

## CONTRACTOR'S ALL RISKS INSURANCE INDICATION NON-BINDING INDICATIVE TERMS

**FORM** : Insurance Authority approved Wording as per Munich Re

**DATE** : 30/12/2024

### **PARTICULAR DETAILS**

<b>INSURED'S NAME</b>	: SNB Bank as Principal and/or Al Samman Contracting Company as Main Contractor and/or Sub-contractors and/or Consulting Engineers and/or parties involved, all for their activities at the Project Site only for their respective rights and interests.		
<b>PERIOD OF INSURANCE</b>	: 3 months from date to be agreed followed by 12 months maintenance subject to no claims or reported losses as on date of confirmation		
<b>PROJECT / CONTRACT TITLE</b>	: Almahala Banch Construction contract in Abha City		
<b>SCOPE OF WORK</b>	: Construction Works (Site works, Concrete works, Masonry works, Finishing, MEP works)		
<b>SITE</b>	: Abha – KSA (GPS to be provided)		
<b>SUM INSURED</b>	<p><b>Section I Material Damage:</b></p> <p><b>1. Contract Works</b></p> <table> <tr> <td>1.1 Contract Value (including permanent &amp; temporary works)</td> <td>SAR 11,400,000</td> </tr> </table> <p><b>Total sum insured under Section I MD:</b> SAR 11,400,000</p>	1.1 Contract Value (including permanent & temporary works)	SAR 11,400,000
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<b>SECTION II (THIRD PARTY LIABILITY LIMIT)</b>	SAR 3,000,000 combined single limit for both property damage and bodily injury each and every loss & in the Aggregate for the period of Insurance.		
<b>DEDUCTIBLES</b>	<p><b>Section I Material Damage:</b></p> <ul style="list-style-type: none"> <li>• 5% of the loss amount minimum SAR 10,000 each &amp; every loss</li> </ul> <p><b>Section II Third Party Liability:</b></p> <ul style="list-style-type: none"> <li>• SAR NIL for third party bodily injury</li> <li>• SAR 15,000 each and every occurrence in respect of Third-Party Property Damage</li> </ul>		

- 10 % of the loss amount minimum SAR 15,000 each and every claim in respect of Underground Services (UGS) & Vibration, Removal or Weakening Support (VRWS)

## CONDITIONS

- 1) MRE 001 - SRCC. Limit: SAR 500,000 any one occurrence and in the aggregate during the policy period
- 2) MRE 002 - Cover for Cross Liability against named Insured only.
- 3) MRE 003 - Maintenance Visits. Period 12 months
- 4) MRE 006 - Cover of Extra Charges for Overtime, Night Work, Work on Public Holidays, Express Freight. Limit: 5 % of loss, maximum SAR 150,000 any one occurrence and in the aggregate during the policy period.
- 5) MRE 008 - Warranty Concerning Structures in Earthquake Zones.
- 6) MRE 013 - Property in Off-site Storage. Limit: SAR 100,000 any one location and in the aggregate during the policy period. Subject that the Premises Comply with Standards of Local Civil Defense/Police
- 7) MRE 102 - Special Conditions Concerning Underground Cables, Pipes and Other Facilities. Limit: SAR 100,000 any one occurrence and in the aggregate.
- 8) MRE 103 - Exclusion of Loss of or Damage to Crops, Forests and Cultures.
- 9) MRE 109 - Warranty concerning construction material
- 10) MRE 110 - Special Conditions Concerning Safety Measures with respect to Precipitation, Flood and Inundation.
- 11) MRE 112 - Special Conditions Concerning Fire-Fighting Facilities and Fire Safety on Construction Sites. SAR 50,000 any one occurrence and in the aggregate.
- 12) MRE 119 - Existing property or property belonging to or held in care, custody or control by the insured – Sum Insured: SAR 250,000 in the aggregate
- 13) Debris Removal. Sum Insured: SAR 250,000 in the aggregate.
- 14) Claims Preparation Clause Limit SAR 50,000 any one occurrence and in the aggregate.
- 15) Professional Fees Clause– as per scale. Limit: SAR 100,000 any one occurrence and in the aggregate during the policy period.
- 16) Waiver of Subrogation – Against Named Insured's only for site related activities.
- 17) Public / Local Authority maximum limit SAR 50,000 any one Occurrence and in the aggregate.
- 18) Plans and Documents Clause Limit: SAR 50,000 in the aggregate.
- 19) Errors and omission Clause - Limit: SAR 100,000 in the aggregate.
- 20) Nominated Loss Adjustor to be agreed
- 21) Subject to No Known Or Reported losses from date of binding coverage, and excluding any loss that have occurred prior to the inception of this policy but was discovered during the period of this policy.
- 22) Primary Insurance Clause subject to prejudice to our subrogation and contribution rights
- 23) Geographical Limits: Kingdom of Saudi Arabia
- 24) Jurisdiction: Kingdom of Saudi Arabia
- 25) Total Liability Clause: All above mentioned Limits are: Unless insured as a separate item and premium paid for, this limit is included within the Sum Insured of that item lost, destroyed, or damaged and is not additional thereto.
- 26) Payment Terms: 100% up front

