

or to become due to the Contractor under this Contract, and failing which such contributions shall be recovered from the Performance Bond or as a debt due from the Contractor.

## **18.0 INSURANCE OF WORKS**

### **18.1 Taking of Insurance**

- (a) The Contractor shall in the joint names of the Government and the Contractor insure against loss and damage by fire, lightning, explosion, storm, tempest, flood, ground subsidence, bursting or overflowing of water tanks, apparatus or pipes, aircraft and other aerial devices or articles dropped therefrom, riot and civil commotion, all work executed and all unfixed materials and goods, delivered to, placed on or adjacent to the Works and intended therefore (but excluding temporary buildings, plant, tools and equipment owned or hired by the Contractor or any sub-contractor, nominated or otherwise) to the full value thereof (plus any amount which may be specifically stated in Appendix or elsewhere in the Contract Documents) and shall keep such work, materials and goods so insured until the completion of the whole of the Works, notwithstanding any arrangement for Sectional Completion or Partial Occupation by the Government under this Contract. Such insurance policy or policies shall provide expressly for payment in the first place to the Government of any insurance monies due under the policy or policies.
- (b) The said insurance with or without an excess clause as specified in Appendix hereto shall be effected with an insurance company approved by the S.O. and it shall be the duty of the Contractor to produce to the S.O. the said policy or policies and the receipts in respect of the premium paid. Where an excess clause is specified in Appendix, the Contractor shall bear the amount of such excess.

### **18.2 Default in Insuring**

If the Contractor fails to effect or renew such insurance as are necessary under this clause, the Government or the S.O. on its behalf may renew such insurance and pay the premium in respect thereof and deduct the amount so expended including On-Cost Charges (calculated by applying the 'Percentage of On-cost Charges' stated in Appendix to the premiums paid), from any money due or to become due to the Contractor under this Contract, and failing which such premium shall be recovered from the Performance Bond or as a debt due from the Contractor.

### **18.3 Payment of Insurance in the Event of any Loss/Damage**

Upon the occurrence of any loss or damage to the Works or unfixed materials or goods prior to the date the Works has been certified as practically completed by the S.O. in the Certificate of Practical Completion, the Contractor shall notwithstanding that settlement of any insurance claim has not been completed, with due diligence restore, replace or repair the same, remove and dispose of any debris and proceed with the carrying out and completion of the Works. All money if and when received from the insurance under this clause shall be paid in the first place to the Government and then (less any such amounts as are specifically required in Appendix or elsewhere in the Contract Documents) be released to the Contractor by instalments on the certificate for payment issued by the S.O., calculated as from the date of receipt of the money in proportion to the extent of the work of restoration, replacement or repair and the removal and disposal of debris previously carried out by the Contractor. The Contractor shall not be entitled to any payment in respect of the work of restoration, replacement or repair and the removal and disposal of debris other than the money received under the said insurance.