



SME

Policy Wording



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General Terms and Conditions

1 Cover

- 1.1 The Insurer shall provide cover within the terms described within each of the Policy Sections shown as purchased on the schedule to this Policy.
- 1.2 The cover provided by each policy section purchased and shown on schedule shall be subject to
- the general terms and conditions set out below at Section 3;
 - the limits of liability, sub limits of liability, and retentions specified in the schedule;
 - the exclusions, definitions and special conditions contained within each section.
- 1.3 In the event of any conflict between these general terms and conditions, and any provision contained within any Policy Section, the provision contained within the Policy Section shall prevail for the purposes of the cover contained within that section only.

2 Definitions

- 2.1 **“Policy”**
means includes this document, the Policy Sections, insurance proposal, schedule, conditions, exclusions, terms, attachments, special specifications, warranties and policy endorsements which are deemed part of the same insurance contract.
- 2.2 **“Policy Sections”**
means the policy sections listed more particularly at Contents.
- 2.3 **“Insurer”**
means AIG Asia Pacific Insurance Pte. Ltd.
- 2.4 **“Company”**
means AIG Asia Pacific Insurance Pte. Ltd.
- 2.5 **“Insured”**
means the entity named in the schedule.
- 2.6 **“Policy Period and/or Period of Insurance”**
as stated in the schedule.
- 2.7 **“Business”**
means your usual activities and operations as described in the schedule.

3 Exclusions

- 3.1 **War and Terrorism Exclusion**
Notwithstanding any provision to the contrary within this Policy or any endorsement thereto, this Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:
- war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
 - any act of terrorism. 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 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. Terrorism shall also include any act which is verified or recognised by the government of Singapore as an act of terrorism.

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 (i) and/or (ii) above.

If the Insurer 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.

3.2 Property Electronic Data and Internet

The Insurer will not pay for damage or consequential loss directly or indirectly caused by, consisting of, or arising from:

- Any functioning or malfunctioning of the internet or similar facility, or of any intranet or private network or similar facility.
- Any corruption, destruction, distortion, erasure or other loss or damage to data, software, or any kind of programming or instruction set.
- Loss of use or functionality whether partial or entire of data, coding, program, software, any computer or computer system or other device dependent upon any microchip or embedded logic, and any ensuing inability or failure of the Insured to conduct business.

This Policy shall not exclude subsequent damage or consequential loss, not otherwise excluded, which itself results from a Defined Peril. Defined Peril shall mean: fire, lightning, earthquake, explosion, falling aircraft, flood, smoke, vehicle impact, windstorm or tempest.

Such damage or consequential loss described in 1, 2, or 3 above is excluded regardless of any other cause that contributed concurrently or in any other sequence.

3.3 Property Millennium

- A. The Insurer will not pay for damage or consequential loss directly or indirectly caused by, consisting of, or arising from the failure of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the Insured or not, and whether occurring before, during or after the year 2000 that results from the inability to:
- correctly recognise any date as its true

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calendar date;

- (ii) capture, save, or retain, and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date other than its true calendar date; and/or
 - (iii) capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.
- B. The Insurer will also not pay for the repair or modification of any part of an electronic data processing system or its related equipment, to correct deficiencies or features of logic or operation.
- C. The Insurer will also not pay for damage or consequential loss arising from the failure, inadequacy, or malfunction of any advice, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Insured or for the Insured or by or for others to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in A. above.

Such damage or consequential loss described in A, B, or C above, is excluded regardless of any other cause that contributed concurrently or in any other sequence.

This Policy shall not exclude subsequent damage or consequential loss, not otherwise excluded, which itself results from a Defined Peril. Defined Peril shall mean fire, lightning, explosion, aircraft or vehicle damage, falling objects, windstorm, hail, tornado, hurricane, cyclone, riot, strike, civil commotion, vandalism, malicious mischief, earthquake, volcano, tsunami, freeze or weight of snow.

3.4 IT Clarification

Property damage covered under this Policy shall mean physical damage to the substance of the Property Insured.

Physical damage to the substance of Property Insured 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 Policy:

- (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 Insured 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.

3.5 Mould and Fungi Endorsement

- (a) This Policy only insures physical loss or damage to Property Insured by mould, mildew, fungus or spores, when directly caused by damage to the Property Insured during the Period of Insurance by one of the following listed Perils:

Fire, earthquake, explosion, lightning, windstorm, hail, flood or water damage, direct impact of vehicle, aircraft or vessel, riot or civil commotion, vandalism or malicious mischief; or accidental discharge of fire protection equipment.

This coverage is subject to all limitations of the Policy and, in addition, to each of the following specific limitations:

- (1) The said Property must be insured for physical loss or damage by that Peril.
 - (2) The Insured must report to the Insurer the existence and cost of the physical cost of damage by mould, mildew, fungus or spores as soon as practicable, but no later than six (6) months after the Peril first caused any physical loss or damage to such Property Insured during the Period of Insurance. This Policy does not insure any physical loss or damage by mould, mildew, fungus or spores first reported to the Insurer after the six (6) months' period.
- (b) Except as set forth in the foregoing Section (a), this Policy does not insure any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to mould, mildew, fungus, spores of any type, nature or description.

3.6 Political Risk Exclusion

Notwithstanding any provision to the contrary, this Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

Confiscation, expropriation, nationalisation, commandeering, requisition or destruction of or damage to property by order of the government de jure or de facto or any public, municipal or local authority of the country or area in which the property is situated; seizure or destruction under quarantine or customs regulation.

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3.7 Transmission and Distribution Lines

This Policy excludes all physical loss, destruction, loss or damage to transmission and distribution lines (including but not limited to transformers, poles, towers, wiring and equipment connected therewith).

3.8 Sanctions Related Exclusion

If, by virtue of any law or regulation which is applicable to an Insurer, its parent company or its ultimate controlling entity, at the inception of this Policy or at any time thereafter, providing coverage to the Insured is or would be unlawful because it breaches an applicable embargo or sanction, that Insurer shall provide no coverage and have no liability whatsoever nor provide any defense to the Insured or make any payment of defense costs or provide any form of security on behalf of the Insured, to the extent that it would be in breach of such embargo or sanction.

3.9 Communicable Disease Exclusion

Applicable to the Property All Risks, Business Interruption, Machinery Breakdown, Machinery Breakdown Loss of Profits, Electronic Equipment and Inland Transit Sections of this Policy

- [1] notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
- [2] For the purposes of this exclusion, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
- [2.1] for a Communicable Disease, or
- [2.2] any property insured hereunder that is affected by such Communicable Disease.
- [3] As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
- [3.1] the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- [3.2] the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
- [3.3] the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.

- [4] This exclusion applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

3.10 General Exclusions

The Insurer will not indemnify the Insured under this Policy for:

- (i) loss of or damage to any vehicle licensed for road use, contractors' constructional plant, machinery and equipment, railway locomotives and rolling stock, watercraft or aircraft or property contained therein arising directly or indirectly from or occasioned by the ownership, maintenance, operation, use, loading or unloading thereof.
- (ii) loss of or damage to Property Insured or liability directly or indirectly occasioned by or through or in consequence of:
- (a) (i) permanent or temporary dispossession of any building 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 Insurer is not relieved of any liability to the Insured in respect of physical damage to Property Insured occurring before such dispossession or during temporary dispossession or which is otherwise insured by this Policy.

- (b) destruction of Property Insured by order of any public authority.