## WARRANTIES

- 1) Hot Works Warranty**
- 2) House Keeping Warranty**
- 3) No Smoking Warranty**
- 4) Warranted that all sites, offsite storage locations, camps and stores are fenced and guarded 24h / 7d.**
- 5) Warranted adhering to all the Saudi Arabian Building Standards & Protocols**
- 6) Warranted that the site is protected, fenced and necessary warning signs are installed, and the area to be lit up night to warn any third party pass by**
- 7) Warranted that the Insured takes all necessary precautions and actions to avoid and mitigate losses arising out of rain water fall, flash floods or floods**
- 8) Warranted unfinished open trenches are covered with metallic or wooden frames**
- 9) Warranted work area to be cordoned off and necessary warning signs are installed**

## EXCLUSIONS

- 1) Cyber Loss Absolute Exclusion Clause - IUA 09-081 17.05.2019**
- 2) Communicable Disease Exclusion – LMA 5394**
- 3) War and Cyber Operation Exclusion Number 1 – LMA5564A**
- 4) War & Civil War Exclusion NMA 464**
- 5) Nuclear Energy Risks Exclusion Clause (1994) – NMA 1975 (A) (Worldwide Excluding U.S.A. And Canada)**
- 6) Political Risks Exclusion Clause**
- 7) War & Terrorism Exclusion Endorsement – NMA 2918**
- 8) Any act of terrorism and any consequential losses resulting thereof**
- 9) Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause CL370**
- 10) Seepage, Pollution and Contamination Exclusion Clause – NMA 1685**
- 11) Financial Guarantees and Insolvency Guarantee**
- 12) Guarantee of performance, production or efficiency**
- 13) Penalties, fines and liquidated damages and the like**
- 14) Excluding Advanced Loss of Profits / Delay in Start up**
- 15) Space Launch Vehicles and their payload from completion of unloading at Launch Pad**
- 16) Orbiting Satellites and their appurtenances whilst in orbit**
- 17) Employers' Liability/Workmen's Compensation**
- 18) Excluding Decennial business**
- 19) Excluding Offshore risks**
- 20) Asbestos**
- 21) Excluding ex-gratia payments or without prejudice settlements**
- 22) Excluding insolvency funds**
- 23) Excluding gradual pollution**
- 24) Excluding Third Party Liability in the United States of America, Canada and Australia jurisdiction**
- 25) Excluding non-physical damage based triggers**
- 26) Excluding Ukrainian, Russian and Belarussian Exposure**
- 27) Excluding loss or damage arising out of the use of prototypical technology or construction**

- 28) Aero Engines and manufacture of Aero engines and Aero engine breakdown cover**
- 29) Excluding professional indemnity**
- 30) Excluding any works related to tunnels, shafts, underground works**
- 31) Operational underground mining / equipment for mines and wells**
- 32) Drilling of wells (gas, oil). This exclusion shall not apply to the drilling of water wells**
- 33) Sanction and Limitation Exclusion Clause LMA 3100**
- 34) Excluding cost overrun**
- 35) Excluding horizontal and directional drilling**
- 36) Excluding testing and commissioning for used / secondhand machinery**
- 37) Excluding Contractor's plant and equipment**
- 38) Excluding Vibration, Removal or Weakening Support (VRWS)**
- 39) Excluding Dewatering Expenses**
- 40) Excluding cutting out of safety devices**
- 41) Excluding blasting operations**

