

Clauses to the General Terms and Conditions of Erection All Risks (EAR) (TK AmoB 2008)

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Insured items

TK 7101 Third party property

1. In addition to Section A § 1 No. 2 b), third party property is insured.

Third party property is property which not does not constitute part of the erection works or the erection equipment, and which is not the property of the policyholder or the insured person who caused the loss.

Where the customer is the policyholder or a co-insured party, his property shall be regarded as third party property just the same.

2. In addition to Section A § 2, the insurer shall pay compensation for losses to third party property if such property is damaged or destroyed at the insurance location by an activity involving the property conducted by the policyholder or on his behalf in the course of the erection.

Where the customer is the policyholder or a co-insured party, the insurance shall also cover losses caused by assembly operations conducted by the customer or on his behalf.

Compensation shall only be paid if the policyholder or the co-insured companies are subject to claims by a third party as the perpetrator of a loss.

This shall not apply in the case of damage to the customer's property which the customer causes himself.

3. Pursuant to Section A § 7 No. 3, third party property is only insured for first loss up to the amount of the respectively agreed sum insured.

TK 7102 Third party property (extended cover)

1. In addition to Section A § 1 No. 2 b) third party property is insured.

Third party property is property which not does not constitute part of the erection works or the erection equipment, and which is not the property of the policyholder or the insured person who caused the loss.

Where the customer is the policyholder or a co-insured party, his property shall be regarded as third party property just the same.

2. In addition to Section A § 2 the insurer shall pay compensation for losses/damage to third party property

a) if such property is damaged or destroyed at the insurance location by an activity involving the property conducted by the policyholder or on his behalf in the course of the erection. Where the customer is the policyholder or a co-insured party, the insurance shall also cover losses caused by assembly operations conducted by the customer or on his behalf;

b) which is damaged or destroyed even though it is not involved in an activity, provided that the policyholder is contractually liable beyond the statutory regulations for such losses.

Compensation shall only be paid if the policyholder or the co-insured companies are subject to claims by a third party as the perpetrator of a loss.

This shall not apply in the case of damage to the customer's property which the customer causes himself.

3. Pursuant to Section A § 7 No. 3, third party property items is only insured for first loss up to the amount of the respectively agreed sum insured.

TK 7103 Mobile cranes and erection equipment vehicles

1. In addition to Section A § 1 No. 2 a), the mobile cranes and other vehicles designated in the insurance policy are insured. Other vehicles are only insured if and for as long as they have not been officially registered.

2. In addition to Section A § 1 No. 3, damage to caterpillar tracks and rubber tyres is only covered if caused by an accident involving the insured vehicle.

TK 7104 Floating erection equipment

1. In addition to Section A § 1, the floating equipment designated in the insurance policy is insured as erection equipment.

Non-binding translation into English. Legally relevant is alone the original German text!

2. In addition to Section A § 2 No. 4, notwithstanding contributory causes the insurer shall not pay compensation for losses caused by
- a) fire, lightning or explosion;
 - b) hull accidents;
 - c) sinking.

TK 7105 Property of assembly personnel

In addition to Section A § 1 No. 2 b), property belonging to assembly personnel is covered at the specified insurance location abroad.

The insurance does not cover jewellery, items made of gold and silver, cash, securities, food or luxury foodstuffs, alcohol or tobacco.

TK 7106 Used erection works

The insurable value of erection works or parts thereof which were already in operation shall be derived from the price which would have to be paid for equivalent, new works including freight, erection and customs and excise duties (reinstatement value).

Insured risks

TK 7208 Mining losses/losses underground

In addition to Section A § 2 No. 4, and notwithstanding contributory causes, the insurer shall not pay compensation for damages to or losses of insured property underground caused by firedamp, intrusion of water or sand or due to the collapse of shafts or galleries.

TK 7209 Operational failure of erection equipment

1. Notwithstanding Section A § 2 No. 2 b), the insurer shall not pay compensation for damage to or loss of erection equipment pursuant to Section A § 2 No. 1.
2. In addition to Section A § 2 No. 4, and notwithstanding contributory causes, the insurer shall not pay compensation for damage caused by normal operation-related or operation-related premature wear and tear or aging; however, compensation shall be paid for consequential damages to adjoining parts of the erection equipment.

TK 7210 Exclusion of losses caused by fire, lightning, explosion

In addition to Section A § 2 No. 4, and notwithstanding contributory causes, the insurer shall not pay compensation for damage or losses caused by fire, lightning or explosion, collision or crash of an aircraft, its parts or cargo.

TK 7211 Manufacturer's risk

In addition to Section A § 2 No. 4, and notwithstanding contributory causes, the insurer shall not pay compensation for damage or losses caused by design flaws, casting or material faults or due to calculation or workshop errors insofar as a third party is responsible for them as the supplier (manufacturer or dealer), contractor or on the basis of a repair order or without special agreements regarding the individual case.

