



Corrosion – Excluded or not?

Clause A.

“Wear and tear, gradual deterioration, metal fatigue, machinery breakdown, expansion or contraction due to change in temperature, **corrosion**, rusting, electrolytic action, error in design; nor does this insurance cover the cost of repairing or replacing any part which may be lost, damaged or condemned by reason of any latent defect herein. “

Clause B.

“the cost of repairing or correcting wear and tear, gradual deterioration, metal fatigue, machinery breakdown, expansion or contraction due to change in temperature, **corrosion**, rusting, electrolytic action, but the foresaid shall **not be deemed to exclude any other loss or damage caused by or arising from any of the aforesaid conditions.**”

Clause C.

“the cost of repairing or correcting wear and tear, gradual deterioration, metal fatigue, machinery breakdown, expansion or contraction due to change in temperature, **normal corrosion**, rusting, electrolytic action, but the foresaid shall **not be deemed to exclude any other loss or damage caused by or arising from any of the aforesaid conditions.**”

Clause D.

“Wear and tear, gradual deterioration, metal fatigue, ordinary atmospheric conditions resulting in expansion or contraction due to change in temperature, corrosion, rusting (excluding abnormal and sudden ingress of sea water) or electrolytic action. But the foregoing shall not be deemed to exclude any other loss, damage or expense caused by and resulting from any of the aforementioned conditions.”

Question 1 for the Audience



Which of the clauses is the easiest to interpret how much cover it provides?

Clause A.

Clause B.

Clause C.

Clause D.

Question 2 for the Audience



Which clause is the most “fit for purpose” for use in 2013?

Clause A.

Clause B.

Clause C.

Clause D.