

## ALL RISKS INSURANCE POLICY

WHEREAS the Insured named in the Schedule attached hereto has made to CAMPU LONPAC INSURANCE PLC. (hereinafter called "the Company") a written Proposal and Declaration which the Insured has agreed shall be deemed to be of a promissory nature and affect and the basis of this Contract and which is deemed to be incorporated herein and paid or agreed to pay the premium stated in the aforesaid Schedule as consideration for the indemnity hereinafter contained.

**NOW THIS POLICY WITNESSES** that subject to the terms and exclusions limits and conditions contained herein or endorsed or otherwise expressed hereon **the Company hereby agrees** that if at any time during the Period of Insurance stated in the Schedule hereto or during any further period for which the Company may accept payment for the renewal of this Policy the Property described in the Schedule or any part thereof be lost, damaged or destroyed by any cause not hereinafter excepted whilst such property is anywhere within the territories named in the Schedule or whilst in transit between such territories then the Company will indemnify the Insured against such direct physical loss or damage to the Property Insured to the extent of the Market Value at the time of the loss by payment or at its option by reinstatement or repair, but not exceeding the sum insured of the property insured as stated in the Schedule.

## EXCEPTIONS

Provided always that the Company shall not be liable in respect of:

1. The Excess stated in the Schedule to be borne by the Insured in respect of each and every occurrence giving rise to loss or damage under this Policy.
2. Loss or damage arising from atmospheric conditions, wear and tear, gradual deterioration, depreciation, corrosion, discoloration, rust, vermin, insects, any process of cleaning or restoring or from adjustment, repair or dismantling of any part whilst removed from its normal working position.
3. Loss or damage arising from mechanical or electrical failure or overheating of the Property Insured. Mechanical or electrical failure means damage resulting from defective design construction or erection vibration maladjustment misalignment loosening of parts stress fatigue centrifugal force water hammer self-heating defective or inadequate lubrication excessive electrical current or voltage failure of insulation short circuits open circuits or arcing.
4. Loss or damage to any part of the Property by its own ignition, electrical breakdown or burn out.
5. Loss or damage to records films or tapes.
6. Loss or damage to computer data carrying or storage media and computer software.
7. Loss or damage to or breakage of flash bulbs or tubes, project bulbs or glass slides or screens.
8. Loss or damage due to scratching, chipping, cracking or denting of any item or article, cracking and/or breakage of glass, china, crockery, marbles or articles of brittle nature unless otherwise expressly stated in the Policy.
9. Loss or damage to cash, cheques, postal notes, money orders, stamps, promissory notes, credit card vouchers, bills of exchange, deeds, bonds or other documents of value, patterns, models, manuscripts, plans drawings or designs, jewellery, precious stones, furs, precious metals or bullion, curiosities or works of arts and explosives unless otherwise expressly stated in the Policy.
10. Loss of damage due to imposition of abnormal conditions, directly or indirectly resulting from intentional overloading or strain, testing or experiments.
11. Loss by requisition, destruction, confiscation or detention by any Government body or authorities.
12. Loss due to delay or loss of market or consequential loss or damage of any kind.
13. Theft of parts, spare parts or accessories unless the property insured is stolen at the same time.
14. Loss, destruction, damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons materials, ionizing radiation or contamination by radioactivity from any nuclear fuel or waste.
15. Loss, damage or destruction caused by or contributed to by or arising from war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion, military or usurped power or loss or pillage in connection therewith.
16. Loss or damage due to fraud or dishonesty of any person or persons in the service or employee of the Insured or the dishonesty of any person or persons in possession of the Property.

## LIMIT OF LIABILITY

- (a) in respect of any one item of the Property the sum set opposite thereto.
- (b) in respect of all loss or damage the Total Sum Insured.

The Sum Insured does not imply admission of value but indicates the limit of the Company's liability.

## CONDITIONS

1. All benefits under this Policy shall be forfeited if:
  - (a) the Insured shall neglect to take all ordinary and reasonable precautions for the safety and maintenance of the property insured, or
  - (b) there shall have been in the proposal or in any statement made for the continuance of this insurance or in connection with a claim hereunder any misrepresentation or omission, or
  - (c) the circumstances in which the insurance was entered into shall have been altered without prior notice to the Company and written consent to continue the insurance obtained therefrom, or
  - (d) if a claim be made by or on behalf of the insured which shall be in any respect unfounded or fraudulent or intentionally exaggerated.
2. The Insured upon having knowledge to any event giving rise or likely to give rise to a claim under this Policy, shall immediately:
  - (a) in the case of theft or loss or criminal act give notice to the police and render all reasonable assistance in causing the discovery and securing the conviction of the offender and in tracing and recovering the Property.
  - (b) take all ordinary and reasonable precautions to prevent any further loss or damage. The Company shall not be liable in respect of any further loss or damage arising out of the continued use of damaged property insured until the said property has been satisfactorily repaired.
  - (c) in all cases give notice to the Company in writing and within seven (7) days thereafter deliver to the Company a claim in writing and supply all such detailed proofs and particulars as may be reasonably required.