TK 7212 Force majeure

In addition to Section A § 2 No. 4, and notwithstanding contributory causes, the insurer shall not pay compensation for damage or losses caused by force majeure.

TK 7214 Floating erection works

In addition to Section A § 2 No. 4, and notwithstanding contributory causes, the insurer shall not pay compensation for damage or losses caused by the sinking of floating erection works.

TK 7218 Extended trial phase

Notwithstanding Section A § 2 No. 4 b) ee), the specified period shall be replaced by a period of ___ months.

TK 7232 Representatives

The policyholder or the co-insured parties must assume responsibility for the knowledge and conduct of their representatives.

Representatives are, in the case of

public limited companies	the executive board and the fully authorised representatives
companies with limited liability	the managing directors
limited partnerships	the general partners
general partnerships	the associates
partnerships under the German Civil Code	the associates
sole proprietorships	the proprietors
other forms of enterprise (e.g. cooperatives, unions, public corporations, municipalities)	the highest appointed representative organs
foreign enterprises	the corresponding group of persons

For the policyholder or the co-insured party, the assembly and construction supervisors acting on their behalf shall also be deemed to be their representatives.

TK 7236 Civil commotion

1. Notwithstanding Section A § 2, the insurer shall pay compensation for losses caused by civil commotion.
2. Civil commotion is deemed to prevail when significant numbers of the population act in such a way as to disrupt public peace and order and resort to violence against persons or property.
3. Notwithstanding contributory causes, losses caused by force majeure are not insured.
4. An entitlement to compensation shall not exist insofar as compensation can be claimed on the basis of a public right to compensation.
5. Notwithstanding Section A § 8 No. 5, the limit of compensation is the amount specified in the insurance policy.
6. Insurance cover for this risk can be terminated at any time. Termination becomes effective 2 weeks after receipt of notice of termination.

TK 7237 Strike, lockout

1. Notwithstanding Section A § 2 No. 3 b), the insurer shall pay compensation for losses caused by strikes or lockouts.
2. Insurance cover for these risks can be terminated at any time. Termination becomes effective 2 weeks after receipt of notice of termination.

TK 7254 Radioactive isotopes

1. In addition to Section A § 2, the insurer shall only pay compensation for a property loss insured on the merits up to the sum specified in the insurance certificate on first loss basis for damage to insured property caused by radioactive isotopes present for operational reasons.
2. The sum insured according to No. 1 shall not be reduced by the fact that compensation is paid.

TK 7255 Radioactive isotopes (including damage to non-insured property)

1. In addition to Section A § 2, the insurer shall only pay compensation for a property loss insured on the merits up to the sum specified in the insurance certificate on first loss basis for damage caused by radioactive isotopes present for operational reasons
 - a) to insured property;
 - b) to non-insured items due to their decontamination.

Non-binding translation into English. Legally relevant is alone the original German text!

2. The sum insured according to No. 1 shall not be reduced by the fact that compensation is paid.

TK 7260 Erection risk in the range of bodies of water or in the range of ground affected by bodies of water

1. In addition to Section A § 2 No. 4, and notwithstanding contributory causes, the insurer shall not pay compensation for losses caused by normal water flow or normal water levels of bodies of water or ground water which is affected by bodies of water.

Notwithstanding Section 1, the insurer shall pay compensation for losses caused by the intrusion of water or a rise in the ground water level if such losses result from a different, indemnifiable loss event.

2. Notwithstanding Section A § 2 No. 4 b), the insurer shall pay compensation for losses caused by high water or by a rise in the ground water level due to high water when the following water levels or water quantities are exceeded:

Bodies of water:

Level:

River mile:

Zero level: metres above sea level

Water levels/water quantities:

November	December	January	February	March	April

May	June	July	August	September	October

3. If water levels or water quantities pursuant to No. 2 were not agreed, then they shall be replaced for each month by the highest water level or the highest water quantity recorded in the last ___ years at the insurance location according to meteorological statistics.

An extraordinary peak value according to the statistics shall remain unaffected. An extraordinary peak value is the value which exceeds the next lowest by more than ___ %.

If there are no statistical data available for the insurance location itself, neutral (e.g. official or local) data from the nearest level measurement or reference points shall be used for conversion or reference for the insurance location.

4. Before an insured event occurs and in addition to Section B § 8 No. 1 a), the policyholder shall be required to build sheet piling and dams, bracing and auxiliary constructions

a) which are stable and

b) carry out the necessary measures to ensure that their stability is maintained at all times.

If the policyholder breaches its obligations specified under No. 4 above either deliberately or due to gross negligence, the insurer may be entitled to terminate the policy and released from its obligation to pay compensation pursuant to Section B § 8.

If the breach of the obligation leads to an increase in risk, Section B § 9 clause 2 shall apply. Consequently, the insurer may be entitled to terminate the policy and released from its obligation to pay compensation.

