



PROPERTY ALL RISKS INSURANCE POLICY

This Policy should be read carefully and its terms noted.

The Insurer agrees (subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon which shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the right of the Insured to recover hereunder) that after payment of the first premium

Section I - Material Damage

If any of the Property Insured situated in the Premises within the Geographical Area as specified in the Schedule be accidentally physically lost destroyed or damaged other than by an excluded cause (hereinafter termed Damage) at any time during the period of insurance or any subsequent period in respect of which the Insured shall have paid and the Insurer shall have accepted the premium required for the renewal of this policy

The Insurer will pay to the Insured the actual value of the property at the time of the happening of the Damage or at its option reinstate or replace such property or any part thereof

Section II - Loss of Profit

If at any time during the period of insurance the business carried on by the Insured at the Premises specified in the Schedule is interrupted or interfered with in consequence of Damage indemnifiable under Section I, then the Insurer shall indemnify the Insured for the amount of loss resulting from such interruption or interference in accordance with the provisions contained in the specification relating to this Section.

Provided that at the time of the happening of the Damage there shall be in force an insurance covering the interest of the Insured in the property at the premises against such Damage and that

- (i) payment shall have been made or liability admitted therefor:
- or
- (ii) payment would have been made or liability would have been admitted therefor but for the operation of a proviso in such insurance excluding liability for losses below a specified amount

Provided that the liability of the Insurer in respect of each Section in any one period of Insurance shall in no case exceed

- (i) in respect of each item the sum expressed in the Schedule to be insured thereon or in the whole the total sum insured hereby
- (ii) any limit of liability shown in the Schedule

or such other sum or sums as may be substituted therefor by memorandum hereon or attached hereto signed by or on behalf of the Insurer.

EXCLUSIONS (APPLICABLE TO SECTIONS I AND II)

A. EXCLUDED CAUSES

This policy does not cover:-

1. Damage to the property insured caused by
 - (a) (i) faulty or defective design materials or workmanship latent defect gradual deterioration deformation or distortion or wear and tear
 - (ii) interruption of the water supply gas electricity or fuel systems or failure of the effluent disposal systems to and from the Premises
 - (iii) settling or bedding down of structures shrinkage or expansion of foundations walls floors or ceilings

unless Damage by a cause not excluded in the policy ensues and then the Insurer shall be liable only for such ensuing Damage

 - (b) (i) collapse or cracking of buildings
 - (ii) corrosion rust extremes or changes in temperature dampness dryness wet or dry rot fungus shrinkage evaporation loss of weight pollution contamination change in colour flavour texture or finish action of light vermin insects marring or scratching or inherent vice

unless such loss is caused directly by Damage to the property insured or to premises containing such property by a cause not excluded in the policy

- (c)
 - (i) theft unless accompanied by violence or threat of violence to persons or forcible and violent entry to or exit from the Premises
 - (ii) any fraudulent scheme trick device or false pretence practised upon the Insured or upon any person(s) having care of the insured property at such time
 - (iii) acts of infidelity or acts of dishonesty on the part of the Insured or any of the employees of the Insured
 - (iv) disappearance unexplained or inventory shortage misfiling or misplacing of information shortage in supply or delivery of materials or shortage due to clerical or accounting error
 - (v) cracking fracturing collapse or overheating of boilers economisers vessels tubes or pipes nipple leakage or the failure of welds of boilers
 - (vi) mechanical or electrical breakdown or derangement of machinery or equipment including electronic installations computers and data processing equipment
 - (vii) Damage to boilers economisers turbines or other vessels machinery or apparatus in which pressure is used or their contents resulting from their explosion or rupture
 - (viii) bursting overflowing discharging or leaking of water tanks apparatus or pipes when the premisee becomes unoccupied and so remains for a period of more than Thirty (30) days unless
 - (I) Damage by a cause not excluded in the policy ensues and then the Insurer shall be liable only for such ensuing Damage and/or
 - (II) such loss is caused directly by Damage to the property insured or to premises containing such property by a cause not excluded in the policy
- (d)
 - (i) coastal or river erosion
 - (ii) storm tempest water and rain to property in the open (other than property designed to exist and operate in the open)
 - (iii) the freezing solidification or inadvertent escape of molten or gaseous material unless a fire ensues then the insurer shall be liable for such ensuing damage
 - (iv) false programming punching labelling or inserting inadvertent cancelling of information or discarding of data media and loss of information caused by magnetic fields