In any action, suit or other proceeding where the Insurer alleges that by reason of the provisions of General Exclusion (ii)(a) and (b) above, any loss, destruction or damage is not covered by this Policy, the burden of proving that such loss, destruction or damage is covered shall be upon the Insured.

- (iii) any loss, destruction or damage directly or indirectly caused by or arising from or in consequence of or contributed to by
- (a) nuclear weapons material,
- (b) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this General Exclusion (iii)(b), combustion shall include any self-sustaining process of nuclear fission.
- (iv) any fine or penalty imposed on the Insured or any punitive or exemplary damage awarded against the Insured.

4 General Conditions

4.1 Entire Contract

This Policy, Schedule, endorsements, application form or proposal, declaration and attached papers together with other statement in writing shall be read together

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as one contract. Any word or expression to which a specific meaning has been ascribed in any part of the Schedule attached shall bear specific meaning wherever it may appear.

4.2 Observation of Conditions

The due observance and fulfilment of the terms conditions provisions and endorsements of this Policy by the Insured in so far as they relate to anything to be done or complied with by the Insured shall be conditions precedent to any liability of the Insurer to make payment under this Policy.

Every notice of communication to be given or made under this Policy shall be delivered in writing to the Insurer.

4.3 Voidance of Policy

This Policy shall be voidable in the event of misdescription, misrepresentation or non-disclosure of any material particulars or facts.

4.4 Cancellation

This Policy may be terminated at any time at the request of the Insured in which case the Insurer will retain the customary short period rate for the time the Policy has been in force subject to a minimum premium payment imposed by the Insurer. This Policy may also at any time be terminated at the option of the Insurer on thirty (30) days' notice to the effect being given to the Insured in which case the Insurer shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.

4.5 Legal Actions

An award given in an arbitration pursuant to General Condition 4.15 herein shall be a condition precedent to any liability of the Insurer or any right of action against the Insurer.

4.6 Misdescription

If there is any material misdescription by the Insured or any one acting on his behalf of any of the Property 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

4.7 Alterations and Removals

Under any of the following circumstances the Insurance under this Policy ceases to attach as regards the Property Insured unless the Insured before the occurrence of any loss destruction or damage obtains the sanction of the Insurer signified by endorsement upon the Policy by or on behalf of the Insurer:-

- (a) If the trade or manufacture carried on be altered or if the nature of the occupation of or other circumstances affecting the building insured
- (b) If the building containing the Property Insured becomes unoccupied and so remains for a period of more than thirty (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 except as is provided by the "Temporary Removal" Clause in the Policy.

- (d) If the interest in the Property Insured passes from the Insured otherwise than by will or operation of law.

- (e) If the Business be wound up or carried on by a liquidator or receiver or permanently discontinued.

4.8 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.

4.9 Claims Procedure

On the happening of any event or incident that might lead to a claim being made against the Insurer, the Insured must:

- (a) Notify the Insurer in writing as soon as reasonably possible, but in any case no later than thirty (30) days, of full details of any incident which may result in a claim under this Policy.
- (b) Forward to the Insurer immediately upon receipt every writ, summon, legal process or other communication in connection with any matters relating to claims.
- (c) Give all necessary information and assistance that the Insurer may require and at the Insured's expense provide all detailed particulars and evidence regarding the incident the cause and amount of the loss destruction or damage as the Insurer may require.
- (d) Not admit liability or make any offer or promise of payment without the written consent of the Insurer.
- (e) Take immediate action to minimise and to prevent further loss or damage.
- (f) Give notice to the police if the event is theft or suspected theft or wilful or malicious damage.

4.10 Forfeiture

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

4.11 Time Limitation

If a claim is made and rejected and an action or suit is not commenced within three (3) months after such rejection or in the case of an arbitration taking place in pursuance of General Condition 4.15 of this Policy within three (3) months after the arbitrator shall have made his award, all benefits under this Policy shall be forfeited.

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4.12 Insurer's Rights after A Loss

On the happening of any destruction or damage to any of the Property Insured, the Insurer may

- (a) Enter and take and keep possession of the building or the Insured Premises where the loss or damage has happened.
- (b) Take possession of or require to be delivered to them any Property of the Insured in the building 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 they make no claim under the 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 herein incur any liability to the Insured or diminish their rights to rely upon any of the exceptions or 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 herein, 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.

4.13 Subrogation

Any claimant under this Policy will, 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 or indemnity from other parties to which the Insurer shall be or would become entitled or subrogated upon its paying for or making good any loss destruction or damage or liability under

this Policy whether such acts and things shall be or become necessary or required before or after their indemnification or liability by the Insurer.

4.14 Contribution

If, at the time of any claim arises under this Policy, there is any other subsisting insurance or insurances, whether effected by the Insured or by any other person or persons, covering the same loss or liability, the Insurer shall not be liable to pay or contribute more than its ratable proportion of any such claim including any costs and expenses in connection therewith.

4.15 Arbitration

Any dispute, difference or question which may arise at any time hereafter between the Insurer

and the Insured or the Insured Person or his legal personal representatives in relation to the true construction of the Policy or the rights or liabilities of the parties hereto shall be referred to arbitration in Singapore and Singapore law shall apply thereto.

The arbitration shall be heard by a single arbitrator to be agreed by the parties hereto within fourteen (14) days of the commencement of the arbitration. In default of agreement, the arbitrator shall be appointed in accordance with and subject to the provisions of the Arbitration Act (Cap. 10) or any statutory modification or re-enactment thereof for the time being in force. Arbitration proceedings shall be conducted in accordance with the Rules of the Singapore International Arbitration Centre.

4.16 Jurisdiction

This Policy shall be governed by the laws of Singapore

4.17 Notice to Agent

Notice to any agent or knowledge possessed by any agent or by any other person shall not affect a waiver or a change in any part of this Policy or stop the Insurer from asserting any right under the terms of this Policy nor shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy.

4.18 Assignment

This Policy and any rights under it cannot be assigned without the written consent of the Insurer.

4.19 Premium Warranty

- i. Notwithstanding anything herein contained but subject to Clause (ii) hereof, if the period of insurance is sixty (60) days or more, any premium due must be paid and actually received in full by the Insurer (or the intermediary through whom this Policy was effected) within 60 days of the:
 - (a) inception date of the coverage under the Policy, renewal Certificate or Cover Note; or
 - (b) effective date of each Endorsement, if any, issued under the Policy, Renewal Certificate or Cover Note.
- ii. In the event that any premium due is not paid and actually received in full by the Insurer (or the intermediary through whom this Policy was effected) within the sixty (60)-day period referred to in (i) above, then:
 - (a) the cover under the Policy, Renewal Certificate or Cover Note is automatically terminated immediately after the expiry of the sixty (60)-day period;
 - (b) the automatic termination of the cover shall be without prejudice to any liability incurred within the sixty (60)-day period; and
 - (c) the Insurer shall be entitled to a pro-rata time on risk premium subject to a minimum S\$25.00.

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- iii. If the Period of Insurance is less than sixty (60) days, any premium due must be paid and actually received in full by the Insurer (or the intermediary through whom this Policy was effected) within the Period of Insurance.

4.20 **Contracts (Rights of Third Parties) Act 2001**

A person who is not a party to this Policy shall have no right under the Contracts (Rights of Third Parties) Act 2001 (Cap. 53B) and any subsequent revision or amendment thereof to enforce any of its terms.

