

CAR CLAUSES (2013)

EARTHWORKS, CIVIL- AND HYDRAULIC-ENGINEERING WORKS CLAUSE

Excluded from this insurance is loss or damage as a result of soil being blown or washed away, caving, sliding, settling, subsiding, bursting or forcing up and silting up during the execution of earthworks, dredging, civil- or hydraulic-engineering works, save in the event of a sudden, accidental occurrence causing damage to the works and/or surrounding property due to impairment of the stability of the soil, earth bodies or earth-/water-retaining structures.

EXPLANATION

This clause is intended to exclude such impairment or deterioration of the works and/or surrounding property as arises during the execution of earthworks, dredging, civil- or hydraulic-engineering works and is intrinsic to said works being exposed to environmental factors. Wind, water, frost and other eroding or deforming processes may have such an obvious impact on these works that impairment or deterioration cannot be avoided, at least not without providing adequate constructions to protect such works and the surrounding property.

The soil conditions and chosen procedure determine the effects to be expected, such as settling, subsiding, bursting up or caving in due to excavation, dewatering, earth fill or other operations that have an impact on the soil and earth bodies. Therefore, some extent of impairment or deterioration should often be anticipated as it cannot reasonably be prevented.

Insurers do provide cover for loss or damage resulting from a sudden, accidental occurrence exceeding the normal course of events and causing an impairment of the stability of the soil, earth bodies or earth-/water-retaining structures.

This clause applies to all types of cover. Deletion of this clause under the cover for liability and existing property of the primary therefore has to be specifically arranged.

CONCRETE CLAUSE

Excluded from this insurance are the costs of repair or replacement related to the repair or replacement of defects in concrete (constructions), consisting of incorrect mortar mixture, inadequate and/or incorrect compaction, segregation, gravel pockets, shrinkage or creepage cracks, untight joints and connections.

This exclusion is not applicable if the insured is able to prove that the aforementioned costs are incurred in connection with a loss or damage that is the unforeseen result of the intended design, the chosen construction method and/or the materials used, but arose from a cause otherwise insured under this policy without which the defect(s) would not have arisen or at least not to such extent.

EXPLANATION

The present design and building methods offer the possibility to allow defects in concrete constructions to be formed (such as crack formation exceeding the standard) and repair or cure them afterwards. No cover is provided for such costs. Cover is limited to defects that can be regarded as loss or damage within the context of the policy according to the prevailing standards for concrete constructions and in respect whereof the insured is able to prove that they are the result of circumstances that are not related to the insured's choice of materials, design or construction method.

COATING CLAUSE

Excluded from this insurance is damage to coatings, paints, lacquers, varnishes and similar (protective) top coats applied as part of the contract works, including the treated surfaces, as a result of:

- inherent defect of said coatings, paints, lacquers, varnishes and similar protective top coats or insufficient adhesive power;
- wear and tear, corrosion or the action of caustic or corrosive substances the treated surface should be resistant to;
- inadequate or improper application, processing, use, pre- or post-treatment or protection.

EXPLANATION

This clause is intended to specify the cover for damage to coatings applied as part of the contract works and the surfaces treated therewith. No cover is provided for damage to coatings resulting from:

- adhesion problems;
- incorrect or inadequate hardening/curing;
- insufficient substrate cleaning;
- environmental factors, e.g. processing at too low a temperature or in a dusty space;
- faulty design.

Still, this clause does intend to cover any damage due to an external cause. In this context an external cause is understood to mean anything that is not related to the coating being processed.

SHEET PILING CLAUSE

Excluded from this insurance are the costs of repair or replacement of sheet piling constructions or any part thereof in the event of:

- running out of jaw or deformation during insertion and/or removal;
- mislocation, non-alignment or displacement without failure of (part of) the construction;
- leakage at seams, recesses, joints or connections.

EXPLANATION

This clause only pertains to sheet piling constructions as such and is intended to exclude from cover a number of frequently occurring problems with sheet piling. In the view of insurers, the often predictable problems are so largely due to controllable circumstances that they should remain part of the entrepreneurial risk. Their intention is to exclude the operational risks involved in the insertion of sheet piling, such as deformation and damage inherent to the combination of the soil type and conditions, the strength of the planks, the method of insertion and the equipment employed.

In this respect it should be pointed out that during pile driving/vibration/pressing impending problems are often clearly perceptible (insertion speed, damage to the top edge of the plank, the block functioning roughly, jaw friction, non-alignment of planks, etc.). Mislocation during insertion of the sheet piling and displacement or non-alignment of sheet piling constructions, typically occurring after excavation, are not covered either if they do not result in failure of the construction. This clause further stipulates that costs incurred in connection with waterproofing the jaws and connections do not qualify for compensation.

Cover under this clause does include:

- failure of the sheet piling construction due to loss of its stability under pressure of forces exceeding the construction's maximum resistance to deformation;
- all external causes other than the circumstances influencing the result during insertion and/or removal (such as the insertion technique applied, employment of wrong equipment, incorrectly chosen materials and the nature of the soil or site);
- an accident with machines, causing damage to the contract works or the plank;
- a latent defect in the plank that has gone unnoticed and results in damage to the plank during insertion.

IN-SITU PILES CLAUSE

Excluded from this insurance is damage to in-situ piles arising within 48 hours after insertion, unless the insured is able to prove that the damage was not caused by the method of execution and/or the existing soil composition and/or site conditions and/or the materials processed.

EXPLANATION

This clause is intended to exclude damage arising in the plastic phase of the moulding process that is inherent to the realisation of such piles. Damage arising as a result of external causes is covered during this phase.

Under this clause, damage caused by the improper employment of equipment used in the manufacture of the piles, is regarded as damage caused by the method of execution.

The official title of these clauses is: ' CAR clauses (2013)'. The wording is available via the website of the Coöperatieve Vereniging Nederlandse Assurantie Beurs B.A., www.vnab.nl.

In the event of any discrepancy between the Dutch original wording and this free and non-binding English translation, the Dutch original will prevail.

The VNAB policy conditions and clauses are NOT BINDING. They merely serve as specimen which may be customised by alterations, additional provisions and/or clauses. VNAB market players are free to offer other policy conditions to their customers.

As market players are free to use them at their own discretion, the VNAB cannot assume any liability for the application or contents of the model conditions and clauses.

For previously published (older) clauses, please contact the VNAB.