2. Damage caused by or arising from

- (a) any wilful act or willful negligence on the part of the Insured or any person acting on his behalf
- (b) cessation of work
- (c) delay or loss of market
- (d) consequential losses of any description other than those insured under Section II

3. Damage occasioned directly or indirectly by or through or in consequence of any of the following occurrences namely

- (a) war invasion act of foreign enemy hostilities or warlike operations (whether war be declared or not) civil war
- (b) mutiny civil commotion assuming the proportions of or amounting to a popular rising military rising insurrection rebellion revolution military or usurped power
- (c) any act of terrorism

For this purpose 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 on connection with any organisation(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.

- (d)
 - (i) permanent or temporary dispossession resulting from confiscation nationalisation commandeering or requisition by any lawfully constituted authority
 - (ii) permanent or temporary dispossession of any building resulting from the unlawful occupation of such building by any person

provided that the Insurers are not relieved of any liability to the Insured in respect of Damage to the property insured occurring before dispossession or during temporary dispossession which is otherwise insured by this Policy

- (e) the destruction of property by order of any public authority

In any action suit or other proceeding where the Insurer alleges that by reason of the provisions of Exclusions A3(a) (b) and (c) above any loss destruction or damage is not covered by this insurance the burden of proving that such loss destruction or damage is covered shall be upon the Insured

- 4. Damage directly or indirectly caused by or arising from or in consequence of or contributed to by
 - (a) nuclear weapons material
 - (b) ionising radiations or contamination by radioactivity from any nuclear fuel or from any unclear waste from the combustion of nuclear fuel. Solely for the purpose of this Exclusion A4(b) combustion shall include any self-sustaining process of nuclear fission

B. EXCLUDED PROPERTY

This Policy does not cover

- 1.
 - (a) money cheques bullion negotiable instruments and securities of all kinds any curiosity or work of art (other than drawing painting and sculpture of individual value not exceeding USD 250 per item) furs garments trimmed with fur jewellery watches pearls set or unset precious stones gold silver platinum or other precious metal and alloy
 - (b) documents manuscripts plans drawings designs patterns models moulds business books or computer systems records for the value to the Insured of the information contained therein
 - (c) property sold by the insured under conditional sale trust agreement installment plan or deferred payment plan or after delivery to customers
 - (d) vehicles licensed for road use (including accessories thereon) caravans railway locomotives or rolling stock watercraft aircraft spacecraft or the like
 - (e) property in transit other than within the premises specified in the Schedule
 - (f) property or structures in course of demolition construction or erection and materials or supplies in connection therewith
 - (g) land (including top-soil back-fill drainage or culverts) driveways pavements roads runways railway lines dams of all kinds weirs overhead lines transmissions mast irrigation systems sewer systems storage tanks and the contents thereof reservoirs canals harbours rigs wells pipelines tunnels bridges docks piers jetties excavations wharves mining property underground off-shore property
 - (h) animals livestock growing crops standing timber plants lawns trees and shrubs
 - (i) property damaged as a result of its undergoing any process
 - (j) machinery during installation removal or resiting (including dismantling and re-erection) if directly attributable to such operations
 - (k) property undergoing alteration repair testing installation or servicing including materials and supplies therefor if directly attributable to the operations of work being performed thereon unless Damage by a cause not otherwise excluded ensues and then the Insurer will be liable only for such ensuing loss
 - (l) property in course of manufacture if such loss destruction or damage is sustained while the property is being actually worked on and directly resulting from such work unless Damage by a cause not otherwise excluded ensues and then the Insurer will be liable only for such ensuing loss
 - (m) property more specifically insured
- 2. Damage to property which at the time of the happening of such Damage is insured by or would but for the existence of this policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected

POLICY CONDITIONS (APPLICABLE TO SECTIONS I AND II)

1. IDENTIFICATION

This Policy and the Schedule (which forms an integral part of this Policy) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of the Schedule shall bear such specific meanings wherever they shall appear.

2. MISDESCRIPTION

If there be any material misdescription by the Insured or any one acting on his behalf of any of the property hereby insured or of any building or place in which such property is contained or of the business or premises to which this insurance refers or any misrepresentation as to any fact material to be known for estimating the risk or any omission to state such fact the Insurer shall not be liable under this Policy for the property affected by any such misdescription misrepresentation or omission.

