

### **R.3 INSURANCE CLAUSES FOR CAPEX PROJECTS**

The insurance clauses in this document should be extracted and attached to tender documents and to contracts.

#### **SECTION A: DEFINITIONS**

**Landside** refers to:

- Areas of the airport before the security points; and
- The restricted area beyond the security points but, within the perimeter of gatehouses, passenger terminals and cargo buildings.

**Airside** refers to:

- The Apron / maneuvering areas; and
- Area within the airside boundary/perimeter fence, excluding the internal areas of the passenger terminals, perimeter gatehouses and cargo buildings.

## **SECTION B: INSURANCE CLAUSES**

### **1. Insurance requirements for PROJECTS with a value below R50 million on the LANDSIDE**

#### **1.1 Contract Works**

- With regards to contract works claims, the contractor/consultant is responsible for a deductible (excess) of R250 000;
- Contractors / consultants should re-insure the deductible.

#### **1.2 Public Liability**

- In the event of a claim against the contractor / consultant for 3<sup>rd</sup> party property damage, the contractor / consultant will be responsible for a deductible (excess) of R275 000;
- In the event of a claim against the contractor / consultant for removal of lateral support, the contractor / consultant will be responsible for a deductible (excess) of R500 000;
- Contractors / consultants should re-insure the deductibles.

#### **1.3 Professional Indemnity**

- All consultants are responsible for Professional Indemnity cover of R5 million
- Contractors who have a material design element, excluding typical P & G related work, as part of their scope, are responsible for Professional Indemnity cover of R5 million;
- In the event of a claim above R5 million, the ACSA PI cover will kick in for the amount in excess of R5 million;
- Proof of cover in the form of a certificate of insurance should be provided to ACSA before a contract is signed between ACSA and the contractor and/or consultant.

## **2. Insurance requirements for PROJECTS with a value below R50 million on the AIRSIDE**

### **2.1 Contract Works**

- With regards to contract works claims, the contractor / consultant is responsible for a deductible (excess) of R250 000;
- Contractors / consultants should re-insure the deductible.

### **2.2 Public Liability**

- In the event of a claim brought against the contractor / consultant for 3<sup>rd</sup> party property damage, the contractor / consultant will be responsible for a deductible (excess) of R525 000;
- In the event of a claim brought against the contractor / consultant for removal of lateral support, the contractor / consultant will be responsible for a deductible (excess) of R750 000;
- In the event of a claim brought against the contractor / consultant for damage to aircraft, the contractor / consultant will be responsible for a deductible (excess) of R750 000;
- Contractors / consultants should re-insure the deductibles.

### **2.3 Professional Indemnity**

- All consultants are responsible for Professional Indemnity cover of R5 million;
- Contractors who have a material design element, excluding typical P & G related work, as part of their scope, are responsible for a Professional Indemnity cover of R5 million;
- In the event of a claim above R5 million, the ACSA PI cover will kick in for the amount in excess of R5 million;
- Proof of cover in the form of a certificate of insurance should be provided to ACSA before a contract is signed between ACSA and the contractor and/or consultant.

### **3. Insurance requirements for PROJECTS with a value above R50 million on the LANDSIDE**

- Projects with a value of more R50 million are not automatically covered under the construction policies. A separate quote is provided by insurers per project. Details of all projects with a value above R50 million should be forwarded to ACSA Treasury (Email: [nokulunga.masiza@airports.co.za](mailto:nokulunga.masiza@airports.co.za)).

#### **3.1 Contract Works**

With regards to contract works claims, the contractor / consultant is responsible for the following deductibles:

- All Civil Work and Earthworks – R300 000 deductible (excess);
- All other claims – R300 000 deductible (excess);
- Other property insured – R700 000 deductible (excess);
- Contractors / consultants should re-insure the deductibles.

#### **3.2 Public Liability**

- In the event of a claim brought against the contractor / consultant for 3<sup>rd</sup> party property damage, the contractor / consultant will be responsible for a deductible (excess) of R275 000;
- In the event of a claim brought against the contractor / consultant for removal of lateral support, the contractor / consultant will be responsible for a deductible (excess) of R500 000;
- Contractors / consultants should re-insure the deductibles.

#### **3.3 Professional Indemnity**

- All consultants are responsible for Professional Indemnity cover of R10 million;
- Contractors who have a material design element, excluding typical P & G related work, as part of their scope, are responsible for a Professional Indemnity cover of R10 million;
- In the event of a claim above R10 million, the ACSA PI cover will kick in for the amount in excess of R10 million;
- Proof of cover in the form of a certificate of insurance should be provided to ACSA before a contract is signed between ACSA and the contractor and/or consultant.

### **4. Insurance requirements for PROJECTS with a value above R50 million on the AIRSIDE**

- Projects with a value of more R50 million are not automatically covered under the construction policies. A separate quote is provided by insurers per project. Details of all

projects with a value above R50 million should be forwarded to ACSA Treasury (Email: [nokulunga.masiza@airports.co.za](mailto:nokulunga.masiza@airports.co.za)).

#### **4.1 Contract Works**

With regards to contract works claims, the contractor / consultant is responsible for the following deductibles:

- All Civil Work and Earthworks excluding Runways – R300 000 deductible (excess);
- Runway Rehabilitation – R300 000 deductible (excess);
- New Runway Construction – R700 000 deductible (excess);
- All other claims – R300 000 deductible (excess);
- Other property insured – R700 000 deductible (excess);
- Contractors / consultants should re-insure the deductibles.

#### **4.2 Public Liability**

- In the event of a claim brought against the contractor / consultant for 3<sup>rd</sup> party property damage, the contractor / consultant will be responsible for a deductible (excess) of R1 025 000;
- In the event of a claim brought against the contractor / consultant for removal of lateral support, the contractor / consultant will be responsible for a deductible (excess) of R1 250 000;
- In the event of a claim for damage to aircraft, the contractor / consultant will be responsible for a deductible (excess) of R1 250 000;
- Contractors / consultants should re-insure the deductibles.

#### **4.3 Professional Indemnity**

- All consultants are responsible for Professional Indemnity cover of R10 million;
- Contractors who have a material design element, excluding typical P & G related work, as part of their scope, are responsible for a Professional Indemnity cover of R10 million;
- In the event of a claim above R10 million, the ACSA PI cover will kick in for the amount in excess of R10 million;
- Proof of cover in the form of a certificate of insurance should be provided to ACSA before a contract is signed between ACSA and the contractor and/or consultant.