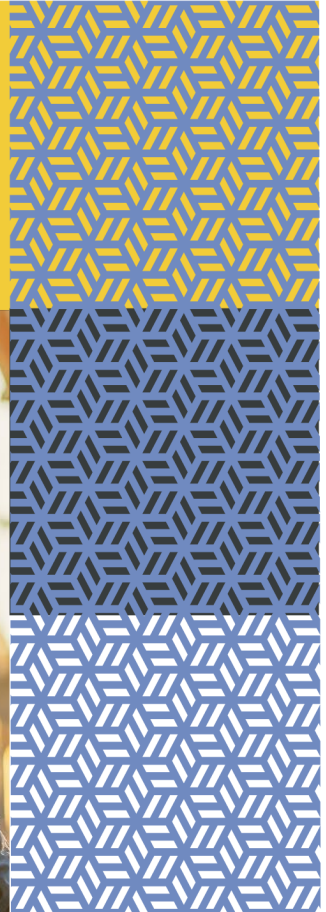
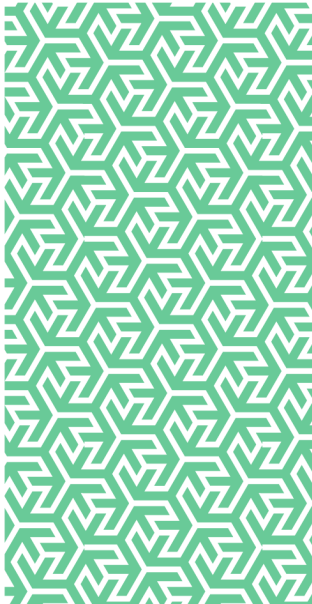


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Contract Works and Contingency Cover



Contract Works and Contingency Cover

For many years now HSB through RMP have offered contingency cover for CAR works/contracts where the insured is a party to the contract, but the cover is arranged by the contractor. Below is a summary of the cover offered and whilst the detail is fairly self-explanatory, just to recap the aim of the contingent cover is to come into force if the contractors cover is not available. This maybe for a variety of reasons but the most common one recently was the liquidation of the contractor.

To trigger the contingency cover the insured need to declare **all** contracts, not just the contracts they are responsible for arranging the CAR cover for. Questions have been incorporated into our most recent renewal questionnaire. The rate charged for the contingency cover is very heavily discounted by HSB, from the insured's usually policy rate. This can be by as much as 60%, and applies because of the fact the cover is contingency only.

Contingent CAR Protection

Where the CAR insurance cover is arranged by the contractor, RMP can through HSB provide 'contingency cover' to protect the interest of the insured. In broad terms the premium the contingency cover attracts is substantial discount from your standard policy rate. It is important to note:

- 1** The contingent policy cover applies subject to the main policy terms conditions and exclusions, and should the contractors CAR cover fail for whatever reason, and will only protect the interest of our insured and any financial institutions up to the extent of their interest in the Works (as defined by the policy).
- 2** If the CAR contracts subject to the contingency cover are declared to us at renewal, then in the event of the contingency cover being triggered, the cover will apply to ALL the Works from the start date of the contract.
- 3** If the CAR contracts subject to the contingency cover are only declared to us when the contractor goes into liquidation, then in the event of the contingency cover being triggered, the cover will ONLY apply to ALL the Works from the date of your notification of the Works to us.
- 4** The contingency cover, as with your primary CAR cover, would be subject to HSB accepting the Works declared for cover and could be subject to survey, separate proposal form, or bespoke underwriting criteria depending on the value, nature of the works and materials in use.

These are brief product descriptions only. Please refer to the policy documentation paying particular attention to the terms and conditions, exclusions, warranties, subjectivities, excesses and any endorsements.

Further information

If you would like a quotation for the contingency cover then please provide details of the Works for all contracts arranged by contractors in the policy period.

For access to further RMP Resources you may find helpful in reducing your organisation's cost of risk, please access the RMP Resources or RMP Articles pages on our website. To join the debate follow us on our LinkedIn page.

Get in touch

If you have any enquires please refer them to your usual RMP Account Director or Philip below:

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