

# PROPERTY INSURANCE DURING CONSTRUCTION

## INSURANCE PRODUCT INFORMATION DOCUMENT

Company: **PREMIUM Insurance Company Limited, with registered office at 68 George Borg Olivier Street, STJ 1081, St. Julian's, Malta, registered in the Malta Business Registry under company ID number C 91171, acting in the territory of the Slovak Republic by means of its branch: PREMIUM Insurance Company Limited, a branch of an insurance company from another Member State, with registered office at Námestie Mateja Korvína 1, 811 07 Bratislava – district Staré Mesto, registered in the Commercial Register of District Court Bratislava I, Section: Po, Entry No.: 3737/B**

Product: Construction and Assembly Insurance against All Risks

Insurance product information document provides a brief overview of the basic features and conditions of the insurance, while complete pre-contractual information and contractual information about the product for the customer are given in other documents.

### What type of insurance is it?

Construction and assembly insurance against all risks covers physical damage or destruction of insured items caused by an insured event that occurred during the insurance period at the place of insurance and is not excluded from insurance.



### What is the subject-matter of insurance?

- ✓ The subject-matter of the insurance is the construction/assembly work including material and items that are to be a part of the construction/assembly work in progress and which are stored, transported or relocated in the place of insurance.

If it is agreed in the insurance policy, the subject-matters of insurance are also:

- ✓ construction site installations;
- ✓ construction/assembly machinery and equipment;
- ✓ property owned, used or managed by the insured specified in the insurance policy and located at the place of insurance;
- ✓ the costs of the insured event related to vacating the place of insurance, including the removal of standing parts of the built work, removal of debris and other remains to the nearest landfill and the costs of depositing or destroying the same;
- ✓ the costs incurred in connection with the occurrence of an insured event for wage benefits for overtime work, at night, on non-working days and holidays, express surcharges, air transport of spare parts, travel costs of technicians and experts from abroad;

In the insurance policy it is also possible to arrange the following insurance:

- ✓ statutory liability of the insured for damage to property and/or damage to health caused to a third party;
- ✓ lost profit of the investor's gross profit;
- ✓ damage, destruction or theft of transported cargo;
- ✓ The sum insured or the limit of indemnity for individual items of the object corresponds to the value of these items determined by the policyholder. Information on the amount of sums assured for individual items can be found in the insurance policy.



### What is not covered by insurance?

- ✗ motor vehicles, aeroplanes, vessels and other equipment capable of movement in the atmosphere;
- ✗ plants and vegetation, hand tools;
- ✗ public transmission and distribution systems for electricity, gas, water and heat, and public electronic communication networks;
- ✗ operating and auxiliary substances, media;
- ✗ components, equipment, parts and tools that are regularly replaced when changing work tasks or if construction/assembly machines and equipment are worn out and at the same time there is no damage or destruction of insured items for the same reason, for which the insurer is obliged to provide insurance benefits;
- ✗ claims for compensation for damages including costs of legal representation with regards to compensation for any damage admitted by an official public authority locally or functionally competent for the United States of America (USA) or Canada;
- ✗ any claims related to breach of the right to protection of personality or other costs due to non-material damage;

This insurance does not cover:

- ✗ damages in the form of a fine, interest on arrears, any other penalty, warranty or guarantee, loss of contract
- ✗ caused by normal atmospheric conditions to be taken into account according to the season and local conditions;
- ✗ damages caused as a result of a defect in concrete or similar building materials, and also as a result of building (construction) prefabricates;
- ✗ in connection with demonstrations, internal unrest, strikes, lockout, repressive interventions by state bodies or public administration.



### Are there any restrictions on cover?

- ! the insurer has the right to reduce the insurance indemnity for a deliberate breach of obligations stipulated in the insurance conditions and the insurance policy, if this had a significant impact on the occurrence of the insured event or on increasing the extent of its consequences;
- ! if the insured misleads the insurer about the facts related to the entitlement to the benefits and/or the amount of the benefits, the insurer is not obliged to provide the benefits;
- ! if the insurer learns after the insured event that it was caused by a fact they could not have learned when arranging the insurance due to knowingly false and incomplete answers where this was crucial for taking out the insurance policy, they are entitled to refuse to provide benefits from the insurance policy;
- ! the insurance does not cover things or damages excluded from the insurance in the General Insurance Terms and Conditions, clauses or the insurance policy;
- ! if the indemnity limit is set, the amount of indemnity is limited by the amount of the set indemnity limit;



### Where am I covered?

- ✓ the insurance covers an insured event that occurred at the place of insurance specified in the insurance policy



### What are my responsibilities?

- answer completely and truthfully all the insurer's written questions, including e-mail communication and completing the questionnaires related to arrangement of the insurance;
- allow the insurer or their authorised persons to access the insured objects and areas and enable them to assess the insurance risk, investigate the functionality and operation of the equipment used to protect property; further the insured is obliged to submit project, fire-fighting and technical, anti-flood, accounting or other similar documentation to the insurer or their authorised persons for viewing;
- immediately notify the insurer in writing of any change in the particulars based on which the insurance policy was concluded;
- keep the insured property in good technical condition, comply with the provisions of technical standards and regulations, generally binding legal regulations, general insurance terms and conditions, contractual arrangements, clauses and the insurance policy;
- ensure that an insured event does not occur and take appropriate measures to avert one;
- pay premiums in the specified amount by the due dates;
- immediately notify the insurer of the damage and confirm it within 5 days in writing;
- take appropriate steps to mitigate the consequences of the damage and request the instructions from the insurer and follow them;
- immediately notify the police of damage that has occurred in circumstances giving rise to suspicion of a criminal offence and allow the insurer access to the police investigation file;
- ensure against a third party the right to compensation for damages or other similar rights and claim compensation for damages against a liable party;



### When and how do I pay?

- The insured pays the insurance premium as per the amount and due dates agreed in the insurance policy.



### **When does the cover start and end?**

The insurance commences when the construction work/assembly work is started or when the insured items stated in the insurance policy are unloaded at the place of insurance, but no later than by the date stated in the insurance policy.

The insurance ends (expires):

- upon expiry of the insurance period specified in the insurance policy;
- upon the handover of the insured construction/assembly work;
- upon the commissioning of the construction work;
- upon the completion of the first test operation for the insured assembly work or its test load; the test period or test load may take up to 4 weeks from the beginning of the test period or the beginning of the test load unless stated otherwise in the insurance policy, but in the case of already used items, upon the start of the test operation or the test load of the insured assembly work;
- if the insured event is no longer possible;
- upon the termination of the activity of the insured, or the termination of the insured, whichever occurs first;
- by non-payment of the insurance premium if a one-time insurance premium is not paid within three months from its due date; the same applies if it was paid only partially;



### **How do I cancel the policy?**

- by a written notice within two months from the date of taking out the insurance policy, with an eight day notice period;
- by a written notice within one month from the date of the provision of the insurance indemnity or its rejection, while the notice period is eight days and upon its expiry the insurance expires;