This is a sample Policy document that provides full wording for all the covers we offer.

Once you have bought your Policy you will be provided with the documentation specific to what you have requested.
Your contractors’ all risks policy

Welcome to Sun General Insurance Inc.

We are delighted You have chosen Us for Your insurance needs and are confident that You will be satisfied with the level of service and insurance protection You receive.

In the following pages and the attached Schedule, You will learn everything You need to know about Your insurance Policy and how to contact Us in case You have a claim. Please make sure to keep this Policy in a safe place. If there is anything incorrect, please return it to Our offices immediately.

If during the course of the Insurance Your circumstances change, You must notify Us immediately so that We can ensure that the cover We are providing is adequate.

Remember to ask Us or Your representative about the other services We offer including:
• Vehicle Insurance
• Home Insurance
• Travel Insurance
Having multiple policies with Us will save You money!

We hope You will be Our customer for many years to come.

Davis Browne
President

Your Policy

Your Policy, Schedule and any Endorsements, are proof of a contract between You and Us. This contract is based on the information given by or for You when You applied for this insurance by a proposal and declaration which forms part of this contract. You promise that the information You have given Us is true as far as You know.

In return for You paying and Our accepting Your premium, We will provide insurance cover under the Terms of this Policy during the Period of Insurance as shown on the Schedule. Please read Your Schedule and any Endorsements to check which sections of this Policy apply.

On behalf of Sun General Insurance Inc.

Authorized Representative

Questions?
Please call: 434-8480

Sun General Insurance
Bermar Corporation, Sunset Crest
St. James, Barbados

Policy Version: 1.0
Last revised August 2013

Sun General Insurance
Carlisle House, Bridgetown
St. Michele, Barbados

Head Office: Sun General Insurance
CWTS Complex, Lower Estate
St. George, Barbados
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SECTION 1 - DEFINITIONS

The following words and expressions will have the meaning stated below wherever they appear in bold and capitalised throughout Your Policy:

Data
Representations of information or concepts in any form.

Deductible / Excess
The amount You have to pay toward a claim.

your contractors’ all risk policy

Endorsement
Any written amendment to Your Policy which We have made either by way of Your request or by a change in Your circumstances.

Geographical Area
The Country as listed on Your Schedule.

Limit of Liability / Sum Insured
The amount shown on Your Schedule as the most We will pay for claims resulting from one incident unless otherwise changed by way of Endorsement.

Period of Insurance
The period for which You are covered under this Policy as stated under Period of Insurance in Your Schedule.

Policy
This document, Schedule and any applicable Endorsements.

Schedule
The document that identifies You and sets out details of the cover Your Policy provides.

Terms
All Terms, exclusions, conditions and limits which apply to Your Policy.

We, Us, Our, Company
Sun General Insurance Inc.

You, Your, Insured
Any business, registered in the Geographical Area, or any person(s) named on the Schedule as the Insured.

In Consideration of the Insured named in the Schedule attached hereto having applied to the Company for this insurance by a Proposal and Declaration which shall be the basis of this contract and is deemed to be incorporated herein and having paid or agreed to pay the premium.

The Company shall in the event of loss damage or liability arising during the Period of Insurance stated in the Schedule or any subsequent period in respect of which the Insured shall pay the Company and it shall accept the premium required for the renewal of this insurance by payment or at its option by repair reinstatement or replacement provide indemnity or compensation as described in the following pages.

The Policy shall not be in force unless the Schedule has been countersigned by a person authorised by the Company.

SECTION 2 – MATERIAL DAMAGE

The Company hereby agrees with the Insured that if at any time during the Period of Insurance the items or any part thereof entered in the Schedule shall suffer any unforeseen and sudden physical loss or damage from any cause, other than those specifically excluded, in a manner necessitating repair or replacement, the Company will indemnify the Insured in respect of such loss or damage as is hereinafter provided by payment in cash, replacement or repair (at its own option) up to an amount not exceeding in respect of each of the items specified in the Schedule the Sum Insured set opposite thereto and not exceeding in any one event the Limit of Liability where applicable and not exceeding in all the total Sum Insured expressed in the Schedule as insured hereby.

