Kingdom	Limit of indemnity as required by relevant legislation.	From the date of the Contract for the duration of the Contract and renewable on an annual basis unless agreed otherwise with the <i>Contractor</i> .

Class of insurance	Levels of insurance	Period of insurance
Third Party Public & Products Liability Insurance	Limit of indemnity fifteen million pounds (£15,000,000) in respect of any one occurrence without limit to the number of occurrences in any annual policy period, but fifteen million pounds (£15,000,000) any one occurrence and in the aggregate per annum in respect of liability arising out of products and pollution or contamination liability (to the extent insured by the relevant policy).	From the date of the Contract for the duration of the Contract and renewable on an annual basis unless agreed otherwise with the <i>Contractor</i> .

Class of insurance	Levels of insurance	Period of insurance
Third Party Network Rail Insurance	Limit of indemnity one hundred and fifty-five million pounds (£155,000,000)	For the duration of the works undertaken in proximity to the Network Rail asset as established by Network Rail