

BUMACO INSURANCE COMPANY LIMITED

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(Insurance Services with Certainty)

ALL RISK INSURANCE POLICY

(An insurance policy will become invalid retroactive to the date of inception if the full premium payment is not made within seven days of the policy inception, except in the case of motor insurance the premium shall be paid at policy inception).

POLICY NO.

Whereas the Insured described in the Schedule hereto (hereinafter called "the Insured") by a proposal and declaration (dated as stated in the Schedule) which shall be the basis of this contract and is deemed to be incorporated herein has applied to the BUMACO INSURANCE COMPANY LIMITED (hereinafter called "the Company") for the insurance hereafter contained and has paid or agreed to pay the premium stated in the said Schedule as consideration for such insurance in respect of loss, or damage occurring during the period of insurance stated in the said Schedule or during any period for which the Company may accept payment for the renewal of this Policy.

Now this Witnesseth

That subject to the Terms Exceptions and Conditions contained herein and of any endorsement hereon. THE COMPANY AGREES that if the Property insured described in the Schedule hereto, or any part of such Property shall be lost or damaged by any accident or misfortune arising from some fortuitous circumstance whilst within the situation described in the said Schedule, the Company will pay or make good any such loss or damage up to the amount of the Sum Insured in respect thereof

PROVIDED THAT the liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon or in the whole the total sum insured hereby.

PROVIDED ALSO that where the insured item consists of articles in a pair or set, the Company shall not be liable for more than the value of any particular part or parts which may be lost or damaged, nor more than the proportionate part of the pair or set, without reference to any special value which such article or articles may have as part of such pair or set.

THE EXCEPTIONS ABOVE REFERRED ARE:-

- (1) Loss or damage arising from earthquake, earth tremor, volcanic eruption, war, invasion, act of foreign enemy, hostilities or warlike operation (whether was be declared or not) civil war, strike, riot, civil commotion rebellion, military or usurped power.
- (2) Loss or damage arising from wear and tear or depreciation or the action of light or atmospheric conditions.
- (3) Damage and deterioration occasioned by moth or vermin or by any process of cleaning, repairing or restoring.
- (4) Breakage of glass, or over winding, denting and internal to watches or clocks.
- (5) Breakage of articles of a brittle nature (other than Jewellery) unless such breakage be caused by burglars, thieves and/or fire or by accident to any conveyance in which the Property is being transported.
- (6) Loss of Cash, Currency Bank Notes or Negotiable Instruments.
- (7) Loss by delay, confiscation or detention by customs House or other Officials or Authorities.

CONDITIONS

1. This Policy shall be void in the event of misrepresentation; misdescription or non-disclosure in any material particular.
2. Upon the happening of any event giving rise, or likely to give rise to a Claim under the Policy:-
 - a) The Insured shall give notice thereof in writing to the Company immediately the event shall have come to his knowledge, stating the circumstances of the case, and shall take all practicable steps to discover the guilty person or persons, and to recover the property lost and unless such notice be received by the Company within **six weeks** of the happening of such event the Company shall be under no liability for any loss or damage occurring in connection with such event.
 - b) The insured shall deliver to the Company within **seven days** from the date on which the event shall have come to his knowledge, a detailed statement in writing of the loss or damage, with an estimate of the intrinsic value of each article lost, and the amount of the damage sustained.

- c) The Insured shall furnish to the Company all such particulars and evidence, documentary or otherwise, and execute and do all such assurances and things as the Company may reasonably require to substantiate the Claim, to discover and punish the guilty person or persons, to trace and recover the property lost, and to recoup the Company, so far as may be, in respect of the amount they shall pay or be liable to pay under this policy. The Company shall bear the expense of all such particulars, evidence, assurances and things as they may require with the above objects or any of them, other than those required to substantiate the Claim.
3. If the property hereby insured shall, at the time of any loss, be collectively of greater value than the sum insured thereon, 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 Schedule shall be separately subject to this condition.
 4. If the Claim be in any respect fraudulent or intentionally exaggerated or if any fraudulent means or devices be used by Insured or any one acting on his behalf to obtain any benefit under this Policy or if any loss or damage be occasioned by or through the wilful act or with the connivance of the Insured or benefit under this Policy shall be forfeited
 5. If at the time of the happening of any loss or damage covered by this Policy there shall be subsisting any other insurance of any nature whatsoever covering the same, whether effected by the insured or not, then the Company shall not be liable to pay or contributed more than its rateable proportion of any loss or damage.
 6. Any claimant under this policy shall at the request and at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies, or obtaining relief or indemnity from other parties to which the Company 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 Company.
 7. The Company may reinstate, repair or replace the loss or damage as the case may be, instead of paying the amount of the loss damage and may join with other Insurers in so doing, in case where the property is also insured elsewhere. Upon payment of any claim for loss under this Policy the property in respect of which the payment is made shall belong to the Company.