The Company will also reimburse the Insured for the cost of clearance of debris following upon any event giving rise to a claim under this Policy provided a separate Sum Insured thereof has been entered in the Schedule.
### Section 2 Exclusions

The Company shall not, however, be liable for:

1. the Deductible stated in the Schedule to be borne by the Insured in any one occurrence;

2. consequential loss of any kind or description whatsoever including penalties, losses due to delay, lack of performance, loss of contract;

3. loss or damage due to faulty design;

4. the cost of replacement, repair or rectification of defective material and/or workmanship, but this exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss of or damage to correctly executed items resulting from an accident due to such defective material and/or workmanship;

5. wear and tear, corrosion, oxidation, deterioration due to lack of use and normal atmospheric conditions;

6. loss or damage to construction plant, equipment and construction machinery due to electrical or mechanical breakdown, failure, breakage or derangement, freezing of coolant or other fluid, defective lubrication or lack of oil or coolant, but if as a consequence of such breakdown or derangement an accident occurs causing external damage, such consequential damage shall be indemnifiable;

7. loss or damage to vehicles licensed for general road use or waterborne vessels or aircraft;

8. loss of or damage to files, drawings, accounts, bills, currency, stamps, deeds, evidence of debt, notes, securities, cheques;

9. loss or damage discovered only at the time of taking an inventory.

### Section 2 Provisions

#### SUMS INSURED

It is a requirement of this insurance that the Sums Insured stated in the Schedule shall not be less than:

a. for item 1: the full value of the contract works at the completion of the construction, inclusive of all materials, wages, freight, customs duties, dues, and materials or items supplied by the Principal;

b. for items 2 and 3: the replacement value of construction plant, equipment and machinery, which shall mean the cost of replacement of the insured items by new items of the same kind and capacity;

and the Insured undertakes to increase or decrease the amounts of insurance in the event of any material fluctuation in wages or prices provided always that such increase or decrease shall take effect only after the same has been recorded in the Policy by the Company.

If, in the event of loss or damage, it is found that the Sums Insured are less than the amounts required to be insured, then the amount recoverable by the Insured under this Policy shall be reduced in such proportion as the Sums Insured bear to the amounts required to be insured. Every object and cost item is subject to this condition separately.

#### BASIS OF LOSS SETTLEMENT

In the event of any loss or damage the basis of any settlement under this Policy shall be:

a. in the case of damage which can be repaired – the cost of repairs necessary to restore the items to their condition immediately before the occurrence of the damage less salvage, or

b. in the case of a total loss – the actual value of the items immediately before the occurrence of the loss less salvage. However, only to the extent the costs claimed had to be borne by the Insured and to the extent they are included in the Sums Insured and provided always that the provisions and conditions have been complied with.

The Company will make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be. All damage which can be repaired shall be repaired, but if the cost of repairing any damage equals or exceeds the value of the items immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in b. above.

The cost of any provisional repairs will be borne by the Company if such repairs constitute part of the final repairs and do not increase the total repair expenses.

The cost of any alterations, additions and/or improvements shall not be recoverable under this Policy.

### Section 3 – Third Party Liability

The Company will indemnify the Insured up to but not exceeding the amounts specified in the Schedule against such sums which the Insured shall become legally liable to pay as damages consequent upon:

1. accidental bodily injury to or illness of third parties (whether fatal or not),

2. accidental loss of or damage to property belonging to third parties occurring in direct connection with the construction or erection of the items insured under Section 2 and happening on or in the immediate vicinity of the site during the Period of Insurance.

In respect of a claim for compensation to which the indemnity provided herein applies, the Company will in addition indemnify the Insured against:

a. all costs and expenses incurred with the written consent of the Insured, and

b. all costs and expenses incurred with the written consent of the Company, provided always that the liability of the Company under this Section shall not exceed the Limits of Liability as stated in the Schedule.