4.21 **Condition Precedent**

The validity of this Policy is subject to the condition precedent that:

- [a] for the risk insured, the Insured has never had any insurance terminated in the preceding twelve (12) months of the effective date of the Policy due solely or in part to a breach of any premium payment condition; or
- [b] if the Insured has declared that it has breached any premium payment condition in respect of a previous policy taken up with another insurer in the preceding twelve (12) months of the effective date of the Policy:
 - [i] the Insured has fully paid all outstanding premium for time on risk calculated by the previous insurer based on the customary short period rate in respect of the previous policy; and
 - [ii] a copy of the written confirmation from the previous insurer to this effect is first provided by the Insured to the Insurer before cover incepts.

Property All Risks

1 Covers

The Insurer will, at its option by payment repair reinstatement or replacement, indemnify the Insured, up to the respective limits specified in the Schedule against accidental physical loss of or damage to the Property Insured whilst in the Insured Location of Risk by any cause not excluded occurring during the Period of Insurance.

Provided that the liability of the Insurer in respect of any one loss or in the aggregate in any one period of insurance shall not in any event exceed

1. in respect of each item the Sum Insured stated in the Schedule or in the whole the total Sum Insured hereby;
 2. any limit of liability shown in the Schedule;
- or such other sum or sums as may be substituted by memorandum hereon or attached hereto signed by or on behalf of the Insurer.

2 Exclusions

2.1 Excluded Property

This section of the Policy does not cover:

- (i) Money
- (ii) jewellery, precious stones, precious metals, bullion, furs, curiosities, rare books or works of art, with an individual value in excess of S\$5,000 or a total any one loss in excess of S\$25,000
- (iii) Goods held in trust or on commission, documents, manuscripts, business books, computer system records, patterns, models, moulds, plans, designs or explosives.
- (iv) Vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives or rolling stock, watercraft, aircraft, spacecraft or the like.
- (v) Property in transit other than within the premises specified in the Schedule.
- (vi) Property or structures in the course of demolition, construction or erection and materials or supplies in connection therewith.
- (vii) Land (including top-soil back-fill drainage or culverts), driveways, pavements, roads, runways, railway lines, dams, reservoirs, canals, rigs, wells, pipelines, tunnels, bridges, docks, piers, jetties, excavations, wharves, mining property or underground off-shore property.
- (viii) Livestock, growing crops or trees.
- (ix) Property (except signs) in the open or being processed, constructed, erected, installed, altered, dismantled, removed or re-sited including related material and supplies.
- (x) Machinery during installation removal or re-siting (including dismantling and re-erection) if directly attributable to such operations.
- (xi) Property undergoing alteration, repair, testing, installation or servicing including materials and supplies therefor if directly attributable

to the operations or 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.

- (xii) Property more specifically insured.
- (xiii) Satellites.
- (xiv) Damage to property which at the time of the happening of such Damage is insured by or would but for the existence of this Section 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.
- (xv) 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.

2.2 Exceptions

- (i) Damage to the Property Insured caused by:
 - (a) (i) faulty or defective design, materials or workmanship, inherent vice, latent defect, gradual deterioration, deformation, 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;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;
- 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) Burglary Robbery or Theft or any attempt thereat unless
 - a. it is involving forcible entry to or exit from the building and
 - b. it is specified in the schedule under BurglaryAnd only to the sum insured as mentioned in the schedule;
- (ii) acts of fraud or dishonesty;
- (iii) disappearance unexplained or inventory shortage, misfiling, misplacing,

Property All Risks

- information shortage in supply or delivery of materials or shortage due to clerical or accounting error;
- (iv) cracking, fracturing, collapse or overheating of boilers, economisers, vessels, tubes or pipes, nipple leakage or failure of welds of boilers;
 - (v) mechanical or electrical breakdown or derangement of machinery or equipment;
 - (vi) bursting overflowing, discharging or leaking of water tanks, apparatus or pipes when the Premises are empty or disused for a continuous period exceeding 7 consecutive days and nights; unless
 - (i) Damage by a cause not excluded in the Policy ensues and then the Insurer shall be liable only for such ensuing Damage.
 - (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) subsidence, ground heave or landslip;
 - (iii) normal settlement or bedding down of new structures;
 - (iv) wind, rain, hail, frost, snow, flood, sand or dust to movable property in the open or in open-sided buildings or to fences and gates;
 - (v) freezing, solidification or inadvertent escape of molten material.
- (ii) Damage caused by or arising from :-
- (a) any wilful act or wilful negligence on the part of the Insured or any person acting on his behalf;
 - (b) cessation of work, delay or loss of market or any other consequential or indirect loss of any kind or description whatsoever.
- (iii) Damage caused directly or indirectly by or through or in consequence of Mutiny.
- (iv) The amounts of the deductibles or excess 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.
- (v) Damage caused by flood, unless as specified in the Schedule
- (vi) Damage caused by Burglary, Robbery, Theft or Full Theft, unless as specified in the schedule

It is warranted that the Insured shall not effect insurance in respect of the amounts of the deductibles or excess stated in the Schedule.

2.3 Pollution & Contamination Exclusion

This Section does not cover loss or destruction or damage caused by pollution or contamination but this shall not exclude destruction of or damage to the Property Insured, not otherwise excluded, caused by:

- (a) pollution or contamination which itself results from a Defined Peril;
- (b) a Defined Peril which itself results from pollution or contamination.

The words "Defined Peril" shall mean fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, earthquake, storm, flood, bursting overflowing discharging or leaking water tanks apparatus or pipes, sprinkler leakage or impact by any road vehicle or animal and not otherwise excluded.

3 Definitions

3.1 "Buildings"

means the building(s) at the Premises and includes structural improvements and outbuildings, landlord's fixtures and fittings, walls, gates, fences, sealed paths and driveways, lights and signs, aerials, antennae and dishes and underground and above ground services connected to the building and storage tanks.

3.2 "Contents, Fixtures and Fittings and Plant and Machinery"

means equipment, plant, fixtures, fittings and furniture used by you at the Premises.

i) Where you are a tenant:

- (a) fixtures and fittings installed by you; and
- (b) your landlord's fixtures and fittings for which you are responsible for under the terms of your lease.

ii) Computer systems, records, documents, manuscripts plans, drawings, designs, business books and other documents but only for their value in their unused state or a stationary

iii) Paintings, works of art and curiosities

iv) Patterns, models, moulds, dyes and cast for the value shown in your financial records, if not repaired or replaced.

3.3 "Stock"

- i) Stock in trade, merchandise, raw materials including work in progress and packaging materials used by you in the Business; and
- ii) Customers' goods for which you are legally responsible.

Property All Risks

- 3.4 “Other Property Values”**
Has the meaning described in the Schedule
- 3.5 “Policy Floater”**
means Contents, Fixtures and Fittings, Plant and Machinery and/or Stock that is moved around the different Premises insured under this item.
- 3.6 “Premises”**
means the location insured stated in the Schedule.
- 3.7 “Basement”**
means the level below ground level.
- 3.8 “Flood”**
means damage caused by water by overflowing or deviation from their normal channels of either natural or artificial water courses, bursting or overflowing of public water mains and any other flow or accumulation of water originating from outside the building insured containing the Property Insured
- 3.9 “Glass”**
Means glass of similar quality (including any writing, painting or ornamentation thereon or alarm tapes and the reasonable cost of any necessary boarding up incurred) in consequence of such breakage whilst occurring during the Period of Insurance.
- 3.10 “Money”**
shall mean cash, coins, bank notes and bullion, currency notes, cheques, travellers cheques, money orders, postal orders, credit card sales vouchers, discount house vouchers, bonds, bills or exchange, promissory notes, unused current postage stamps, revenue stamps and including the value of stamps contained in franking machines or other redeemable vouchers or any other negotiable instrument all belonging to the Insured or for which the Insured or for which the Insured has accepted responsibility.
- 3.11 “Theft”**
means the dishonest act of removing, misappropriating or converting any movable property out of the possession of any person or, from any premises, without consent or authority.

