

HEAVY EQUIPMENT SPECIAL RISKS POLICY

The Insured described in the Schedule hereto has applied to

**PT ASURANSI BANGUN ASKRIDA
(hereinafter called "the Insurer")**

by a proposal and declaration which the Insured has agreed shall be deemed to be of a promissory nature and effect and the basis of this Contract and is deemed to be incorporated herein and has paid or agreed to pay the premium as consideration for such insurance.

That the Insurer shall, subject to the terms, exceptions and conditions contained herein or endorsed indemnify the Insured against loss of or damage to the property described in the Schedule hereto, caused by ALL PERILS except provided herein.

GENERAL EXCEPTIONS

The Insurer shall not be liable in respect of :

1. Any accident, loss, damage, expense occasioned by or through or in consequence either directly or indirectly of :
 - 1.1. War, invasion, act of foreign enemy, hostilities warlike operations (whether war be declared or not), civil war
 - 1.2. Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power
 - 1.2. Earthquake, volcanic eruption, landslide, flood, tsunami, typhoon or another symptom of geology or meteorology and Excluded PerilsIn any action, suit or other proceeding where the Insurer alleges that by reason of the provisions of this General Exception any accident, loss, damage, expense is not covered by this insurance, the burden of proving that such accident, loss, damage, expense is covered shall be upon the Insured.
2. Any accident, loss, damage or expense occasioned by or through or in consequence, directly or indirectly of confiscation, commandeering, requisition or destruction of or damage to the property by order of the Government de jure or de facto or any public, municipal or local authority of the country or area in which the property is located.
3. Any accident, loss, damage or expense directly or indirectly caused by or arising from or in consequence of or contributed to by :
 - 3.1. nuclear weapon material
 - 3.1. ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel and, solely for the purpose of this General Exception, combustion shall include any self sustaining process of nuclear fission.
4. Consequential loss or damage of any kind.

EXCLUDED PERILS

Unless expressly stated to the contrary, the Insurer shall not be liable for :

1. Loss or damage caused by wear and tear or gradual deterioration.
2. Loss or damage caused by faulty manufacture, installation, repairing or occasioned by

inherent character of the insured property

3. Loss or damage caused by breakage during installation, repairing or dismantling, nor breakage during transportation unless caused by fire, lightning, collision, derailment or overturning vehicles.
4. Loss or damage caused by neglect of the Insured to use all reasonable means to save and preserve the property at and after any disaster insured against.
5. Loss or damage caused by dampness or atmosphere or extreme of temperature
6. Loss or damage to the canopy unless such loss or damage is caused by the equipment overturning.
7. Loss or damage to tyres or tubes due and confined to blow out, bruises, cuts or other causes inherent in the use of equipment, unless such damage is the result of other loss covered by this Policy.
8. Loss or damage to equipment licensed for highway use, aircraft or watercraft.
9. If the property hereby insured shall on the happening of any loss or damage be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own insurer for the difference, and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to the condition.
10. Loss or damage caused by or resulted from Third Party or General Public Liability.
11. In the case of loss or damage from perils insured against to any part of machine, consisting when complete for sale or use of several parts, the Insurer shall be liable only for the insured value of the part lost or damaged.
12. Loss or damage to electrical appliances, devices, apparatus or machinery of any kind, including wiring caused by electrical currents artificially generated unless fire ensues and then only for this Insurer's proportion of loss caused by such ensuing fire.
13. Loss or damage occasioned by the weight of a load exceeding the registered lifting or supporting capacity of the machine.

It is also agreed that no claim shall be made under this Policy unless the loss or damage caused exceeds the deductibles stated in the Schedule and then this Insurer shall only be liable for the amount of loss in excess of deductible stated in the Schedule not exceeding, however, the amount of this Policy.

Subject otherwise to the General Exceptions and Conditions of this Policy

CONDITIONS

1. **NOTICE AND PROOF OF LOSS.** The Insured shall as soon as practicable report to this Insurer or its agent every loss or damage which may become a claim under this Policy and shall also file with the Insurer or its agent within ninety (90) days from date of loss a detailed sworn proof of loss. Failure by the Insured to report the said loss or damage and file such as herein before provided shall invalidate any claim under this Policy for such loss.

The Insured shall, if required by the Insurer produce or give access to any property alleged to be damaged and the Insured shall be bound to satisfy the Insurer by such reasonable evidence as the Insurer may require that the loss or damage in respect of which a claim is made has actually arisen from one of the risks insured against.

2. **ARBITRATION.** If any difference arises as to the amount of any loss or damage, such difference shall independently of all other questions 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 disinterested persons as arbitrators, of

whom one shall be appointed in writing by each of the parties within two calendar months after having been required so to do in writing by the other party.