#### Section 3 Exclusions

The Company will not indemnify the Insured in respect of:

1. the Deductible stated in the Schedule to be borne by the Insured in any one occurrence;

2. the expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under Section 2 of this Policy;

3. damage to any property or land or building caused by vibration or by the removal or weakening of support or injury or damage to any person occasioned by or resulting from any such damage (unless especially agreed upon by Endorsement);

4. liability consequent upon:
   a. bodily injury to or illness of employees or workmen of the Contractor(s) or the Principal(s) or any other firm connected with the project which or part of which is insured under Section 2, or members of their families;
   b. loss or damage to property belonging to or held in care, custody or control of the Contractor(s), the Principal(s) or any other firm connected with the project which or part of which is insured under Section 2, or an employee or workman of one of the aforesaid;
   c. any accident caused by vehicles licensed for general road use or by waterborne vessels or aircraft;
   d. any agreement by the Insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.
3.2 Section 3 Conditions

1. No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company who shall be entitled, if they so desire, to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute for their own benefit in the name of the Insured any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings or in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.

2. The Company may as far as any accident is concerned pay to the Insured the limit of Liability for any one accident (but deducting therefrom in such case any sum or sums already paid as compensation in respect thereof) or any lesser sum for which the claim or claims arising from such accident can be settled and the Company shall thereafter be under no further liability in respect of such accident under this Section.

SECTION 4 - GENERAL EXCLUSIONS

4.1 Acquired Immune Deficiency Syndrome
The within Policy does not cover any injury or sickness of an insured person arising wholly or in part directly or indirectly from Human Immunodeficiency Virus (HIV) and/or any HIV related illness including AIDS (Acquired Immune Deficiency Syndrome) and from mutant derivative or variations thereof however caused.

4.2 Asbestos
This Policy shall not apply to and does not cover any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses, damage, cost or expense directly or indirectly caused by, resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity. This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the loss, damage, cost or expense.

4.3 Data Exclusion Clause
This Policy does not cover any liability, loss, damage cost or expense caused by, arising out of or related in any way, directly or indirectly to:
1. a. Erasure, destruction, corruption, misappropriation of Data, including any loss of use arising therefrom.
b. erroneously creating, amending, entering, deleting or using Data, including any loss of use arising therefrom.
2. the distribution or display of Data by means of an Internet Website, the Internet, an intranet, extranet, or similar device or system designed or intended for electronic communication of Data.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the loss, damage, cost or expense.

4.4 Electronic Date Recognition Clause
This Policy does not cover any loss, damage, cost, claim, legal liability or expense of whatever nature whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:
1. the calculation comparison, differentiation, sequencing or processing of Data involving date changes to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, programme or software and or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not, and whether occurring before, during or after the year 2000.
2. any change, alteration or modification involving the date change to the year 2000 or any other date change, including leap year calculations, to any such computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not, and whether occurring before, during or after the year 2000.

4.5 Electromagnetic Fields
This Policy does not cover any liability, loss, cost or expense directly or indirectly arising out of, resulting from, caused or contributed to by exposure to magnetic electric or electromagnetic fields or radiation however caused or generated.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the loss, damage, cost or expense.

4.6 Flood and Inundation
The Company shall only indemnify the Insured for loss, damage or liability caused directly or indirectly by precipitation, flood and inundation if adequate safety measures have been taken in designing and executing the project involved.

Adequate safety measures shall mean that allowance is made for precipitation, flood and inundation up to a return period of 10 years for the location insured and the entire Period of Insurance on the basis of the statistics prepared by the meteorological agencies.

Loss, damage or liability resulting from the Insured’s not immediately removing obstructions (e.g. sand, trees) from watercourses, whether carrying water or not, in order to maintain free waterflow shall not be indemnifiable.

4.7 Genetically Modified Organisms
This Policy does not cover any liability, loss, cost or expense directly or indirectly arising out of, resulting from, caused or contributed to by Genetically Modified Organisms. For the purpose of this exclusion the term Genetically Modified Organisms (GMO’s) shall mean and include:

Organisms or micro-organisms or cells, or the organisms or micro-organisms, cells or cell organelles, from which they have been derived, which have been subject to a genetic engineering process which resulted in their genetic change.

