

1. Insurance

1.1 The University has, through its Appointed Insurance Broker, arrange with Appointed Insurer for blanket insurance policies providing the following insurances for its Contracts:

- (a) Contractors' All Risks Insurance
- (b) Work Injury Compensation Insurance

The Contractor is to note that he is however still responsible for the payment of premium for these insurances.

The insurance arrangement shall not in any way reduce the Contractors' liability in relation to: -

- (i) his responsibility to make good at his own expense, such loss or damage to Works for which he is held liable/responsible under the Contract; and
- (ii) his liability to indemnify the University under the Contract in respect of bodily injury to persons or damage to property

1.2 The coverage provided by the insurances specified in **Clause 1.1** shall be as follows:

Contractors' All Risks Insurance

- (i) loss or destruction of or damage caused to the Works including any unfixed materials or other thing delivered to the Contract site for incorporation therein during the Contract Period plus Defects Liability Period, for loss or destruction of or damage arising from a cause occurring prior to the commencement of the Defects Liability Period and for any loss or destruction of or damage occasioned by the Contractor in the course of any operation carried out by him for the purpose of complying with his obligations under the Contract.
- (ii) loss or destruction of or damage caused to existing property belonging to the University from any cause in relation or in connection with the execution of the Contract, subject to a limit of S\$1,000,000 in the aggregate (on first loss basis); and
- (iii) liability for damage, loss which may occur to any third party property, or injury to any person, caused by or arising out of the execution of the Services or in carrying out of the Contract.

Work Injury Compensation Insurance

- (i) liability for payment of compensation to employees for injury suffered in the course of their employment by the Contractor or any of his sub-contractors on the Site under the Work Injury Compensation Act (Cap. 354) or any statutory modification or amendment or re-enactment thereof during the Contract Period plus Defects Liability Period, for loss or destruction of or damage arising from a cause occurring prior to the commencement of the Defects Liability Period and for any loss or destruction of or damage occasioned by the Contractor in the course of any operation carried out by him for the purpose of complying with his obligations under the Contract.

1.3 A summary of the details of cover provided by the insurances specified in **Clause 1.1** is as follows:

Contractors' All Risks

- Insured Parties - Contractor and his sub-contractors of all tiers, the University as the Employer/Principal and representative of consultants and Employer/Principal only in respect of their on-site activities
- Section 1: Insurance for Project Works
 - Sum Insured:
 - (i) Contract value
 - (ii) Professional Fees (10% of Contract Sum)
 - (iii) Removal of Debris (5% of Contract Sum)

- (iv) Cover for Existing Property: S\$1,000,000 in the aggregate (on first loss basis, subject to the provisions of the Reinstatement of Loss Clause)
- Excess:
 - In respect of Project Development
 - (i) S\$15,000 or 10% of loss whichever is the higher in respect of loss, destruction or damage due to defective design plan specification material workmanship
 - (ii) S\$15,000 or 10% of loss whichever is higher in respect of loss, destruction or damage to temporary structures, piling, sub-structures and basement works
 - (iii) S\$15,000 in respect of loss, destruction or damage by flood, fire, storm, tempest, typhoon, frost, earthquake, subsidence, landslip or collapse
 - (iv) S\$3,500 in respect of any other loss, destruction or damage
 - In respect of Direct Fit-Out Contracts and Renovation and Redecoration Contracts and Term Contracts
 - (i) S\$2,000 for each and every occurrence
- Section 2: Liability to Third Party
 - Limit of Indemnity: S\$10,000,000.00 any one occurrence and unlimited for any one period
 - Excess:
 - In respect of Project Development
 - (i) S\$15,000 or 10% of loss amount whichever is the higher in respect of loss or damage to third party property caused by collapse, subsidence, vibration, weakening or removal of support or lowering of ground water, Riba 19(2)(a)
 - (ii) S\$15,000 or 10% of loss amount whichever is the higher in respect of loss or damage to underground services
 - (iii) S\$3,500 in respect of other third party property damage
 - In respect of Direct Fit-Out Contracts and Renovation and Redecoration Contracts and Term Contracts
 - (i) S\$2,000 in respect of third party property damage
- Period of Insurance shall be the same as the Contract Period as specified in the Requirement Specifications
- The Contractors' All Risks specimen insurance policy with the detailed terms and conditions is shown in Exhibit A and can be downloaded from the University's website at <https://www.ntu.edu.sg/odfm> under Useful Information → Tender/Contract Documents → "Exhibit A - Specimen Contractors' All Risk Insurance Policy".