4.2 Non-Cancellation

The Insurer undertakes to advise the Owners or Lessors or Mortgagees prior to cancellation of this Section if instructions have been received for the cancellation of this Section and also to advise the Owners or Lessors or Mortgagees immediately of any other material changes which are proposed to be made in the terms of the Insurance. However the Insurer reserves the right to cancel the Section in the event of non-payment of premium by the Insured.

4 Conditions

In addition to the general terms and conditions, the following terms shall apply to the cover provided by this section of the policy only:

- 4.1 Loss Notification (30 days)**
Notwithstanding anything contained herein to the contrary, this Insurance will not be prejudiced by any inadvertent delays, errors or omissions in notifying the Insurer of any circumstances or events giving rise or likely to give rise to a claim under this Section.
- Provided always that the notification shall not be more than thirty (30) days from the date of the loss.

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5 Extensions

5.1 Automatic Reinstatement

The total Sum Insured shall not be reduced by the amount of a loss provided that the Insured pays any additional premium that may be required on the amount of loss from the commencement date of reinstatement to the date of expiry of the period of insurance.

5.2 Alterations and Repairs

Workmen are allowed in on or about the Insured Premises to carry out minor alterations and effecting repairs or general maintenance to building, plant, fixtures and fittings and machinery (excluding any sprinkler installations) without prejudice to the terms of this Insurance. Provided that the independent contract value of each of such work does not exceed ten per cent (10%) of the Sum Insured for Insured Property or S\$100,000, whichever is lesser.

5.3 Appraisalment

If the aggregate claim for any loss destruction or damage does not exceed S\$10,000 or five per cent (5%) of the Sum Insured for every occurrence, whichever is lesser, by the item or items affected, no special inventory or appraisalment of the undamaged Property is required.

If two or more buildings are included as a single item, this extension shall apply to the range of buildings and/or contents by the item or items affected.

5.4 Average Relief (85%)

If, at the time of reinstatement in the terms of the Reinstatement Value Clause of this Section, the sum representing eighty-five per cent (85%) of the cost which would have been incurred in reinstatement of the whole of the Property Insured exceeds the Sum Insured thereon at the breaking out of any fire or at the commencement of any destruction or damage to such Property by any other Insured Peril, then the Insured shall be considered as being his own insurer for the difference between the Sum Insured and the sum representing the cost of reinstatement of the whole of the Property Insured and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of this Section shall separately be subject to this condition.

5.5 Branded Goods/Branded Stock

In the event of a claim for loss or destruction or damage to the Property Insured by this Section, any salvage of branded goods and/or merchandise, whether the Insured's own or held by the Insured in trust or on commission and/or goods sold but not delivered, shall not be disposed of by sale without the prior consent of the Insured.

If such salvage is not disposed of by sale then the loss, destruction or damage will be assessed at the value agreed between the Insured and the Insurer after brands, labels or names have been removed by or on behalf of the Insured.

5.6 Breach of Conditions and/or Warranties

The conditions and warranties of this Section shall apply individually to each of the risks insured and not collectively to them. Thus a breach in any condition or warranty shall void the Section only in respect of all the risks to which that breach applied and does not affect the cover in respect of the other risks.

Any breach of the said warranties without the knowledge and consent of the Insured shall not prejudice this Insurance provided notice in writing be given to the Insurer immediately upon such breach coming to their knowledge and such additional premium as may be required by the rules and practice of the Insurer be paid with effect from the day the Warranty or Warranties was or were first breached.

The Clause shall not affect the Premium Warranty applicable to this Policy.

5.7 Civil Authority

The Insurance is extended to cover direct loss or damage to the Property Insured caused by acts of destruction executed by order of any public authority at the time of and only during a conflagration to retard the spread thereof, provided, however, that such conflagration was caused by the Insured Perils under this Section and subject to all other terms and conditions of this Policy. This Insurer shall not be liable, however, for more than the amount for which it would have been liable had the loss been caused by an Insured Peril under this Section.

5.8 Contract Price

In respect only of goods sold but not delivered for which the Insured is responsible and which under the conditions of sale the sale contract is, by reason of loss or damage by any Insured Perils, cancelled, either wholly or to the extent of the loss or damage, the liability of the Insurer shall be based on the contract price of the goods lost or damaged. For the purpose of applying the condition of average, the value of all goods to which this Clause applies shall be ascertained on the same basis as that on which the loss, destruction or damage is assessed.

5.9 Cost of Re-erection

The Insurance in this Section extends to include the reasonable costs and expenses necessarily incurred by the Insured to re-erect or re-install the insured machinery and plant in consequence of physical destruction or damage by any of the Insured Perils, provided that the total amount recoverable under any item of this Section shall not exceed S\$10,000 for every occurrence.

5.10 Customers' Goods

Notwithstanding anything contained in this Policy to the contrary but subject to its terms, limitations and conditions that as regards customers' goods, the Insurer shall indemnify the Insured against any legal liability for destruction or damage of such property by fire or any other Insured Peril insured against for a limit of S\$10,000 for every occurrence,, provided the

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Insurer's liability is limited to the goods and excludes payment for any liability for consequential loss.

5.11 Demonstration and Exhibition

This Section extends to cover loss or damage by fire or any Insured Perils to the Insured Property whilst on demonstration or exhibition at any premises of Class 1 construction anywhere in Singapore, up to a limit of S\$25,000 for every occurrence.

5.12 Designation of Property

For the purpose of determining where necessary the column heading under which any property is insured, the Insurer agrees to accept the designation under which such property has been entered in the Insured's books.

5.13 Divisible Control

If this Section covers two or more buildings or the contents of two or more buildings, the breach of any condition of this Section in any one or more of the buildings covered or containing the Property Insured shall not prejudice the right to recover for loss occurring in any other building covered or containing the Property Insured, where at the time of the loss a breach of condition does not exist.

5.14 Electrical Installation (4B)

The Insurance in this Section extends to cover loss or damage by fire to the electrical appliances and installation insured by this Section arising from or occasioned by overrunning, excessive pressure, short circuiting, arcing, self-heating or leakage of electricity, from any Insured Peril (lightning included), subject to the terms and conditions of this Policy, but no liability will exist under this Section for loss or damage to any electrical machine, apparatus, fixture or fitting, or to any portion of the electrical installation unless caused by fire or lightning.

5.15 Extended Impact Damage

This Section extends to cover damage to the Property Insured and/or to walls, gates and fences resulting from impact by any vehicles or animals provided that the Insured shall bear the first S\$500 of each and every claim.

5.16 Expediting Expenses Clause

In the event of any physical loss, destruction or damage to the Property Insured and indemnifiable under this Section, the Insurance under the same item extends to indemnify the Insured for the extra charges for overtime, night work and express freight, necessarily and reasonably incurred by the Insured in the repair or reinstatement of the Property Insured for an amount not exceeding twenty-five per cent (25%) of the normal repair or reinstatement costs or S\$100,000 for any one event or occurrence, whichever is lesser.