In no case shall the Company be liable for any loss or damage not notified to the Company within thirty (30) days after the event.

3. Immediately upon the happening of any loss or damage, the Sum Insured shall be reduced by the amount of the loss or damage and such reduced Sum Insured shall be the limit of the Company's liability in respect of any further losses or damage occurring during the current period of insurance unless the Company consents upon payment of additional premium to reinstate the full Sum Insured.
4. The Company may at any time at its own expense use all legal means in the name of the Insured for recovery of any of the Property lost and the Insured shall give all reasonable assistance for that purpose. The Company shall be entitled to any Property for the loss of which a claim is paid hereunder and the Insured shall execute all such assignments and assurances of such Property as may be reasonably required but the Insured shall not be entitled to abandon any Property to the Company.
5. If at the time of a loss the insured property is collectively of greater value than the total sum insured then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, of this Policy shall be separately subject to this condition.
6. If at the time of the happening of any loss or damage covered by this Policy there shall be subsisting any other insurance of any nature whatsoever covering the Property insured or any part thereof, whether effected by the Insured or not, then the Company shall not be liable to pay or contribute more than its rateable proportion of any loss or damage. Each item, if more than one, of this Policy shall be separately subject to this condition.
7. In the event of loss or damage to the Property or its accessories or spare parts necessitating the supply of a part not obtainable from stocks held in the country in which the Property is held for repair or in the event of the Company exercising the option to pay in cash the amount of the loss or damage the liability of the Company in respect of any such part shall be limited to:
  - (a) (i) the price quoted in the latest catalogue or price list issued by the Manufacturer or his Agents for the country in which the Property is held for repair or
  - (ii) if no such catalogue or price list exists the price last obtained at the Manufacturer's Works plus the reasonable cost of transport otherwise than by air to the country in which the Property is held for repair and the amount of the relative import duty, and

(b) the reasonable cost of fitting such part.

8. The Insured shall not incur any expense in making good any damage without the written consent of the Company and shall not negotiate, pay, settle, admit or repudiate any claim without the like consent.
9. No claim shall be recoverable hereunder if the benefit of the contract herein contained shall become vested in any person other than the Insured unless written consent of the Company thereto be first obtained.
10. This insurance may be terminated at the request of the Insured by sending ten (10) days' notice in writing, in which case the Company will return to the Insured 90% of the proportionate part of the premium corresponding to the unexpired period of insurance from the date of cancellation provided no claims have been made during the current policy period. This insurance may also be terminated at the option of the Company by sending ten (10) days' notice in writing to the Insured at his last known address, in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of cancellation.

No refund of premium for any cancellation of policy if premium is charged on minimum premium.

11. If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to the decision of an Arbitrator to be appointed in writing by the parties in difference or if they cannot agree upon a single Arbitrator to the decision of two Arbitrators, one to be appointed in writing by each of the parties, within one calendar month after having been required in writing to do so by either of the parties within one calendar month after having been required in writing to do so by either of the parties, or, in case the Arbitrators do not agree, of an Umpire to be appointed in writing by the Arbitrators before entering upon the reference. The Umpire shall sit with the Arbitrators and preside at their meetings. The making of an award shall be a condition precedent to any right of action against the Company.
12. In no case whatever shall the Company be liable for any loss or damage after the expiration of twelve (12) months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration.
13. The Company will not be bound by any premium receipt unless given on their printed official form. No alteration in the terms of this Policy and no endorsement hereon or addition hereto will be held valid unless the same is made and signed by an authorized signatory of the Company. In all cases where this Policy is void or the benefit hereunder is forfeited the premiums paid in respect hereof will be retained by the Company.
14. The due observance and fulfillment of the terms conditions and endorsement of this Policy by the Insured in so far as they relate to anything to be done or complied with by him and the truth of the statements and answers in the said proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.

#### **15. PREMIUM WARRANTY**

It is a fundamental and absolute special condition of this contract of Insurance that the premium due must be paid and received by the Company within thirty (30) days from the inception date of this Policy / Endorsement / Renewal Certificate.

If this condition is not complied with then this contract is automatically cancelled and the Company shall be entitled to the pro-rata premium for the period they have been on risk.

Where the premium payable pursuant to this warranty is received by an authorized agent of the Company, the payment shall be deemed to be received by the Company for the purposes of this warranty and the onus of proving that the premium payable was received by a person, including an insurance agent, who was not authorized to receive such premium shall lie on the Company.

Subject otherwise to the terms and conditions of this Policy.