All sums which may from time to time be paid to the Insured under this Policy in any one year of insurance shall be accounted in diminution of the total sum insured, so that in case of subsequent loss or damage during the same year the total amount payable by the Company shall not in any case exceed the total sum insured.

8. All notices required to be given by Insured to the Company must be given in writing to the nearest Branch Office of the Company.
9. The Company shall at any time by giving seven days' notice in writing to the insured by registered letter at his place of abode as last known to the Company, be at liberty to determine and cancel this Policy as from the date of expiry of such notice, provided that the Company shall in that event on demand return to the Insured a proportionate part of the premium corresponding to the unexpired term of this Policy.
10. If any difference arises as to the amount of any loss or damage such difference shall independently to 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 agreed 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 or affect the authority or powers of the arbitrator, arbitrators or umpire respectively; and in the event of the 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 in 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 in dispute shall be first obtained.
11. The due observance and fulfilment of the terms, provisions, conditions and endorsements of this Policy in so far as they relate to, anything to be done or complied with by the Insured, shall be conditions precedent to any liability of the Company to make any payment under this Policy.

SECTION 1-MATERIAL DAMAGE

The insurers hereby agree with the insured that if at any time during the period of cover the items or any part thereof entered in the schedule shall suffer any unforeseen and sudden physical loss or damage from any cause, other than those specifically excluded, in a manner necessitating repair or replacement, the insurers will indemnify the insured in respect of such loss or damage as hereinafter provided by payment in cash, replacement or repair (at their own option) up to an amount not exceeding in respect of each of the items specified in the schedule the sum set opposite thereto and not exceeding in any one event the limit of indemnity where applicable and not exceeding in all the total sum expressed in the schedule as insured hereby.

The insurers will also reimburse the insured for the cost of clearance of debris following upon any event giving rise to a claim under this policy provided a separate sum therefor has been entered in the schedule.

SPECIAL EXCLUSIONS TO SECTION I

The insurers shall not, however, be liable for:

- a) the deductible stated in the schedule to be borne by the insured in any one occurrence;
- b) consequential loss of any kind or description whatsoever including penalties, losses due to delay, lack of performance, loss of contract;
- c) loss or damage due to faulty design;
- d) the cost of replacement, repair or rectification of defective material and/or workmanship, but this exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss of or damage to correctly executed items resulting from an accident due to such defective material and/or workmanship;
- e) wear and tear, corrosion, oxidation, deterioration due to lack of use and normal atmospheric conditions;
- f) mechanical and/or electrical breakdown or derangement of construction plant, equipment and construction machinery;
- g) loss of or damage to vehicles licensed for general road use or water borne vessels or aircraft;
- h) loss of or damage to files, drawings, accounts, bills, currency, stamps, deeds, evidences of debit notes, securities, cheques;
- i) loss or damage discovered only at the time of taking an inventory.

PROVISIONS APPLYING TO SECTION I

Memo I - Sums Insured:

It is a requirement of this insurance that the sums insured stated in the schedule shall not be less than:

For items 1: The full value of the contract works at the completion of the construction, inclusive of all materials, wages, freight, customs dues, and material or items supplied by the principal.

For item 2 & 3: The replacement value of construction plant, equipment and construction machinery; which shall mean the cost of replacement of the insured items by new items of the same kind and same capacity;

and the insured undertakes to increase or decrease the amounts of insurance in the event of any material fluctuation in wages or prices provided always that such increase or decrease shall take effect only after the same has been recorded on the policy by the insurers.

If, in the event of loss or damage, it is found that the sums insured are less than the amounts required to be insured, then the amount recoverable by the insured under this policy shall be reduced in such proportion as the sums insured bear to the amounts required to be insured. Every object and cost items is subject to this condition separately.

Memo 2 - Basis of Loss Settlement:

In the event of any loss or damage the basis of any settlement under this policy shall be:

- a) in the case of damage which can be repaired – the cost of repairs necessary to restore the items to their condition immediately before the occurrence of the damage less salvage, or
- b) in the case of a total loss – the actual value of the items immediately before the occurrence of the loss less salvage, however, only to the extent the costs claimed had to be borne by the insured and to the extent they are included in the sums insured and provided always that the provisions and conditions have been complied with.

The insurers will make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be. All damage which can be repaired shall be repaired, but if the cost of repairing any damage equals or exceeds the value of the items immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in b) above.

The cost of any provisional repairs will be borne by the insurers if such repairs constitute part of the final repairs and do not increase the total repair expenses.

The cost of any alterations, additions and/or improvements shall not be recoverable under this policy.