5.17 Falling Trees Extension

This Section is extended to cover accidental loss of or damage to the Property Insured caused by falling trees(s), up to the sum insured in the Schedule provided that the Insurer shall not be liable for the first S\$250 of each and every loss.

5.18 Fusion Damage

This Section extends to indemnify the Insured against loss or destruction of or damage to any part or parts of the electrical machines, switchboards, installations or apparatus, forming part of the Property Insured (excluding rectifiers, radio, television or amplifying equipment of any description and electric motors in excess of 10hp) caused by the actual burning out of such part or parts by the electric current therein.

Provided always that the Insurer shall not be liable under this Clause for:

- (a) loss of use, depreciation, wear and tear
- (b) loss or destruction of or damage to:
 - (i) lighting or heating elements, fuses or protective devices.
 - (ii) electrical contacts at which sparking or arcing occurs in the ordinary course of working.

5.19 Glass Covers

The Insurer will, at its option reinstate or pay to the Insured the cost of reinstatement in respect of the broken glass of similar quality described in the Schedule (including any writing, painting or ornamentation thereon or alarm tapes if such are specifically included in the Schedule and the reasonable cost of any necessary boarding up incurred) in consequence of such breakage whilst occurring during the Period of Insurance.

Provided that the Insurer's liability to reinstate or pay reinstatement costs pursuant to this Section shall be limited to the Sum Insured stipulated in the Schedule.

Provided also that the word "breakage" shall not include any disfiguration or damage other than fracture extending through the entire thickness of the glass.

Exclusions to Glass

The Insurer shall not be liable for:

Breakage arising directly or indirectly out of fire, lightning, explosion, flood, cyclone, hurricane, tornado, typhoon, earthquake or volcanic eruption including preventive or salvage operations consequent thereon.

Loss or damage to frames or framework of any description, beading or other fittings or the cost of removal or replacement of any fittings, fixtures or any other obstructions.

Any consequential loss, damage or injury occurring during the time intervening between the occurrence of a breakage and a replacement of the glass.

Breakage during removal of or alteration to the glass or during any alteration to the Insured Premises or fittings.

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Cracked or imperfect glass unless specifically declared as such and specially included in the Schedule.

Claims in respect of lettering, painting, embossing, silvering, ornamental work, bent, stained, beveled or movable glass unless otherwise specifically insured.

Breakage of lettering unaccompanied by breakage of glass.

Breakage due to dilapidation of frames or framework
Conditions

In addition to the general terms and conditions, the following terms shall apply to the cover provided by this section of the policy only:

Repositioning

The insured glass is only covered whilst it The Glass remains in the position in which it is fixed and provided no step is taken to remove such glass, change its position or carry out any work or alteration to it or its framework, beading or other fittings. Showcases may be removed in the same Insured Premises provided the glass insured therein remains in its fixed position but the Insurer shall not be liable for breakage during such removal.

Automatic Reinstatement

In the event of any loss covered by this Section and in the absence of written notice by the Insurer or the Insured to the contrary, the amount of insurance cover reduced by such loss will be automatically reinstated as from the date of the loss provided the Insured pays the appropriate additional premium computed from the date of the loss to the expiry of the Period of Insurance.

Extensions to Glass

This Section extends to cover the following clauses, provided that the Insurer's maximum liabilities for loss shall not exceed the Sum Insured as specified in the

Schedule:

Cost of Temporary Protection

This Section is extended to cover the cost of temporary protection, up to a limit of S\$5,000 reasonably necessary for the safety and protection of the Premises pending repairs or replacement of damage.

Removal of Debris

The Insurer will indemnify the Insured in respect of all costs and expenses necessarily incurred in the removal of debris, dismantling or demolishing, shoring up or propping of the portion or portions of Property Insured by this Section following the occurrence of damage hereby insured against for an amount up to ten per cent (10%) of the Sum Insured or S\$100,000, whichever is lesser, provided that the

liability for such destruction or damage and expenses shall not exceed in the aggregate the total Sum Insured under this Section.

Riot and Strike

This Section shall be extended to cover loss of or damage to the Property Insured consequent upon riot and strike.

5.20 Heating and Power

This Section extends to cover the use of electric, gas and other lighting, heating and power usual to trades and occupations allowed as provided by law, by-law or municipal regulation.

5.21 Hire Purchase or Leasing

The hire purchase Insurer or lessors named in the Schedule (referred to as the Owners hereinafter) are the owners of the Property Insured and that the Property Insured is the subject of a hire purchase or leasing agreement made between the Owners of the one part and the Insured of the other part. Any payment made in respect of loss or damage (which loss or damage is not made good by repair reinstatement or replacement) under this Section shall be made to the Owners of the Property Insured and their receipt shall be a full and final discharge to the Insurer in respect of such loss or damage.

Notwithstanding any proviso in the hire purchase or lease agreement to the contrary, this Section is issued to the Insured named in the Schedule as the principal party and not as agent or trustee for the Owners and nothing herein shall be construed as constituting the Insured an 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 Section. It is also understood and agreed that the Insured shall not assign his rights benefits and claims under this Section without the prior consent in writing of the Insurer.

5.22 Inhibition Costs

This Section extends to cover Property Insured which is damaged or destroyed in order to extinguish or inhibit the spread of fire or other Insured Peril herein.

5.23 Internal Removal

In the event of removal of Property Insured from one building to another at any of the aforesaid situation being inadvertently not advised to the Insurer, the Insurance on such Property shall follow removal, the necessary adjustments in sums insured and premium being made with effect from the date of removal as soon as the oversight is discovered.

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5.24 Leased Property

This Section extends to indemnify any other party having an interest in the Property Insured by virtue of and in accordance with the terms of a mortgage, leasing, hiring or renting agreement, provided such property is not more specifically insured.

Where the Insured enters into a lease agreement for occupancy of any building or part of a building and the terms of such lease contain a disclaimer clause in favour of the lessor, the Insurance provided by this Section will not be prejudiced by the Insured agreeing to such terms.

5.25 Mortgage Clause

It is noted and agreed that the property insured by this Policy has been mortgaged with :

(as specified in the schedule of Financial Interest)

and that in consequence thereof it has been agreed with the said mortgagee and the Insured that in case of loss, if any, payable under this Policy, any payment up to the amount to which the said mortgagee is entitled for principal, interest occurred and costs shall be made to the said mortgagee without prejudice to the rights the Insured have on the difference. This clause is to be null and void on receipt of advice from the said mortgagee that they are no longer interested in the property insured under this Policy.

5.26 Misdescription Clause

This Section shall not be prejudiced by any misdescription of occupancy or alteration of occupancy provided that notice is given to the Insurer immediately upon the Insured becoming aware of such misdescription or alteration and the Insured pays such additional premium as may be required from the date of the inception of increased hazard.

5.27 New Locations

The Insurer will hold covered any new locations (subject to building of Class 1 construction) acquired by the Insured during the Period of Insurance, subject to a limit of ten per cent (10%) of the Sum Insured or S\$500,000, whichever is lesser per location. The Insured shall declare to the Insurer within sixty (60) days from the date of occupation of the new premises and an additional premium shall be charged accordingly.

5.28 Non-Invalidation

The Insurance shall not be invalidated by:-

- (a) reason of anything being done or omitted to be done in respect of any portion of the Insured Premises or buildings not occupied by the Insured whether constituting an increase in risk or not;
- (b) any change in occupancy or increase in risk taking place in any of the Insured Premises or buildings;

Provided that the Insured, immediately on being aware thereof, shall inform the Insurer of such alterations and pay such reasonable additional premium as the Insurer may require.