In case either party shall refuse or fail to appoint an arbitrator within two calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole arbitrator and in case of disagreement between the arbitrators the difference shall be referred to the decision of an Umpire who shall have been appointed by them in writing before entering on the reference, and who shall sit with the arbitrators and preside at their meetings. The death of any party shall not revoke of effect the authority or powers of the arbitrator, arbitrators or umpire respectively and in the event of death of an arbitrator or umpire, another shall in each case be appointed in his stead by the party or arbitrators (as the case may be) by whom the arbitrator or umpire so dying was appointed. The costs of the reference and of the award shall be at the discretion of the arbitrator, arbitrators or umpire making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such arbitrator, arbitrators or umpire of the amount of the loss or damage if disputed shall be first obtained.

3. **OTHER INSURANCE.** It is a condition of this Policy that it shall not cover any property to the extent that it is directly covered by other insurance (whether Fire, Marine or other Policy or policies) whether prior or subsequent hereto or simultaneous herewith in date and by whomsoever effected, and this Insurer shall be liable for loss or damage covered hereunder only for the excess value beyond the amount collectible from such other insurance, but not exceeding the limits of liability set forth herein.
4. **BENEFIT OF INSURANCE.** It is warranted, that this insurance shall in no case inure directly or indirectly to the benefit of any carrier, bailee or other party by stipulation in bill of lading or otherwise and any breach of this warranty shall render this Policy null and void.
5. **EXEMPTING OTHERS FROM LIABILITY.** Any act or agreement by the Insured prior or subsequent hereto or simultaneous herewith in date, whereby any right of the Insured to recover in full value of or amount of damage to any property lost or injured and insured hereunder, against any carrier, bailee or other party liable therefore, is released, impaired or lost, shall render this Policy null and void, but the right to retain or recover the premium shall not be affected. This Insurer is not liable for any loss or damage which, without its consent, has been settled or compromised by the Insured. The Insured may however, accept the ordinary bills of lading issued by carriers without prejudice to this insurance but the Insured agrees not to enter into special agreement with the carriers releasing them from their common law or statutory liability.
6. **SUBROGATION OF RIGHTS.** The Insured shall at the expense of the Insurer, do and concur in doing and permit to be done, all such acts and things as may be necessary or required by the Insurer for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the Insurer shall be or would become entitled or subrogated, upon its paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Insurer.
7. **REDUCING CLAUSE.** Loss incurred hereunder shall reduce the amount of insurance on the property lost or damaged by the amount of the loss until the said amount be made good by additional insurance with pro rata additional premium paid therefore.

8. **MACHINERY.** In case of loss or damage from perils insured against to any part of a machine, consisting when complete for sale or use of several parts, this Insurer shall be liable only for the insured Value of the part lost or damaged.
9. **VALUATION.** Unless otherwise specifically stated herein, this Insurer shall not be liable beyond the actual cash value of the property at any time any loss or damage occurs, and in no event for an amount in excess of that specified in the Policy, and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused and shall in no event exceed what would then cost the Insured to repair or replace the same with material of like kind and quality said ascertainment or estimate shall be made by the Insured and this Insurer, or, if they differ, then by arbitrators. As herein provided, it shall be optional, however, with this Insurer to take all or any part of the articles as such ascertained or appraised value and also to repair or replace the property lost or damaged with other of like kind and quality within a reasonable time on giving notice within thirty days after receipt of the proof herein required, of its intention so to do, but there can be no abandonment to this Insurer of the property described.
10. **AVERAGE (CO-INSURANCE).** If the property hereby insured shall, on the happening of any loss or damage be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own Insurer for the difference, and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to this condition.
11. **ASSIGNMENT.** The assignment of this Policy, or this subrogation of any right hereunder to any party without the written consent of the Insurer, shall render this insurance null and void.
12. **CANCELLATION OF THE INSURANCE.** The insurance may be terminated at any time at the request of the Insured, in which case the Insurer will retain the customary short period rate for the time the Policy has been in force. The insurance may also at any time be terminated at the option of the Insurer or notice to that effect being given to the Insured in which case the Insurer shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.
13. **MISDESCRIPTION.** This Policy shall be void if the Insured has concealed or misrepresented any material fact or circumstances concerning this insurance or the subject thereof or in any case of any fraud, attempted fraud or false swearing by the Insured touching any matter relating to this insurance or the subject thereof, whether before or after a loss.
14. **TIME LIMIT FOR INSURER'S LIABILITY.** In no case whatever shall the Insurer be liable for any loss or damage after the expiration of twelve months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration.
15. **NOTICES.** Every notice and other communication to the Insurer required by these conditions must be written or printed.