16. The Company shall not be liable for any loss or damage caused by or attributed to the act of cheating by any person within the meaning of the definition of the offence of cheating as below.

"Whoever, by deceiving any person, fraudulently or dishonestly induces the person so deceived to deliver any property or intentionally induces the person so deceived to do or omit to do anything which he would not do or omit if he were not so deceived, and which act or omission causes or is likely to caused damage to harm to that person in body, mind, reputation or property is said to 'cheat'."

17. The Company shall not be liable for any loss or damage caused by or attributed to the act of criminal breach of trust by any person within the meaning of the definition of the offence of criminal breach of trust as define below.

"Whoever, being in any manner entrusted with property or with any dominion over property, dishonestly misappropriates or converts to his own use that property, or dishonestly uses or disposes of that property in violation of any direction of law prescribing the mode in which such trust is to be discharged, or of any legal contract, express or implied which he has made touching the discharge of such trust, or willfully suffers any other person so to do, commits 'criminal breach of trust'."

#### **18. TERRORISM EXCLUSION ENDORSEMENT**

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

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#### **19. IT CLARIFICATION CLAUSE**

Property damage covered under this insurance shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure.

Consequently the following are excluded from this insurance:

- (A) Loss of or damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss of or damage to data or software which is the direct consequence of Insured physical damage to the substance of property shall be covered.
- (B) Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.

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#### **20. SANCTIONS LIMITATION AND EXCLUSION CLAUSE (LMA 3100)**

No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

### **CLAUSES/ENDORSEMENTS WHERE APPLICABLE AS STATED IN THE POLICY**

#### **MARKET VALUE CLAUSE**

In the event of a loss to the property insured herein, the limit of indemnity shall be the insured value or the market value of the insured property, whichever is the lower, subject to the deduction of any excess and amounts which the Insured is required to bear under the Policy.

For the purpose of this clause the term market value shall mean the value of the property insured herein at the time of damage or loss less due allowance for betterment, wear and tear and/or depreciation.

In the event of a dispute, the market value of the insured property shall for the purposes of this clause be determined by a valuation obtained by the Company from the manufacturer, authorized sole agent or agent, authorized broker or authorized distributor of the cost of replacement or reinstatement of the insured property damaged or lost as it was at the time of occurrence of such loss or damage.

In the event that there is, at the time of damage or loss, no manufacturer, authorized sole agent or agent, authorized broker or authorized distributor for the insured property, the valuation shall be obtained from a Loss Adjuster and to be mutually appointed by both parties.

The valuation of the insured property by the manufacturer, authorized sole agent or agent, authorized broker or authorized distributor or Loss Adjuster shall be conclusive evidence in respect of the market value of the insured property in any legal proceedings against the Company.

#### **HIRE PURCHASE CLAUSE**

It is hereby understood and agreed that the Hire Purchase Company as named in the Schedule (hereinafter referred to as the Owners) are the owners of the Property insured under this Policy and that such property is the subject of a Hire Purchase Agreement made between the Owners of the one part and the Insured of the other part. It is further understood and agreed that any payment made in respect of loss or damage (which loss or damage is not made good by repair reinstatement or replacement) under the terms of this Policy shall be made to the Owners as long as they are Owners of the Property and their receipt shall be a full and final discharge to the Company in respect of such loss or damage. It is also understood and agreed that notwithstanding any provisions in the Hire Purchase Agreement to the contrary this Policy is issued to the Insured as named in the Schedule as principal party and not as agent or trustee for the Owners and nothing herein shall be construed as constituting the Insured as agent or trustee for the Owners or as an assignment (whether legal or equitable) by the Insured to the Owners of his rights benefits and claims under this Policy. It is lastly understood and agreed that the Insured shall not assign his rights benefits and claims under this Policy without prior consent in writing to the Company.

#### **LEASING ENDORSEMENT**

It is hereby understood and agreed that the Leasing Company as named in the Schedule (hereinafter referred to as the Lessors) are the owners of the Property insured under this Policy and that such property is the subject of a Leasing Agreement made between the Lessor of the one part and the Insured of the other part. It is further understood and agreed that any payment made in respect of loss or damage (which loss or damage is not made good by repair reinstatement or replacement) under the terms of this Policy shall be made to the Lessors as long as they are owners of the Property and their receipt shall be a full and final discharge to the Company in respect of such loss or damage. It is also understood and agreed that notwithstanding any provisions in the Leasing Agreement to the contrary this Policy is issued to the Insured as named in the Schedule as principal party and not as agent or trustee for the Lessors and nothing therein shall be construed as constituting the Insured as agent or trustee for the Lessors or as an assignment (whether legal or equitable) by the Insured to the Lessors of his rights benefits and claims under this Policy, nothing herein shall be construed as creating any right in the Lessor to sue the Company in any capacity whatsoever for any alleged breach of its obligations hereunder.