3. CESSATION OF RISK

Under any of the following circumstances the insurance under this Policy ceases to attach as regards the property affected unless the Insured before the occurrence of any loss or damage obtains the sanction of the Insurer signified by endorsement upon policy

- (a) if the trade or manufacture carried on be altered or if the nature of the occupation of or other circumstances affecting the building or containing the insured property be changed in such a way as to increase the risk of loss or damage
- (b) if the building insured or containing the insured property becomes unoccupied and so remains for a period of more than 30 days
- (c) if the property insured be removed to any building or place other than that in which it is herein stated to be insured
- (d) if the interest in the property insured passes from the Insured otherwise than by will or operation of law
- (e) if a notice to quit by any order by the local Authorities for the requisition or acquisition of the land on which the Insured's property is situated has been issued.
- (f) in respect of Section II only, if the business be wound up or carried on by a liquidator or Receiver or permanently discontinued

4. CANCELLATION

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.

5. SAFEGUARDS AND MAINTENANCE

The Insured shall at all times and as far as is reasonably practicable take steps to safeguard the property insured and maintain it in a proper state of repair. The Insured shall also take steps to enforce the observance of all statutory provisions manufacturer's recommendations and other regulations relating to the safety use and inspection of the property insured.

6. CLAIMS

If any event giving rise to or likely to give rise to a claim under this Policy comes to his knowledge the Insured shall

- (a) immediately
 - (i) take steps to minimise the loss or damage and recover any missing property
 - (ii) give notice in writing to the Insurer and
 - (iii) give notice to the police if the event be theft or suspected theft or willful or malicious damage
- (b) within 30 days or such further time as the Insurer may in writing allow deliver to the Insurer
 - (i) a claim in writing for the loss or damage containing as particular an account as may be reasonably practical of all the several articles or items of property lost or damaged and the

amount of loss or damage thereto respectively having regard to their value at the time of the loss or damage

- (ii) particulars of all other insurances if any

The Insured shall at all times at his own expense produce procure and give to the Insurer all such further particulars plans specifications books vouchers invoices duplicates or copies thereof documents proofs and information with respect to the claim and the origin and cause of the loss or damage and the circumstances under which the loss or damage occurred and any matter touching the liability or the amount of liability of the Insurer as may be reasonably required by or on behalf of the Insurer together with a declaration on oath or in other legal form of the truth of the claim and any matters connected therewith.

7. **INSURERS' RIGHTS AFTER A LOSS**

On the happening of any loss or damage to any of the property insured by this Policy the Insurer may

- (a) enter and take and keep possession of the building or premises where the loss or damage has happened
- (b) take possession of or require to be delivered to it any property of the Insured in the buildings or on the premises at the time of the loss or damage
- (c) keep possession of any such property and examine sort arrange remove or otherwise deal with the same
- (d) sell any such property or dispose of the same for account of whom it may concern.

The powers conferred by this Condition shall be exercisable by the Insurer at any time until notice in writing is given by the Insured that he makes no claim under this Policy or if any claim is made until such claim is finally determined or withdrawn and the Insurer shall not by any act done in the exercise or purported exercise of its powers hereunder incur any liability to the Insured or diminish its rights to rely upon any of the Conditions of this Policy in answer to any claim.

If the Insured or any person acting on his behalf shall not comply with the requirements of the Insurer or shall hinder or obstruct the Insurer in the exercise of its powers hereunder all benefit under this Policy shall be forfeited.

The Insured shall not in any case be entitled to abandon any property to the Insurer whether taken possession of by the Insurer or not.

8. **FORFEITURE**

If any claim upon this policy be in any respect fraudulent or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this policy or if the loss destruction or damage be occasioned by the wilful act or with the connivance of the Insured all benefit under this policy shall be forfeited.

If a claim be made and rejected and an action or suit be not commenced within three (3) months after such rejection or (in case of an arbitration taking place in pursuance of condition 14 of this policy) within three (3) months after the Arbitrator or Arbitrators or Umpire shall have made their award all benefit under this policy shall be forfeited.

