DETAILS OF INTERESTING CLAIM

(From Insurance for Semiconductor Plants during Construction and Operation - IMIA Paper WGP4 (99)E)

No: DOIC25 (EAR)

Type of Insurance:

EAR

Description of damaged item:

Fire in a chemical vapour deposition machine

Cause of Loss:

(5) Fire

Claim Cost

180 US\$ Mio

<u>Description of Incident and Loss Prevention Measures initiated:</u>

Damage to support area

Contamination of equipment in the clean room during the erection of a semiconductor fab, a chemical vapour deposition (CVD) machine located in a support area to a clean room caught fire. The fire devastated large areas in the support area, and smoke - as well as corrosive gases - entered the clean room. Part of the loss was indemnified by the property policy as some of the equipment had already been handed over. A major difficulty was the correct allocation of losses to the erection and the property policy as the large number of individual equipment rendered the clear identification rather complex. As large amounts of expensive production equipment were affected by chemically aggressive gases and deposits, the rapid and effective decontamination proved to be of utmost importance.

The loss was settled at an amount equivalent to USD 180 million (55% Property, 45% Engineering cover).

CODES

1. Type of Insurance

M - Machinery Breakdown

BE - Boiler Explosion

LP (M) M - Loss of Profits

ALOP (DSU) - Advance Loss of Profits

EAR - Erection All Risks

CAR - Contractors All Risks (Civil)

G - Guarantee

EE - Electronic Equipment

O - Other Classes

2. Cause of Loss

- (1) Faulty operation
 (2) Faulty material or workmanship
 (3) Faulty design
 (4) Other internal causes
 (5) Fire
 (6) Explosion
 (7) Storm
 (8) Earthquake
 (9) Other external causes
 (10) Other causes or unknown