Work Injury Compensation

- Insured Parties – all employees of the Contractor and his sub-contractors of all tiers and the University as the Employer/Principal
- Cover
 - Statutory Liability under The Work Injury Compensation Act, (Chapter 354)
 - Liability at Common Law (Limit: S\$10,000,000 any one occurrence)
- Period of Insurance shall be the same as the Contract Period as specified in the Appendix
- The Work Injury Compensation specimen insurance policy with the detailed terms and conditions is shown in Exhibit B and can be downloaded from the University's website at <https://www.ntu.edu.sg/odfm> under Useful Information → Tender/Contract Documents → "Exhibit B - Specimen Work Injury Compensation Insurance Policy".

* The Appointed Insurer will be issuing the Contractors' All Risks and Work Injury Compensation insurance policies as specified in **Clause 1.1**, **Clause 1.2** and **Clause 1.3** and the terms and conditions are similar, if not identical to the terms and conditions contained in specimen policies attached as Exhibit A & Exhibit B for Contractor's review. However, any difference in the terms and conditions between the actual insurance policies and specimen insurance policies Exhibit A & Exhibit B shall not entitle the Contractor to any variation to the Contract.

For the purpose of Contract pricing, the Contractor shall assume the following insurance premium rates:

- Contractors' All Risks Insurance – 0.10%
- Work Injury Compensation Insurance – 0.60%

A minimum premium at S\$750 per policy applies.

The premiums for the above insurances shall be calculated as follows:

Contractors' All Risks

Premium = (Contract Sum + additional 10% for Cover for Professional Fees + additional 5% for Cover for Removal of Debris) x 0.10%

Work Injury Compensation

Premium = Contract Sum x 20% (for estimated wage roll) x 0.60%

The Contractor shall allow for the calculated premiums as well as cost of his insurance obligations and all necessary attendance in connection with the above-mentioned insurance as well as other lines of insurance he takes up on his own accord.

- 1.4 Upon the award of Contract, the Contractor shall be responsible for the declaration of the Contract to the Appointed Insurer within fourteen (14) days of award to effect the insurances as specified in **Clause 1.1**, **Clause 1.2** and **Clause 1.3**. Tax Invoice for both insurances will be issued by the Appointed Insurer to the Contractor as a formal request for payment within five (5) working days from Contractor's declaration of Contract. The Contractor shall thereafter make the necessary payment to the Appointed Insurer in accordance to the Premium Payment Warranty Clause (in no case should premium payment be settled later than 60 days from the commencement of Works. Official receipts issued by the Appointed Insurer within five (5) working days from receipt of premium payment shall be submitted by the Contractor to the University as proof of insurance placement.
- 1.5 The Contractor shall be responsible for any exceptions contained in the policies and bear the amount of any excess(es) stated therein.
- 1.6 The Contractor shall adhere to and comply in a timely and co-operative manner with all insurance provisions, requirements or procedures as indicated herein or as may be further specified, either by the University and/or the Appointed Insurance Broker and/or the Appointed Insurer and shall bear at his own cost the consequences of any failure so to do.

The Contractor shall ensure similar compliance from any sub-contractors that may benefit from the University's insurances as described but any contingent liability arising out of the Contractor's failure to secure compliance from such sub-contractors shall be for the sole account of the Contractor and shall not be covered as a claim under the pre-arranged insurances.

The Contractor shall provide access and render co-operation to, including additional information relating to the Works as may be required by the Appointed Insurer, and attend to any site visits by risk engineers appointed by Appointed Insurer. Such visits, if required, are for the purpose of providing the Appointed Insurer the means of ensuring that the measures implemented by the Contractor and/or their sub-contractors are reasonable and sufficient to avoid or prevent any mishap or accident from occurring in the course of carrying out the Works. If, in the opinion of the risk engineers and/or the S.O./the University, additional measures become necessary to prevent or avoid any potential occurrence of any mishap or accident, such costs and expenses incurred in implementing such measures shall be borne by the Contractor.

