



# Decoration

# Protection



Whether you are planning to decorate your home, set up your new shop, expand your enterprise, etc., it is very important that appropriate insurance protections are secured in advance before starting the contract work. This helps to safeguard your



assets and liabilities against accidents that may arise from the contract work. Also, proof of insurance is required by many property managers for contractors to carry out the decoration work.

AIG brings you a package solution that meets the needs. This insurance product is featured with coverage against liabilities under Contractors' All Risks and Employees' Compensation that the contractors or in the event the property owners/ occupiers as Principal are responsible during the course of decoration. Level of protections can be customized to fit different demands on contract value, 3rd party liability limit and employees' compensation option selected.

## Highlight on Product Features

### A) CONTRACTORS' ALL RISKS

#### Section I - Contract Work (Material Damage)

Offers property damage protection against accidents occurred during the period of contract works

- on contracted decoration work in progress

#### Section II - 3<sup>rd</sup> Party Liability

Indemnifies legal liabilities against 3<sup>rd</sup> party claims caused by works performed by contractors

- on property damage or bodily injury arising out of decoration process

### B) EMPLOYEES' COMPENSATION (Optional)

Meets the obligations under legislations to provide insurance cover to the extent that property owners/ occupiers as principals are considered as employers of the workers engaging in the contract work

- on employers' liability to service workers from work-related accidents during contract period

## FREE coverage enhancement available

### Upgrade on property coverage

- offer 10% automatic increase in contract value to provide a better protection

### Relief on additional expense

- cover the cost on removal of debris following loss up to 10% of insured contract value

### Allowance on Hotel Accommodation

- indemnify the extra cost of hotel accommodation up to HK\$50,000 in the event that the "home" is destroyed and rendered uninhabitable following fire

### Protection on Vibration Damage

- extend to cover liability arising out of vibration, removal or weakening of structural building up to HK\$30,000,000

### Extension on Maintenance Period

- provide cover on defect rectification after completion of work for 3 to 12 months to choose from



### Important Notes

- Age of building of where the premises is located does not exceed 40 years
- Coverage is on single and new contract basis in occupied buildings, NOT valid for annual open cover, outstanding or remaining work, special work or MTR contracts which require non-standard terms and conditions
- Product is primarily for interior decoration work. External building work involving billboards, claddings, unauthorized building works, etc. are to be individually reviewed
- Not applicable to work involving sprinklers, fire services, lift/escalator services, underground drainage or public utilities
- Should there be any discrepancy between the English and Chinese versions, the English version shall prevail

### Major Exclusions

- Fault, defect, error or omission in or failure of any design plan or specification, material or workmanship
- Loss of use, liquidated damages, penalties, performance guarantees or other consequential losses
- Loss of damage due to wear and tear, rust, mildew or other deterioration due to gradually operating cause
- Loss arising from professional liability; cyber risk; strike, riot or civil commotion; completed operation, pollution
- Liability to property in the care, custody or control of the insureds or contractors
- Liability to self-employed persons, sole proprietors or partners
- War Risk, Terrorism, Sanctioned Countries, Asbestos, etc.

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This brochure provides only a summary of the policy benefits. Coverage under the policy shall be subject to the terms, conditions and exclusions of the policy. A copy of policy is available from AIG Insurance Hong Kong Limited.

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## Premium Reference Table (HK\$)

The following table shows the basis premium for contract work fallen within the target segments with policy length of 3+3 (i.e. 3 months construction period + 3 months maintenance period) for reference. **Other contract value and policy length combinations are also available via the MOTIS platform.** Prices are subject to regular review and producers are advised to refer to the **MOTIS** for updates on the latest premiums.

		CONTRACTORS' ALL RISKS								EMPLOYEES' COMPENSATION (Optional)
Liability Limit	Total Contract	Contract Work (Material Damage) on TCV & 3 <sup>rd</sup> Party Liability				3 <sup>rd</sup> Party Liability only				
		5,000,000	10,000,000	20,000,000	30,000,000	5,000,000	10,000,000	20,000,000	30,000,000	

### INTERIOR DECORATION with NO outbuilding or scaffolding work

200,000	1,750	2,250	3,250	4,250	1,350	1,850	2,850	3,850	2,000
400,000	2,000	2,500	3,500	4,500	1,700	2,200	3,200	4,200	3,000
600,000	2,550	3,030	3,990	4,950	2,100	2,580	3,540	4,500	4,200
800,000	3,000	3,500	4,500	5,500	2,400	2,900	3,900	4,900	5,600
1,000,000	3,750	4,250	5,250	6,250	3,000	3,500	4,500	5,500	7,000

### INTERIOR DECORATION with the portion of work involving outbuilding or use of scaffold (but not erection or dismantling) not exceeding HK\$50,000 or 20% of TCV whichever is the greater

200,000	2,000	2,750	3,750	4,750	1,750	2,500	3,500	4,500	2,500
400,000	2,600	3,350	4,350	5,350	2,100	2,850	3,850	4,850	3,750
600,000	3,150	3,900	4,860	5,820	2,550	3,300	4,260	5,220	5,250
800,000	3,750	4,500	5,500	6,500	3,000	3,750	4,750	5,750	6,800
1,000,000	4,500	5,250	6,250	7,250	3,600	4,350	5,350	6,350	8,250

Note: Levies and surcharges from the Government and regulatory bodies applicable are to be collected on top according to the prevailing scales.

## Deductible (HK\$)

For claims admissible under the respective section	Section I Material Damage	Section II 3 <sup>rd</sup> Party Liability
- on Damage due to Typhoon/ Water and Vibration - on Damage to Principal's Property	20,000* or 20%* of adjusted loss (whichever is the greater)	
- on Property Damage or Bodily Injury (other than above)	20,000*	



\* Actual amount and terms applicable may vary depends on the risk assessment.

This leaflet gives only an outline of the terms and conditions of the insurance cover and does not constitute any part of the insurance contract. For full terms and exclusions, please refer to the policy which shall prevail in case of inconsistency. For more information or a copy of the policy terms and conditions, please contact your insurance agent or broker.

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