9. **TIME LIMITATION**

In no case whatever shall the Insurer be liable for any loss or damage after the expiration of twelve months

- (i) in respect of Section I, from the happening of the loss or damage
- (ii) in respect of Section II, from the end of the Indemnity Period or, if later, three months from the date on which payment shall have been made or liability admitted by the Insurers covering the Damage giving rise to the said claim

unless the claim is the subject of pending action or arbitration.

10. **SUBROGATION**

The Insured shall at the expense of the Insurer do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Insurer for the purpose of enforcing any rights and remedies or of obtaining relief and indemnity from other parties to which the Insurer shall be or would become entitled or subrogated upon their paying for or making good any loss destruction or damage under this policy whether such acts and things shall be or become necessary or required before or after his indemnification by the Insurer.

11. **CONTRIBUTION**

If at the time of any loss destruction or damage happening to any subject matter insured there be any other subsisting insurances whether by the Insured or by any other person or persons covering the same subject matter the Insurer shall not be liable to pay or contribute more than their rateable proportion of such loss destruction or damage.

12. **AVERAGE**

The sums insured of each item under Section I and of Section II of this policy are declared to be separately subject to Average.

Section I:

If the subject matter insured at the time of any loss destruction or damage be collectively of greater value than the sum insured thereon then the Insured shall be considered as being his own Insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item if more than one of the policy shall be separately subject to this condition.

Section II:

The Insurance is limited to loss of Gross profit due to (a) Reduction in Turnover and (b) increase in Cost of Working and the amount payable as indemnity thereunder shall be:

- a) in respect of Reduction in Turnover : the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the damage fall short of the Standard Turnover.
- b) in respect of Increase in Cost of Working : the additional expenditure (subject to the provisions of the Uninsured Standing Charges Clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the amount of the reduction thereby avoided:

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the damage:

provided that if the Sum Insured by this item be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

13. **DEDUCTIBLES**

This policy does not cover in respect of each Section the amounts of the deductibles stated in the Schedule in respect of each and every loss as ascertained after the application of all other terms and conditions of the policy including any condition of average.

It is further warranted that during the currency of the policy the Insured shall not effect insurance in respect of the amounts of the deductibles stated in the Schedule.

14. **ARBITRATION**

If any difference arises as to the amount of any loss or damage such difference shall independently of all other questions 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 disinterested persons as Arbitrators of whom one shall be appointed in writing by each of the parties within two (2) calendar months after having been required so to do in writing by the other party. In case either party shall refuse or fail to appoint an Arbitrator within two (2) calendar months after receipt of notice in writing requiring an appointment the other party shall be at liberty to appoint a sole Arbitrator and in case of disagreement between the Arbitrators the difference shall be referred to the decision of an Umpire who shall have been appointed by them in writing before entering on the reference and who shall sit with the Arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the Arbitrator(s) or Umpire respectively and in the event of the death of an Arbitrator or Umpire another shall in each case be appointed in his stead by the party or Arbitrators (as the case may be) by whom the Arbitrator or Umpire so dying was appointed. The costs of the reference and of the award shall be at the discretion of Arbitrator(s) or Umpire making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this policy that the award by such Arbitrator(s) or Umpire of the amount of the loss or damage if disputed shall be first obtained.

15. **REPAIR AND REPLACEMENT**

The Insurer may at its option reinstate or replace the property damaged or destroyed or any part thereof instead of paying the amount of the loss or damage or may join with any other Insurer or Insurers in so doing but the Insurer shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner and in no case shall the Insurer be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage nor more than the sum insured by the Insurer thereon.

If the Insurer so elect to reinstate or replace any property the Insured shall at his own expense furnish the Insurer with such plans, specifications measurements quantities and such other particulars as the Insurer may require and no acts done or caused to be done by the Insurer with a view to reinstatement or replacement or replacement shall be deemed an election by the Insurer to reinstate or replace.

16. **EXTINGUISHING EXPENSES AND RESCUE TEAM COSTS**

The insurance of this Policy is held to include

- i) Wages of the Insured's employee other than full time members of a Works Fire Brigade.
- ii) The cost of replenishment of fire fighting appliances and destruction of or damage to materials (including employees' clothing and personal effects unless otherwise specifically insured)
- iii) Other costs (including loss or damage to property to gain access)

necessarily and reasonably incurred in extinguishing fires or in saving property or life from loss or damage by any peril herein at or adjoining the situation of the property insured or immediately threatening to involve such property.

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.

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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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 allege 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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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.