Every biological or molecular unit with self-replication potential, or biological or molecular unit with self-replication potential from which they have been derived, which has been subject to a genetic engineering process, which resulted in its genetic change.

In the event that the definition of GMO under the applicable laws and or official regulations relating to genetic engineering or modification in any province, State, territory or jurisdiction in which a claim is made is wider than the foregoing then such wider definition shall be incorporated in this definition in addition to the foregoing.

This exclusion applies regardless of any other contributing or aggravating
cause or event that contributes concurrently or in any sequence to the loss, damage, cost or expense.

4.8 Infectious Disease
Notwithstanding anything contained to the contrary in or on the within Policy, the cover hereunder does not extend to include injury, sickness or death of an insured person arising directly or indirectly from, caused by, happening through, in consequence of or in any way attributable to Infectious Disease, Avian Flu or from any disease that has been declared as an epidemic by the World Health Organization.

If the Company alleges that by virtue of this exclusion any claim is not covered by this Policy then the burden of proving otherwise shall rest with the Insured.

4.9 Information Technology Hazards
Losses arising, directly or indirectly, out of:
1. loss of, alteration of, or damage to; or
2. a reduction in the functionality, availability or operation of
   a computer system, hardware, programme, software, Data, information repository, microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not, do not in and of themselves constitute an event unless arising out of one or more of the following perils:
   - fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood, freeze or weight of snow.
3. any act or omission committed in the course of, or in connection with, or as a result of, any computer operation or activity.

4.10 Noise Pollution Exclusion
Notwithstanding anything contained herein to the contrary, it is hereby declared and agreed that this insurance does not apply to injury or property damage arising out of any form of noise pollution however caused.

It is further agreed and understood that this insurance does not apply to any loss demand claim suit or cost arising out of or caused by noise pollution.

4.11 Transmissible Spongiform Encephalopathies
This Policy does not cover:
1. Any liability, loss, cost or expense arising out of, resulting from, caused or contributed to by:
   a. Transmissible Spongiform Encephalopathies (hereafter referred to as TSE)
   b. Exposure to TSE or
   c. Exposure to any item that is known or suspected to cause, contribute to or enable TSE;
2. The cost of abatement, mitigation, removal or disposal of feed, feed additives or animals, or of any premises or equipment handling such items, in consequence of or as a result of known or suspected connection between such items and TSE; or
3. Any costs related to a person’s abatement, mitigation or removal of, or testing, medical monitoring, medical costs or cure for TSE.

This exclusion also includes:
4. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with the above; and
5. Any obligation to share damages with or repay someone else who must pay damages because of such injury or damage.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the loss, damage, cost or expense.

4.12 Terrorism
Notwithstanding any provision to the contrary within this insurance or any Endorsement thereto it is agreed that this Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of person, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This exclusion also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to the act of terrorism.

If We allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon You.

In the event that any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

4.13 Additional Exclusions
The Company will not indemnify the Insured in respect of loss, damage or liability directly or indirectly caused by or arising out of or aggravated by:
1. war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny, riot, strike, lockout, civil commotion, military or usurped power, a group of malicious persons or persons acting on behalf of or in connection with any political organization, conspiracy, confiscation, commandeering, requisition or destruction or damage by order of any government de jure or de facto or by any public authority;
2. nuclear reaction, nuclear radiation or radioactive contamination;
3. willful act or willful negligence of the Insured or his representatives;
4. cessation of work whether total or partial

In any action, suit or other proceeding where the Company alleges that by reason of the provisions of Exclusion 1. above any loss, destruction, damage or liability is not covered by this insurance the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.

SECTION 5 - PERIOD OF COVER

The liability of the Company shall commence, notwithstanding any date to the contrary specified in the Schedule, directly upon commencement of the work or after the unloading of the items entered in the Schedule at the site. The Company’s liability expires for parts of the insured contract works taken over or put into service.