Memo 3 - Extension of Cover:

Extra charges for overtime, night work, work on public holidays, express freight are covered by this insurance only if previously and specially agreed upon in writing.

SECTION II - THIRD PARTY LIABILITY

The insurers will indemnify the insured up to but not exceeding the amounts specified in the schedule against such sums which the insured shall become legally liable to pay as damages consequent upon:

- a) accidental bodily injury to or illness of third parties (whether fatal or not)
- b) accidental loss of or damage to property belonging to third parties

occurring in direct connection with the construction or erection of the items insured under section I and happening on or in the immediate vicinity of the site during the Period of Cover.

In respect of a claim for compensation to which the indemnity provided herein applies, the insurers will in addition indemnify the insured against:

- a) all costs and expenses of litigation recovered by any claimant from the insured, and
- b) all costs and expenses incurred with the written consent of the insurers.

Provided always that the liability of the insurers under this section shall not exceed the limits of indemnify stated in the schedule.

SPECIAL EXCLUSIONS TO SECTION II

The insurers will not indemnify the insured in respect of:

1. the deductible stated in the schedule to be borne by the insured in any one occurrence;
2. the expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under section I of this policy;
3. damage to any property or land or building caused by vibration or by the removal or weakening of support or injury or damage to any person or property occasioned by or resulting from any such damage (unless especially agreed upon by endorsement);
4. liability consequent upon.
 - a) bodily injury to or illness of employees or workmen of the Contractor(s) or the Principal(s) or members of the families;
 - b) loss of or damage to property belonging to or held in care, custody or control of the Contractor(s), the Principal(s) or any other firm connected with the project which or part of which is insured under section I, or an employee or workman of one of the aforesaid;
 - c) any accident caused by vehicles licensed for general road use or by waterborne vessels or aircraft;
 - d) any agreement by the insured to pay any sum by way of indemnify or otherwise unless such liability would have attached also in the absence of such agreement.

SPECIAL CONDITIONS APPLYING TO SECTION II

1. No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of the insured without the written consent of the insurers who shall be entitled, if they so desire, to take over and conduct in the name of the insured the defense or settlement of any claim or to prosecute for their own benefit in the name of the insured any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings or in the settlement of any claim and the insured shall give all such information and assistance as the insurers may require.
2. The insurers may so far as any accident is concerned pay to the insured the limit of indemnity for any one accident (but deducting therefrom in such case any sum or sums already paid as compensation in respect thereof) or any lesser sum for which the claim or claims arising from such accident can be settled and the insurers shall thereafter be under no further liability in respect of such accident under this section.

NUCLEAR WEAPON EXCLUSION CLAUSE:

“It is hereby declared and agreed that the Company shall not stand:

1. any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel for the purpose of this exception combustion shall include any self-sustaining process of nuclear fission.
2. any accident loss damage or liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.”

CAMERA ENDORSEMENT.

The Indemnity granted by this Policy so far as regards Photographic or Scientific Apparatus, Binoculars, Field Glasses, Telescopes and alike does not apply to or include:-

- (a) Loss or damage attributable to atmospheric or climatic conditions or mechanical breakdown or the application of electrical energy;
- (b) Loss or damage to property used for professional or trade purposes, big game hunting or expeditions of discovery or research.
- (c) The first 5% of each and every claim (minimum 100,000/=) other than for Fire or theft.

The said Indemnity shall extend to cover breakage of lenses or other brittle substances subject to (a) and (c) above.

Subject otherwise to the terms, exclusions and conditions of this Policy.

LOCKED VEHICLE CLAUSE:

This Policy does not cover loss or damage by theft or pilferage to the subject matter insured if such loss or damage occurs whilst any of the insured articles are left in unattended vehicle in any public place or similar premises unless the vehicle shall have been securely locked at all points of access and unless such loss or damage results from forcible entry into the vehicle.

BUMACO INSURANCE COMPANY LIMITED
ALL RISK INSURANCE
POLICY SCHEDULE

BROKER/AGENT:

POLICY NO:

The insured:				
Business:				
Period of Insurance: From:				
<i>(Both dates inclusive and subsequent period for which the Insured shall pay and the Company shall accept the renewal premium)</i>				
First Premium:		Annual Premium:		
Receipt No:		Date of Receipt:		
Renewal Date:				
Situation of Risk:				
Warranties/Clauses/Endorsements				
ITEMS COVERED				
No.	Qty	Description	Make/Model	Sum Insured(TZS)
Total Value				
<i>Policy Excess: 5% of eel - minimum 100,000/=</i>				
<i>The Policy is subject to the above noted Warranties, /Clauses/ Endorsements</i>				
Signed this			For and on behalf of the Company	
		 For Managing Director	