CP insurance – Endorsement 1266 Special conditions: directional drilling

This endorsement forms part of section 1a and is subject otherwise to the terms, provisions, conditions and exclusions contained in the *policy of insurance* or endorsed thereon.

1. Condition

- 1.1. The *insurer* shall not indemnify the *insured* for loss or damage occurring during directional drilling operations unless
- 1.1.1. a soil analysis required for drilling operations in accordance with latest technical standards has been carried out prior to the commencement of work,
- 1.1.2. and the insured contractor is familiar with the drilling technique.

2. Special exclusion

- 2.1. The *insurer* shall not indemnify the *insured* for loss or damage resulting from
- 2.1.1. missing the target point of the drilling,
- 2.1.2. deviations from the scheduled direction,
- 2.1.3. loss of or change in the drilling mud (e.g. bentonite),
- 2.1.4. damage to the outer insulation of the pipeline in the area of directional drilling.

3. Sum insured

3.1. The *sum insured* shall be the drilling costs plus the material value of the pipeline to be drilled plus the value of the drilling equipment.

4. Limit of indemnity

4.1. The limit of indemnity for any one occurrence of loss or damage shall not exceed the limit specified below.

5. Deductible

5.1. In respect of each and every occurrence of loss or damage, the *insurer* shall not be liable for the deductible specified below.

Limit of indemnity:

Deductible: 20% of the loss amount, minimum .