5.29 Outbuilding

The Insurance under this Section on Buildings is understood to include walls, gates and fences, small outside buildings, extensions, annexes, exterior staircase, fuel installations, steel or iron frameworks and tanks in the Insured Premises and the like and the Insurance by each item under contents extends to include the contents of each outbuilding.

5.30 Payment on Account

In the event of the occurrence of a loss under this Section and if liability for loss has been

established but the final loss amount has yet to be determined, the Insurer will make payment on account in respect of such loss to the Insured if desired and for such amounts as agreed by the Insurer, on production of a statement of claim certified by the approved assessor or adjuster, provided the sum of such payment is deducted from the final determined amount of insured loss.

5.31 Public Authorities

The Insurance of the Buildings under this Section extends to include such additional cost of reinstatement of the destroyed or damaged Property Insured as may be incurred solely by reason of the necessity to comply with local building or other regulations under or framed in pursuance of any statute, act or by-laws of any municipal or local authority provided that:

- A. The amount recoverable under this Extension shall not include:-
 - (a) the cost incurred in complying with any of the said regulations or by-laws:-
 - (i) in respect of destruction or damage occurring prior to the granting of this Extension;
 - (ii) in respect of destruction or damage not insured by this Section;
 - (iii) which notice has been served upon the Insured prior to the happening of the destruction or damage;
 - (iv) in respect of undamaged Property or undamaged portions of Property;
 - (b) the additional cost that would have been required to make good the Property Insured damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the said regulations or by-laws not arisen;
 - (c) the amount of any rate tax duty development or other charge or assessment arising out of capital appreciation which may be payable in respect of the Property Insured or by the

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- owner thereof by reason of compliance with any of the aforesaid regulations or by-laws.
- B. The work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within twelve (12) months after the destruction or damage or within such further time as the Insurer may (during the said 12 months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid regulations or by-laws so necessitate) subject to the liability of the Insurer under this Extension not being thereby increased.
- C. If the liability of the Insurer under (any item of) this Section apart from this Extension shall be reduced by the application of any of the terms and conditions of this Section, then the liability of the Insurer under this Extension (in respect of any such item) shall be reduced in like proportion.
- D. The total amount recoverable under any item of this Section shall not exceed the Sum Insured thereby.
- E. All the terms and conditions of this Policy except insofar as they may be hereby expressly varied shall apply.

5.32 Reinstatement Value

(Not applicable to stock-in-trade and/or merchandise)

In the event of the Property Insured under this Section being lost destroyed or damaged, the basis upon which the amount payable under this Section is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the Property Insured when new, subject to the following Special Provisions and subject also to the terms and conditions of this Policy except insofar as the same may be varied hereby.

Special Provisions

- (a) The work or replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Insurer not being thereby increased) must be commenced and carried out with reasonable despatch and in any case must be completed within twelve (12) months after the physical loss destruction or damage or within such further time as the Insurer may (during the said 12 months) in writing allow, otherwise the amount payable shall be the Indemnity Value at the time of damage.
- (b) Until expenditure has been incurred by the Insured in replacing or reinstating the property lost destroyed or damaged, the Insurer shall not be liable for any payment in excess of the Indemnity Value at the time of damage.

- (c) If at the time of replacement or reinstatement the sum representing eighty-five per cent (85%) of the cost which would have been incurred in replacement or reinstatement if the whole of the Property Insured had been destroyed exceeds the Sum Insured thereon at the breaking out of any fire or at the commencement of any destruction of or damage to such Property by any other contingency insured by this Section, then the Insured shall be considered as being his own Insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this Section (if more than one) to which this Extension applies shall be separately subject to the foregoing provision.
- (d) Payment shall be the Indemnity Value at the time of damage if:
- (i) The Insured fails to intimate to the Insurer within six (6) months from the date of loss destruction or damage or such further time as the Insurer may in writing allow its intention to replace or reinstate the Property lost destroyed or damaged;
- (ii) The Insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.
- (iii) At the time of loss destruction or damage to any Property Insured such Property shall be covered by any other policy effected by or on behalf of the Insured which is not upon the identical basis reinstatement or replacement set forth herein.

For this purpose, Indemnity Value shall mean the reinstatement or replacement of damaged property to its former condition immediately before the occurrence of the loss or damage. The value will be calculated by deducting depreciation from the replacement or reinstatement value of the Property Insured

5.33 Service

The Insurance by this Section relating to "Building" and "Machinery" extends to include telephone, gas, and electrical instruments, meters, piping, cabling and the like and accessories therein including similar properties in adjoining yards or roadways or underground (and pertaining to the buildings or building on contents insured by the respective items of this specification), all the properties of the Insured or others, for which the Insured is responsible.

5.34 Sprinkler Leakage

It is hereby agreed and declared that this Section shall extend to cover loss or damage to the Property Insured caused by water accidentally discharged or leaking from the automatic sprinkler installation subject to all the usual conditions of the Policy and the following special conditions:-

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- (a) The liability of the Insurer shall in no case under this Endorsement and the Section exceed the Sum Insured by each item of this Section.
- (b) Further provided that such discharge or leakage of water shall not be occasioned by or happen through:
 - (i) The order of the Government or of any municipal local or other competent Authority.
 - (ii) Defects in construction or condition of which the Insured is aware.

5.35 Sonic Shock Waves

The indemnity provided by this Section is hereby extended to include loss, damage or destruction of Property Insured by Sonic Shock Waves also known as sonic boom, provided that the Insurer shall not be liable for more than S\$5,000 in respect of each and every loss.

5.36 Spontaneous Combustion

This Insurance covers loss of or damage to the Property Insured caused by its own spontaneous combustion, notwithstanding anything stated to the contrary in the Conditions of this Policy.

5.37 Strike, Riot and Civil Commotion Clause

Subject to the terms, exclusions and conditions contained in the Policy or endorsed thereon, the Insurer will indemnify the Insured for loss of or damage to any Insured item due to strike, riot and civil commotion.

5.38 Sue and Labour

In case of actual loss, it shall be lawful and necessary for the Insured, his or their factors, servants and assigns, to sue, labour and travel for, in and about the defence, safeguard and recovery of the Property Insured and part thereof without prejudice to this Insurance, nor shall the acts of the Insured or the Insurer in recovering, saving and preserving the Property Insured in case of loss be considered a waiver or an acceptance of abandonment. The reasonable expense so incurred subject to a maximum of S\$50,000 in any one event or occurrence, shall be borne by the Insured and the Insurer proportionately to the extent of their respective interests.

Further if the Property Insured be insured for less than its value at the time of the occurrence giving rise to such expenditure, the amount recoverable under this extension shall be reduced in proportion to the under-insurance.

5.39 Temporary Removal

This Insurance is extended to cover machinery, plant, equipment and furniture excluding stocks insured under this Section is covered (limited to fifteen per cent (15%) of the Sum Insured in respect of such item or S\$1,000,000 for every occurrence, whichever is lower) whilst temporarily removed for cleaning, renovation, modification, repair or other similar purpose elsewhere on the same Location or to any other premises and in transit thereto and therefrom

by road, rail or inland waterway all in Singapore. Provided the period of temporary removal does not exceed thirty (30) continuous days.

The amount recoverable under this Extension in respect of the Property Insured so removed shall not exceed the amount which would have been recoverable had the loss occurred in that part of the Premises from which the said Property is temporarily removed.

