

# JCT CLAUSE 6.5.1 INSURANCE (OR EQUIVALENT)

Policy Summary



# JCT CLAUSE 6.5.1 INSURANCE

## Policy Summary

This policy is a single contract non renewable JCT Clause 6.5.1\* insurance, underwritten by Royal & Sun Alliance Insurance plc. The information below provides a summary of the cover provided. For full terms and conditions of the cover, please refer to the policy document a copy of which is available on request.

Alternately, cover is available on an annual basis to cover all the Contractor's 6.5.1 requirements during the year. Cover is provided for each contract undertaken (up to the policy limit) during the period of insurance, subject to the terms and conditions of the policy.

You may renew your annual policy each year, subject to your needs and our terms and conditions

Clause 6.5.1 is contained in the JCT Standard Form of Building Contract. It requires insurance to be arranged, in the joint names of the Employer and Contractor, to protect the Employer in respect of their

legal liability for damage to adjacent or surrounding property, other than damage caused by the negligence of the Contractor or sub-contractors.

The insurance is purchased by the Contractor on behalf of the Employer to provide protection against the Employer's liability for loss, claims or proceedings that arise due to non-negligent damage to property (other than the contract works) while undertaking a building contract due to:

- Collapse.
- Subsidence.
- Heave.
- Vibration.
- Weakening or removal of support.
- Lowering of groundwater.

*\*(JCT Clause 21.2.1 in earlier editions)*

The following points should be noted:

- The policy is automatically issued in the joint names of the Employer and the Contractor and covers all the perils specified in JCT Clause 6.5.1.
- The period of cover is to the expiry of the work plus the maintenance period.
- Cover includes the Employer's own property if it does not constitute the contract works. A separate contractor's all risks insurance should be arranged to cover damage to the contract works.
- The contractor's own Public Liability policy will cover the contractor's negligence.
- It is preferable to have the 6.5.1 risk and the contractor's Public Liability risk placed with the same insurer to avoid disputes as to whether the contractor was negligent or not, if a claim arises.

The following tables provide a summary of the main policy features and benefits and any significant exclusions and limitations. For full policy details and our full terms and conditions please read your Policy Wording, which will be provided on completion of your contract, or at any time on request.

### **Important Information**

The Important Information section of this Policy Summary explains the following:

- Law applicable to the policy.
- Financial Service Compensation Scheme.
- Financial or Trade Sanctions.
- Our complaints procedure.
- Compensation.

## Table 1 Standard Features and Benefits

The following will automatically be added to your policy, according to the cover you have selected:

Features and Benefits	Significant Exclusions or Limitations
<p><b>Clause 6.5.1 - A Brief Summary of the Cover</b></p>	
<p><b>Standard Covers:</b> Any expense, liability, loss, claim or proceedings which the Employer may incur or sustain by reason of injury or damage to property happening during the period of insurance and caused by</p> <ul style="list-style-type: none"> <li>• collapse</li> <li>• subsidence</li> <li>• heave</li> <li>• vibration</li> <li>• weakening or removal of support</li> <li>• lowering of groundwater</li> </ul> <p>arising from the carrying out of the contract.</p> <p>Your Policy Wording follows the wording of Clause 6.5.1 as closely as possible.</p>	<ul style="list-style-type: none"> <li>• Negligence, omission or default of the Contractor; or of any sub-contractor;</li> <li>• Errors or omissions in the designing of the Works.</li> <li>• Injury or damage which can reasonably be foreseen to be inevitable.</li> <li>• Damage to the contract works.</li> <li>• Injury or damage where cover is provided by any other insurance, which is the responsibility of the Employer to insure under the provisions of Schedule 3 Insurance Option C.1 of the JCT Standard Form of Building Contract (2005 Edition) or equivalent.</li> <li>• Pressure waves from aircraft or other aerial devices or sonic booms.</li> <li>• Nuclear or war risks.</li> <li>• Gradual pollution.</li> <li>• Any penalties or sums payable due to breach of contract.</li> <li>• A Limit of £1,000,000 per contract applies for annual automatic covers.</li> <li>• Limits up to £5,000,000 can be provided, with higher limits often available on request.</li> <li>• Costs and expenses incurred with our written consent are paid in addition to the indemnity limit.</li> </ul>

## Table 2 General Conditions and Exclusions

The following apply to the policy as a whole, regardless of the specific cover you have selected. For full details of these and other exclusions and limits please read your Policy Wording/Schedule.

Excesses and Limits	Policy Section
<ul style="list-style-type: none"> <li>• Any excesses applicable to your policy are detailed in your Policy Wording. These amounts must be paid in the event of each and every claim.</li> <li>• Limits may apply to your policy; please see your Policy Schedule for details.</li> </ul>	<p>All</p>

# IMPORTANT INFORMATION

## Law applicable to the policy

Both you and we may choose the law which applies to this contract. However, unless you and we agree otherwise, the law which applies is the law applicable in the part of the United Kingdom, Channel Islands or the Isle of Man in which you are based. Full details will be provided in your policy documentation.

## Financial or Trade Sanctions

Royal & Sun Alliance Insurance plc is unable to provide insurance in circumstances where to do so would be in breach of any financial or trade sanctions imposed by the United Nations or any government, governmental or judicial body or regulatory agency. Full details will be provided in your policy documentation.

## Complaints

If you believe that we have not delivered the service you expected, we want to hear from you so that we can try to put things right. If you have cause for complaint you should initially contact the person who arranged the policy for you or the manager of RSA

at the address shown on your quotation or schedule, as appropriate. In the unlikely event that they are unable to resolve your concerns, your complaint will be referred to our Customer Relations Team who will arrange for an investigation on behalf of our Chief Executive.

RSA  
Customer Relations Team  
P O Box 2075  
Livingston  
EH54 0EP

## Compensation

Royal & Sun Alliance Insurance plc is a member of the Financial Services Compensation Scheme (FSCS). This provides compensation in case any member goes out of business or into liquidation and is unable to meet any valid claims against its policies. You may be entitled to compensation if we cannot meet our obligations, depending on the circumstances of the claim. Further information about the compensation scheme can be obtained from the FSCS.

Royal & Sun Alliance Insurance plc (No. 93792).  
Registered in England and Wales at St Mark's Court,  
Chart Way, Horsham, West Sussex RH12 1XL.  
Authorised by the Prudential Regulation Authority and regulated by the  
Financial Conduct Authority and the Prudential Regulation Authority.