TK 7290 Extended maintenance

1. After the end of the insurance cover according to Section B § 3, the insurer shall pay compensation during the run-off cover period of ___ months for losses to insured property pursuant to Section A § 2.

a) which are caused by supplementary performance within the scope of the contractually agreed obligations;

b) which are caused during the term of the insurance cover pursuant to Section B §§ 2, 3 at the insurance location.

2. In addition to Section A § 2 No. 4, the insurer shall not pay compensation for losses which result from manufacturing, production, planning, material and design errors and from faulty works.

TK 7291 Visit maintenance

After the end of the insurance cover according to Section B § 3, the insurer shall pay compensation during the run-off cover period of ___ months for damages pursuant to Section A § 2 to the insured items caused by supplementary performance within the scope of the contractually agreed obligations

Insured interests

TK 7364 Co-insurance of customer interest

1. In addition to Section A § 4 No. 1, the interest of the customer in his own and in the insured supplies and services of the contractor is insured provided that the customer is liable for the losses pursuant to the contract with the contractor.

2. In addition to Section A § 6 No. 1, the insurable value for the insured erection works shall include the customer's own performance.

TK 7365 Customer as policyholder

1. Notwithstanding Section A § 4 No. 1, the following shall apply:
- a) The insurance covers the interest of the customer as the policyholder;
 - b) the insurance covers the interest of all contractors involved in the contract with the customer including any subcontractors, each with their supplies and services, provided that the interest of individual contractors is not expressly excluded.
2. In addition to Section A § 6 No. 1, the insurable value shall be derived from the final manufacturing costs of the whole insured erection works including the policyholder's own performance.

Compensation

TK 7720 Work and express freight surcharges

In addition to Section A § 8 No. 2, the insurer shall pay compensation for additional costs due to overtime, Sunday, public holiday and night work and of urgent and express freight.

TK 7723 Disassembly and re-erection costs due to a defect

Notwithstanding Section A § 8 No. 2 d) aa), the insurer shall pay compensation for ___ % of the disassembly and reassembly costs which, irrespective of the occurrence of an insured event, would have to be expended to eliminate a defect.

TK 7793 Limit of indemnity for natural hazards

In addition to Section A § 7, and notwithstanding any other provisions of this agreement, the limit of compensation for losses caused by the natural hazards of earthquake, storm and flood shall amount to _____ Euro. This sum shall be available ___ times per risk for the entire term of the insurance policy.

TK 7794 Limit of indemnity for natural hazards (annual contracts)

In addition to Section A § 7, and notwithstanding any other provisions of this agreement, the limit of compensation for losses caused by the natural hazards of earthquake, storm and flood shall amount to _____ Euro. This sum shall be available ___ times per risk and per insurance year of the insurance policy.

**General part – Section B
(Duties of disclosure, obligations etc.)**

TK 7825 Brokers

The broker dealing with the insurance policy is authorised to accept notices and declarations of intent from the policyholder. He is obliged by the broker contract to pass these on to the insurer immediately.

**TK 7850 Co-insurance and litigation clause for Engineering
Insurance Lines**

1. In the case of policies underwritten by several insurers, each insurer shall only be liable for its share and not as joint and several debtors.
2. The leading insurer is authorised to accept notices and declarations of intent of the policyholder for all the participating insurers and to terminate the insurance policies in their name within the scope of Section B § 8 No. 1.
3. The declarations issued by the leading insurer or agreements concluded with the policyholder are binding for the participating insurers. However, without the consent (agreement or approval) of the participating insurers, each of which must make its own decision, the leading insurer shall not be authorised
 - a) to increase sums insured and/or compensation limits beyond the percentage values or maximum amounts specified in the insurance certificate. This shall not apply to adjustments of the sums insured within the scope of the provisions for the contractual accounting procedures (sum insured/premium);
 - b) to change the termination provisions or the term of the insurance policy. This shall not apply to extensions of the policy term granted on the basis of the provisions agreed in the insurance policy; furthermore, the right of the leading insurer to terminate the policy pursuant to Section B § 8 No. 1 shall remain unaffected;
 - c) to extend the scope of cover, to reduce the deductible and/or the premium.
4. In the event of losses which are expected to exceed EUR 1,000,000 or for which co-insurers are strictly responsible, an agreement must be reached on the request of the participating insurers.
5. Provided that the contractual basis is the same for the participating insurers, the following is agreed:
 - a) In the event of disputes arising from this agreement, the policyholder shall only litigate against the leading insurer and only for its share.
 - b) The leading insurer is authorised by the participating insurers to litigate as claimant or defendant in all legal disputes arising from or in connection with this policy (including the pursuit of recourse claims) also with regard to their shares. A final court ruling against or disputed by the leading insurer shall thus also be regarded by the participating insurers as binding upon them. This shall also apply to settlements arranged with the policyholder after a case has become pending.
 - c) If the share of the leading insurer falls short of the amount in dispute on appeal, the policy holder is entitled and, at the request of the leading insurer, obliged to extend the action to a second or, if necessary, more insurers until this sum is reached. If the policyholder does not comply with this request, No. 5 b) (clause 2) shall not apply.