This extension does not apply to:

- (a) Property if and so far as it is otherwise insured;
- (b) Stock and merchandise of every description;
- (c) Motor vehicles and motor chassis as regard losses occurring elsewhere than at the Premises from which such property is temporarily removed;
- (d) Property (other than machinery and plant) held by the Insured in trust as regard losses occurring elsewhere than at the Premises from which such Property is temporarily removed.

5.40 Tenants' Improvements

This Section extends to include improvements and alterations to landlord's property insofar as the Insured is responsible therefore. The Insurer shall not be liable in respect of the above for any amount which the Insured may be able to recover from the owner of the building.

5.41 Theft Inclusion during and/or after the Occurrence of a Fire

Notwithstanding anything contained herein to the contrary, this Section is extended to cover theft of Property Insured during and/or after the occurrence of a fire or other Insured Peril under the terms of this Section. This Extension does not cover theft by employees of the Insured.

5.42 Accumulation Clause

The sum insured in respect of Stock in Trade at the Insured's premises stated in the schedule shall be automatically increased by a 10% for any five days running consecutively and immediately following any Singapore Public Holiday.

5.43 Auditors' & Accountants' Fees Clause

The insured item is limited to the reasonable charges payable by the Insured to their Auditor(s) for producing and certifying any particulars or details contained in the Insured's books of account or other business books or documents or such proofs, information or evidence as may be required by the Insurer.

5.44 Designation of Accounts

It is understood and agreed that any particular or detail contained in the Insured's book of accounts or other business books or documents which may be required by the Insurer under this Policy for the purpose of investigating or verifying any claim hereunder may be produced and certified by the Insured's auditors and their certificate shall be prima facie evidence of the particulars and details to which such certificate relates.

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5.45 Deterioration of Stocks

The Insurer will indemnify the Insured for up to S\$5,000 in the aggregate in any one Period of Insurance for loss of or damage or deterioration of food in any refrigeration units within the Property insured whilst in the insured Location of Risk due to:

- (a) Accidental damage to refrigerating equipment;
- (b) Failure of public electric supply;
- (c) Accidental escape of refrigerant gas
- (d) Breakdown of refrigeration units

Provided that:

The Insured had maintained the refrigerating equipment in good working order and had at all material times undertaken precautions to keep it in a proper state of repair.

Special Exceptions

This extension shall exclude loss or damage resulting from:

- (a) A deliberate act of any power supply authority;
- (b) The withholding or restricting of power by such authority;
- (c) A deliberate act or neglect of the Insured or member of the Insured's household or sole proprietor, director, partner, officer or servant of the Insured;
- (d) Refrigeration units which are more than 6 years old;
- (e) Consequential loss of any kind;
- (f) The imposition of abnormal conditions directly or indirectly resulting from testing, intentional overloading or experiments;
- (g) Loss or damage arising from faulty packing or storage, inherent defects, contamination or disease;
- (h) Faults or defects known to the Insured or any of the Insured's employees at the time the contract was arranged and not disclosed to the Insurer;
- (i) Forced quarantine, evacuation or epidemic which affects the local power grid.

5.46 Property Situated Outside the Insured Location

This Policy is extended to cover the Insured's furniture, equipment, plant, machinery, business contents, stock and material in trade situated within the 10 meters' radius of an insured Location of Risk during business hours only.

The following Additional Extensions/Additional Perils are covered only if indicated in the schedule:

5.47 Removal of Debris

The Insurance in this Section extends to include costs necessarily incurred by the Insured in respect of demolition of buildings and/or removal of debris from the site, and in providing, erecting and maintaining any street or pavement hoarding required during demolition, site clearing and/or building operations following destruction of or damage to the Property

Insured by fire or any other Insured Perils, provided that the total amount recoverable under any item of this Section shall not exceed a limit specified in the schedule.

5.48 Professional fees

The Insurer will indemnify the Insured for Architects', Surveyors' and Consulting Engineers' fees necessarily incurred by the Insured in the reinstatement of Property Insured specified consequent upon its destruction or damage but not for preparing any claim, it being understood that the amount payable for such fees shall not exceed the scale charges of the respective professional body, provided that the maximum liability of the Insurer under this Endorsement shall not exceed a limit specified in the schedule.

5.49 Full Theft

This Section extends to indemnify the Insured against loss or damage to Property Insured arising out of theft not accompanied by actual forcible and violent entry into the Insured Premises by the person or persons committing such theft, subject to losses being discovered within forty eight (48) hours of the event and further subject to the following exclusions:-

- (a) The Insured voluntarily parting with title of possession by any fraudulent scheme, trick device or false pretence.
- (b) Any fraudulent, dishonest or criminal act where the Insured or any directors, partners, employees, agents or servants of the Insured is involved as principal or accessory.
- (c) Any unexplained or unaccountable losses or disappearance or loss or shortage disclosed on taking inventory or shortage due to error or omission.
- (d) Losses occurring elsewhere than within the Insured Premises.
- (e) Shoplifting and pilferage.

5.50 Flood

Full flood caused by overflowing or deviation from their normal channels of either natural or artificial water courses, bursting or overflowing of public water mains and any other flow or accumulation of water originating from outside the building insured containing the Property Insured but excluding:

- (a) Loss or damage by flood caused by earthquake, earthquake shock, subterranean fire, volcanic eruption, hurricane, cyclone, typhoon, windstorm, snow, ice or frost.
- (b) Loss or damage to goods in the open or goods in transit.
- (c) The amount of deductible stated in the Schedule in respect of each and every loss.

The following First Loss clause will apply if it is indicated in the schedule that this Flood peril cover is on a First Loss basis:

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First Loss

The Insurance under this Section is arranged on the basis of first loss up to an amount stated in the Schedule of this Policy. It is agreed that no average condition is applicable to this Section in the event of a loss.

5.51 Burglary First Loss

Public Holiday Increase

The amount in the schedule is increased by the percentage stated:

- (a) 30 days preceding and after the first day of Chinese New Year, Hari Raya Puasa, Deepavali and Christmas
- (b) 3 days preceding and after the first day of all public holidays.

5.52 Daily Cash

For the avoidance of doubt, the total liability of the Company for loss of profits and/or additional expenditure shall not exceed the sum insured stated in the Schedule

The Company will indemnify the Insured up to the sum insured specified in the Schedule against loss of profits and/or additional expenditure following accidental physical loss of or damage to the Insured Property from any external cause not excluded by the Special Exclusions to Section I and/or by the General Exclusions resulting in Total or Partial suspension of business.

Provided always that:

- (a) Total Suspension - This Policy shall pay the Insured up to the maximum benefit specified in the Schedule (not exceeding 100 days) provided if the Business suffers from total suspension necessitating the ceasing of operations for such length of time as would be required with the exercise of due diligence and despatch to rebuild or replace such described property damaged or destroyed.
- (b) Partial Suspension - If the Insured Property is damaged resulting in partial suspension of Business for which the Business is curtailed then the Company shall be liable for 30% of the total daily benefits specified in the Schedule for such length of time as would be required but not exceeding 100 days, with the exercise of due diligence and despatch on the part of Insured, to rebuild, repair or replace such Insured Property as has been damaged or destroyed.

Period of Indemnity

The period of indemnity shall begin from the time of occurrence of the damage and continues so long as the Business is interrupted by the damage up to a maximum of 100 days during any one Period of Insurance.