At the latest the insurance shall expire on the date specified in the Schedule. Any extensions of this Period of Insurance are subject to the prior written consent of the Company.

SECTION 6 - GENERAL CONDITIONS

6.1 Interpretation
1. The due observance and fulfillment of the Terms of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the questionnaire and proposal made by the Insured shall be a condition precedent to any liability of the
2. The Schedule and the Section(s) shall be deemed to be incorporated in and form part of this Policy and the expression “this Policy” wherever used in this contract shall be read as including the Schedule and the Section(s). Any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule or of the Section(s) shall bear such meaning wherever it may appear.

6.2 Reasonable Precautions
The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Company to prevent loss, damage or liability and comply with statutory requirements and manufacturers’ recommendations.

6.3 Insurer’s Rights
Representatives of the Company shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Company with all details and information necessary for the assessment of the risk.

6.4 Alterations
The Insured shall immediately notify the Company in writing of any material change in the risk and cause at his own expense such additional precaution to be taken as circumstances may require, and the scope of cover and / or premium shall, if necessary, be adjusted accordingly.

No material alteration shall be made or admitted by the Insured whereby the risk is increased, unless the continuance of the insurance is confirmed in writing by the Company.

6.5 Claims Notification
In the event of any occurrence which might give rise to a claim under this Policy, the Insured shall:

1. immediately notify the Company by telephone or email transmission as well as in writing, giving an indication as to the nature and extent of loss or damage;
2. take all steps within his power to minimize the extent of the loss or damage;
3. preserve the parts affected and make them available for inspection by a representative or surveyor of the Company;
4. furnish all such information and documentary evidence as the Company may require;
5. inform the police authorities in case of loss or damage due to theft or burglary.

The Company shall not in any case be liable for loss, damage or liability of which no notice has been received by the Company within 14 days of its occurrence.

Upon notification being given to the Company under this condition, the Insured may carry out the repairs or replacement of any minor damage; in all other cases a representative of the Company shall have the opportunity of inspecting the loss or damage before any repairs or alterations are effected. If a representative of the Insured does not carry out the inspection within a period of time which could be considered adequate under the circumstances, the Company is entitled to proceed with the repairs or replacement.

The liability of the Company under this Policy in respect of any item sustaining damage shall cease if said item is not repaired properly without delay.

6.6 Subrogation
The Insured shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or required by the Company in the interest of any rights and remedies, or of obtaining relief or indemnity from parties (other than those insured under this Policy) to which the Company is or would become entitled or which is or would be subrogated to them upon their paying for or making good any loss or damage under this Policy, whether such acts and things become necessary or required before or after the Insured’s indemnification by the Company.

6.7 Arbitration
If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted), such difference shall be referred to the decision of an arbitrator to be appointed in writing by the parties in difference or, if they cannot agree upon a single arbitrator, to the decision of two arbitrators, one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties, or, in case the arbitrators do not agree, of an umpire to be appointed in writing by the arbitrators before the latter enter upon the reference. The umpire shall sit with the arbitrators and preside at their meetings. The making of an award shall be a condition precedent to any right of action against the Company.

6.8 Fraudulent Claims
If a claim is in any respect fraudulent, or if any false declaration is made or used in support thereof, or if any fraudulent means or devices are used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy, or if a claim is made and rejected and no action or suit is commenced within three months after such rejection or, in case of arbitration taking place, within three months after the arbitrator or arbitrators or umpire have made their award, all benefit under this Policy shall be forfeited.

6.9 Other Insurances
If at the time any claim arises under this Policy there is any other insurance covering the same loss, damage or liability, the Company shall not be liable to pay or contribute more than its rateable proportion of any claim for such loss, damage or liability.

6.10 Jurisdiction Clause
The indemnity under this Policy shall not apply in respect of judgements which are not in the first instance delivered by or obtained from a court of competent jurisdiction within the Geographical Area as defined in the Schedule attached to this Policy.