



Contractors All Risks Takaful

Construction industry is moving at a rapid pace in the Maldives. If you are involved in such projects, you are probably expected to be responsible for all the works till the projects are completed and handed over to the owner. However unforeseen events, such as floods or earthquake may cause severe damage to the construction, making you liable for the additional expenses incurred. For example, labour costs. You may even have to bear the liability for the damages caused to machinery and the equipment at the construction site. This is when Contractors All Risk Takaful will help you to overcome the financial loss. Contractors All Risk Takaful Policy indemnifies the covered for the loss or damage to property while under construction during the construction period.

This policy provides protection to the covered for construction projects such as the construction of residential buildings, commercial buildings, resorts projects and other similar projects.

There are two sections of this policy.

- Material damage section
- Public liability section (Liability to Third Parties)

Material Damage

The primary items covered under this section are as follows:

- Contract work including materials and price
- Construction equipment, plant and machinery
- Clearance of debris

Main Exclusions

The main exceptions under Material damage takaful are

- War, warlike operations, mutiny, military or usurped power, confiscation, or requisition or destruction under the order of any Government or public authority
- Defective workmanship or defective materials
- Loss or damage due to faulty design

- Wear and tear or gradual deterioration
- Deductible
- Deeds, bonds, bills of exchange, promissory notes, cash, bank notes, cheques, securities for money or stamps.
- Consequential loss and penalties for delay.

Liability to Third Party Cover

The participant is indemnified against all sums for which he is legally liable to pay as damages for accidental death or bodily injury to third parties or accidental damage to third party property arising out of performance of contract.

Main Exclusions

The main exceptions under Third Party Liability Section are;

- Loss of damage to any property land or buildings caused by vibration or the removal or weakening of support of such property land or buildings.
- Any liability which attaches by virtue of an agreement but which would not have attached in the absence of such agreement.
- Liability for bodily injury to any person under a contract of service or apprenticeship with the Covered arising out of and in the course of the employment of such person by the Covered.

Special Risks

The project has to be specially insured for natural disasters. Special Risk will cover the property under construction against natural disasters like earthquake, floods, inundation windstorm and tsunami.

Documents required for application

- Proposal Form
- National Identity Card copy of Landlord(s) or Company Registration Copy whichever applicable
- Bill of quantities (if available)
- Company Registration copy of the main Contractor

Note: Proposal Forms can be downloaded from our website