<b>RATE</b>	: 0.9 %o on total sum insured of SAR 11,400,000
<b>PREMIUM</b>	: <b>SR 10,260 + SR 25 Policy Fees + 15% VAT</b>
<b>SUBJECTIVITIES</b>	<p><b>1) Photos</b>            Subject to providing up to date copies digital photographs of all sites. The photographs should show the site itself, including any existing property, and all surrounding buildings and geographical features.</p> <p><b>2) Survey Requirement</b>            For all construction risks with a sum insured in excess of SAR 40,000,000/- a survey report must be obtained</p> <p><b>3) Claim Experience</b>            Subject to providing the contractor's last 5 projects, or the projects he carried out in the last 5 years where this involved fewer than 5 projects. This would include a description of the projects and details of any material insurance claims made by, or against, the Contractor in the relevant period under its Engineering insurance. For the purposes of this section, material claims are taken to mean claims of SAR 100,000/- or more. In addition, the contractor must provide a list of all claims arising from any bonds (e.g. Advance Payment Bonds or Performance Bonds) in the last 5 years.</p> <p><b>4) Bill of Quantity</b>            Subject to providing a breakdown of sum insured into major risk components that together sum to the total contract sum insured. This should include items such as Permanent Works, Temporary Works, Materials Supplied by the Principal, Owned Plant &amp; Machinery, Leased Plant &amp; Machinery, Debris Removal, Professional Fees, etc...</p>

## 5) Project Management and Financing

Subject to providing project management and financing of the construction as follow:

- Copy of the project scope and objectives, setting out the specific activities that are the responsibility of the contractor and any subcontractor.
- Copy of the method statement from the contractor, containing a brief description of how the contractor intends to complete the project.
- Copy of the project manager's risk review, and risk register.
- Copy of the project risk mitigation strategy document, setting out the measures to be taken to avoid, reduce or transfer risks.
- Details on the risk management strategy to be adopted within the project. This should set out at a minimum how frequently the risk will be reviewed, the Risk Register updated, and the risk mitigation strategy updated.
- Copy of the project contingency plans.
- Copy of any agreement that imposes specific insurance or risk management criteria on the contractor (if available).
- Copy of any clauses in the works contract or tender documentation that specifies the types of insurance required for the project along with a breakdown of the prices that the Contractor is charging to carry out the work.

## 6) GPS Coordinates

Location map should be provided using a standard mapping application such as Google Maps or Apple Maps. A scale drawing of the site layout should be superimposed on the map and the path of risk (such as roads or cabling projects) must be clearly shown on the map giving GPS coordinates every 10 km along the path.

SIMAH

: CONSENT STATEMENT ENQUIRY AND DATA SHARING FOR INSURANCE

I the Hereby, undersigned (Agent/Authorized person (on behalf of the Business / Company) agree to provide Liva Insurance Company with any information that it requires for issuing an insurance policy and/or auditing and/or administering my accounts and facilities therewith.

I authorize it to obtain, collect, disclose and share any information as it deems necessary or in need for issuing an insurance policy of all types (active and closed) and/or any other financial obligation from/to the Saudi Credit Bureau (SIMAH) through the membership agreement signed with the company.

<b>VALIDITY</b>	<p>: This indication is valid for a period of fifteen (15) days from the date of indication shown above and should not be considered as a final commitment from ourselves. The effective date starts after your approval, and a formal acceptance by our Company has been made. The offer is always subject to no deterioration in loss record up till inception date or binding date whichever comes later.</p> <p><b>Liva is not required to bind coverage prior to the receipt, review and underwriting approval of the below information/documents:</b></p> <ul style="list-style-type: none"><li>• Completed signed &amp; stamped KYC Form.</li><li>• CR copy.</li><li>• Copy of ID of the authorized person to transact on behalf of the customer.</li><li>• National Address</li><li>• VAT Certificate</li></ul>
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**Signed for and on behalf of Liva Insurance Company**

