

PRODUCT DISCLOSURE SHEET

Read this Product Disclosure Sheet before you decide to take up the Product. Be sure to also read the general terms and conditions. Seek clarification from us if you do not understand any part of this documents or general terms. The information provided in this Product Disclosure Sheet is valid as at 01.08.2022.

Product Name: Contractor's All Risks Insurance

1. What is this Product about?

This policy is designed to meet the insurance obligations placed upon contractors under the conditions of their contract. This policy covers contractors against loss or damage to your Contract Works and liabilities to third parties as a result of performing your obligations under the contract.

2. What are the coverage and exclusions provided?

Section I – Material Damage: It provides cover against sudden and unforeseen physical loss or damage in respect of all the risks (except as specifically excluded in the policy) to the contract works/construction materials/property insured onsite during the period of insurance.

Section II – Third Party Liability: This section covers in respect of third party liability for which you shall become legally liable to pay as damages consequent upon: -

- a. accidental bodily injury to or illness of third parties; and/or
- b. accidental loss of or damage to property belonging to third parties

occurring in direct connection with the contract works named under Section I of the policy in the immediate vicinity of the contract site during the period of insurance.

The period of insurance corresponds with the contract period inclusive of the Defects Liability or Maintenance Period as stipulated in the Letter of Award. The period can be extended accordingly upon Principal approval or request.

Major Exclusions under the policy:

- ❖ Act of terrorism, war and related risks
- ❖ Radioactive and nuclear energy risks
- ❖ Willful acts or willful negligence
- ❖ Faulty design
- ❖ The cost of replacement, repair or rectification of defective material and/or workmanship
- ❖ Mechanical and/or electrical breakdown or derangement of construction plant and machinery
- ❖ Consequential loss of any kind including penalties, losses due to delay, lack of performance, loss of contract
- ❖ Industries Seepage, Pollution and Contamination
- ❖ Loss arising from Asbestos exposure
- ❖ Act of fraud
- ❖ Infectious/Contagious Disease or Epidemic

Note: This list is non-exhaustive. Please refer to the policy contract for the full list of terms and conditions.

3. How much premium do I have to pay?

The premium that you have to pay may vary depending on the scope and nature of your contract works, the contract value, the risk exposure, duration of the contract and your additional insurance requirement (if any).

4. What are the fees and charges that I have to pay?

- Stamp duty BND0.25 and
- When we sell a policy through insurance agent or broker, the insurer pays a percentage of commission from the total premium to the insurance agent or broker.

5. What are some of the important notes that customer should know?

- a. Duty of Disclosure – Statement Pursuant to Section 37(4) of the Insurance Order 2006, you are to disclose in the proposal form fully and faithfully all the facts which you know or ought to know, otherwise the policy issued hereunder may be invalidated. The above duty of disclosure shall continue until the time your contract of insurance is entered into, varied or renewed with us.
- b. Duty of Care – You shall take all reasonable care and comply with all reasonable recommendations to prevent loss, damage or liability including to comply with any statutory requirements.
- c. Sum Insured – You must ensure that your sum insured is adequate and not less than the total Contract Sum of the contract works upon completion of construction. If the sum insured is less than the amount required to be insured at the time of loss, average condition shall apply and you are deemed to be self-insuring for the difference.
- d. No Admission of Liability – Upon the happening of an accident which gives rise to a claim, you shall notify us immediately. You should not admit liability, offer, promise or pay to claimant without our written consent.
- e. Policy Excess/Deductible – Is the amount you have to bear before you are being indemnify in the event of a claim.
- f. Premium Warranty – The premium due must be paid and received by the insurer within 60 days from the inception date of the policy / endorsement/ renewal certificate -If you fail to pay the premium within the period, your policy will be automatically cancelled and we are entitled to the pro rata premium on the period you have been on risk.

Note: You are advised to request for the policy wordings to have better understanding.

6. What do I need to do if there are changes to my contact details?

It is important that you inform us of any changes to your contact details. This is to ensure that all the correspondence will reach you in a timely manner.

7. What happens in the event of cancellation?

There is no cancellation condition attached to this Policy.

8. What is a notice of expiry?

The notice is a reminder to notify that your policy is due for renewal.

9. What happens in the event that insurance agent ceases to operate?

You are to contact us directly immediately.

10. What are the documents that I need to submit to apply for this product?

Basically, you will need to submit the duly completed Proposal Form. Additional information/documents are required depending on the nature of your risks.

11. Where can I get assistance and redress?

If you have difficulties, you must contact us the earliest possible. You may contact us at:

Head Office: Units 12 & 13, Block A Regent Square
Spg 150, Kg Kiarong
Bandar Seri Begawan BE1318
Negara Brunei Darussalam
Fax: (673) 2 454277 Tel: (673) 2 226222, 2233999
E-mail: insurance@national.com.bn

Branch Office: Unit 20, Block C, Lot 8989

Jalan Pandan Tujuh, Kuala Belait KA1931
Fax: (673) 3 342191 Tel: (673) 3 331222, 3 336468
E-mail: kb@national.com.bn

If your query or complaint is not satisfactorily resolved by us, you may contact Financial Consumer issues, Brunei Darussalam Central Bank via e-mail at fci@bdcb.gov.bn or walk-in at their address as follows:

Financial Consumer Issues
Brunei Darussalam Central Bank
Level 7, Ministry of Finance and Economy Building
Commonwealth Drive BB3910
Brunei Darussalam
Tel: (673) 2 380007

12. Where can I get further information?

Should you require additional information about Contractor's All Risks Insurance, please refer to your servicing Agent or alternatively visit our website at www.national.com.bn. You may also visit us at our Head Office or Branch Office for an assistance.

The terms and conditions indicated in this Product Disclosure Sheet are indicative and not binding on us. The final terms and conditions are as stipulated in the insurance policy after our assessment.