The University shall, through its Appointed Insurance Broker provide the Contractor with an appropriate loss procedure and claims handling manual as well as reporting forms relative to the pre-arranged insurances and required declarations thereunder. Contact details shall be provided to the Contractor upon Contract Award

The Contractor shall, at his own expense, notify, prepare, negotiate and settle all claims with the Appointed Insurer, appointed loss adjuster(s) and/or the Appointed Insurance Broker. If the Contractor fails to promptly attend to such notification, preparation, negotiation or settlement of claims with the Appointed Insurer, appointed loss adjuster(s) and/or the Appointed Insurance Broker, the University may, without prejudice to any right that he may have against the Contractor, reserve the option to settle the same with the said parties. Any settlement reached between the University and the Appointed Insurer shall be binding upon the Contractor.

Monies, if and when received from the Appointed Insurer in respect of material damage to the existing property belonging to the University, shall be paid in the first place to the University and then (less only the percentage for the professional fees) released to the Contractor by installments in the course of making good the damaged property.

- 1.7** The Contractor shall be responsible for ensuring that the insurances as specified in **Clause 1.1** shall remain in full force for the entire Contract Period including any extension thereto. If any extension of Period of Insurance is required regardless of cause, the Contractor is responsible for making the necessary arrangements via the Appointed Insurer. The Contractor shall be responsible to settle any additional premium associated with such extension(s) upfront, and if in his opinion that such additional premium is contributed by an Extension of Time granted by the University, he shall provide substantiation in a claim for premium reimbursement.

The Contractor shall be responsible for the additional premiums incurred in maintaining in full force the insurance under Section I of the Contractors' All Risks insurance, in the event that loss or destruction of or damage is caused to the Works and existing property belonging to the University for which the Appointed Insurer is liable.

The Contractor shall submit to the University the official receipts and/or endorsements issued by the Appointed Insurer as proof of the extension of Period of Insurance within 30 days of the commencement of such extension.

- 1.8** Should the Contractor fail to make payment for the insurances as specified in **Clause 1.1** including any necessary extensions within the stipulated period (and thus fail to keep in force the insurances as specified in **Clause 1.1**), the University (without prejudice to any other rights and remedies available) may himself make payment to the Appointed Insurer and the total costs incurred (including late payment expense or charges incurred, if any) paid by the University shall be recoverable from the Contractor. The University may at its discretion from time to time deduct the total costs incurred as aforesaid from any monies due or which may become due to the Contractor or recover the same as debt due from the Contractor.

- 1.9** The Contractor shall at his own expense provide in addition but not be limited to the following insurances, insofar as they may be applicable:

- (i) for loss or damage to materials, construction equipments and other items whilst in the course of transport to the Contract site (other than transit in land within the territorial limit)
- (ii) for loss or damage to construction plant and equipment and other items brought on to the Contract site by the Contractor for use in the execution and completion of the Works, including whilst in the course of transport of such items to the Contract site;
- (iii) for liability to third parties for all owned, leased, hired or non-owned mechanically propelled vehicles used or operated in the performance of the Contract by or on behalf of the Contractor on public highways or elsewhere such as to be eligible for compulsory Motor Vehicle Insurance under the provisions of the Laws of Singapore;
- (iv) for liability to third parties for all aircraft or any waterborne vessel or craft used or operated in the performance of the Contract by or on behalf on the Contractor, if such use is required; and
- (v) for liability to worker or employees of the Contractor not covered under the insurances referred to **Clause 1.1**, **Clause 1.2** and **Clause 1.3**.

- 1.10** The Contractor shall be entitled to and at his own expense provide for his own account or that of any sub-contractor, supplier, vendor or similar party such other forms of insurance, additional limits of liability, coverage for additional exposures or risks encountered during the course of the Works and the like as he may deem necessary.
- 1.11** Any liability, cost or expense arising out of the failure of the Contractor to comply with **Clause 1.9**, or failure by any party to maintain insurance as specified in **Clause 1.10** shall be for the sole account of the Contractor.