5.53 Loss of Rent

In the event of the Insured Premises are unfit for occupation as a result of loss of or damage to the Insured Property which is indemnifiable under the Property All Risks Section of the Policy, the Insurer will, subject to the terms, conditions and exclusions, indemnify the Insured for Rent up to the Limit of Indemnity stated in the schedule. The amount payable shall be the Rent payable during the time the Insured Premises are unfit for occupation in consequence of its destruction or damage, subject to the maximum Indemnity Period of one month.

5.54 Money

The Insurer will indemnify the Insured for loss of or damage to Money occurring during the Period of Insurance, up to the respective amounts stated in the schedule in the following circumstances:

- (i) whilst the Money is on the Insured Premises during Business Hours contained:
 - (a) in locked safes or strongrooms.
 - (b) in locked drawers, cabinets, cash registers and other depository.
- (ii) whilst the Money is on the Insured Premises after Business Hours contained:
 - (a) in locked safes or strongrooms.
 - (b) in locked drawers, cabinets, cash registers and other depository, up to S\$5,000 or the amount stated in the Schedule, whichever is lesser.
- (iii) in transit anywhere in Singapore provided that the Money is in the Insured's personal custody or with the Insured's authorised employees and the loss occurred in the course of Business during Business Hours.
- (iv) Public Holiday Increase
If specified in the schedule, the amount on Premises and/or in Transit in the schedule is increased by the percentage stated:
 - (a) 30 days preceding and after the first day of Chinese New Year, Hari Raya Puasa, Deepavali and Christmas
 - (b) 3 days preceding and after the first day of all public holidays

provided that out of or during Business Hours, the safe or strong room or other depository containing the Money or any part thereof shall be kept locked and the keys thereof shall at all times be kept in the personal custody of the Insured or a responsible official or employee of the Insured who on leaving the Insured Premises shall remove the keys from the Insured Premises.

Extensions

A. Armed Robbery and/or Hold-up

This Section is extended to indemnify the Insured in the event that any of the Money hereby insured shall

Property All Risks

be stolen from the Premises consequent upon and in connection with assault or violence or threat thereof to the Insured or any employee of the Insured.

B. Keys, Locks and Combinations

This Section extends to cover the cost of replacement of locks, keys and combinations to the Insured Premises in the event that the keys or combinations of such locks have been damaged, lost or stolen, subject to a maximum limit of S\$500.

C. Loss or Damage to Safes/Strongrooms/Drawers/Cabinets/Cash Registers and Other Depository

This Section is extended to cover any loss of or damage to safes, strongrooms, drawers, cabinets, cash registers or other depository resulting directly from any attempt to remove the contents of such safes, strongrooms, drawers, cabinets, cash registers or other depository, up to S\$500 in the aggregate.

D. Money Carried by Directors

This Section is extended to cover the Insured's directors carrying Money whilst engaged in the Business anywhere in the world, subject to a limit of S\$5,000.

E. Money Kept Overnight at Private Residence

This Section extends to cover loss of Money as a result of robbery or burglary whilst being kept overnight in locked safes, cabinets or drawers at the private residence of the Insured's sole proprietor, partners, directors and employees, up to \$500.

F. Personal Assault

The Insurer agrees that if any authorised employee shall sustain bodily injury caused by robbery or attempted robbery occurring during his employment and within Singapore, up to three (3) employees for any one Period of Insurance.

SCHEDULE OF BENEFITS

Bodily injury causing	Sum Insured
1 Death occurring within twelve (12) months of the bodily injury	S\$10,000
2 Total and irrevocable loss of all sight in one or both eyes rendering the person absolutely blind in the eye or eyes beyond remedy by surgical or other treatment within twelve (12) months of the bodily injury.	S\$10,000
3 Total loss by physical severance or complete and irrevocable loss of use of either one or both hands and/or foot or both feet.	S\$10,000
4 Permanent total disablement entirely preventing the person from following any occupation.	S\$10,000
5 Total disablement entirely preventing the person from engaging in or give attention to his usual occupation.	S\$100 per week
6 Incurred medical expenses.	S\$500

Exclusions

The Insurer shall not be liable for:

- (i) any losses which are more specifically insured.
- (ii) loss due to accounting or arithmetical error or omission or mysterious disappearance or due to depreciation in value or to the use of counterfeit money.
- (iii) loss due to theft, infidelity, collusion of, fraudulent, dishonest or criminal act or embezzlement by or the fraudulent misappropriation by the Insured or a partner or any person or persons in the Insured's service or a trustee or authorised representative, whether acting alone or in collusion with others.
- (iv) losses occurring outside Singapore.
- (v) any consequential loss of any kind or description whatsoever
- (vi) loss of Money entrusted to professional money carriers or to any person other than the Insured, his principals, employees and/or persons authorised by the Insured.
- (vii) theft from safes, strongrooms or other depository following the use of keys or combination numbers to the safes, strongrooms or other depositories unless the keys or combination numbers to such safes, strongrooms or other depositories are obtained by threats or violence.
- (viii) loss occurring while there is any change in the condition of the risk, such as when the door or window of the Insured Premises is damaged by typhoon or during a fire in the Insured Premises.
- (ix) loss or damage by vandalism or malicious mischief.
- (x) loss of manuscripts, books of accounts or records.
- (xii) loss due to the giving or surrendering of Money or securities in any exchange or purchase.

Definitions

For the purposes of this section of the Policy only,

"Business Hours"

shall mean the period including overtime during which the Premises are actually occupied for business purposes within the Situation and during which the Insured or his employees entrusted with Money are in the Premises.

"Insured Premises"

shall mean the building or location which the Insured is occupying for business purposes as specified in the Schedule.

Business Interruption

Subject to the terms exceptions limits and conditions contained herein or endorsed hereon the Insurer will indemnify the Insured in the manner and to the extent hereinafter provided.

1 Covers

- 1.1 If during the Policy Period, any Property Insured (as insured under Fire & Extraneous Perils Section or Property All Risks Section) used by the Insured at the Insured Premises for the purposes of the Business is lost or destroyed or damaged by any Insured Peril under the same section of this Policy (hereinafter termed Damage) and the Business carried on by the Insured at the Insured Premises is in consequence thereof interrupted or interfered with, the Insurer will pay to the Insured in respect of each item in the Schedule the amount of loss resulting from such interruption or interference during the Indemnity Period in accordance with the provisions as contained in the Specifications to this Section.

Provided that:

- (i) 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
 - (a) payment shall have been made or liability admitted therefore. or
 - (b) payment would have been made or liability would have been admitted thereof but for the operation of a proviso in such insurance excluding liability for losses below a specified amount.
- (ii) the liability of the Insurer in any one period of insurance shall in no case exceed
 - (a) in respect of each item the Sum Insured stated in the Schedule or in the whole the total Sum Insured hereby
 - (b) any limit of liability shown in the schedule or such other sum or sums as may be substituted by memorandum hereon or attached hereto signed by or on behalf of the Insurer.

2 Exclusions

The exclusions specified under Fire & Extraneous Perils Section or Property All Risks Section shall apply as appropriate.

3 Extensions

This Section extends to cover the following clauses where applicable, and provided that the Insurer's maximum liabilities for loss shall not exceed the Sum Insured as specified in the Schedule.

3.1 Accumulated Stocks

In adjusting any loss, account may be taken and equitable allowance made if any shortage in Turnover due to the physical loss, destruction or damage is postponed by reasons of the Turnover being

temporarily maintained from accumulated stocks of finished goods.

3.2 Alternative Basis

At the option of the Insured, the term "Output" may be substituted for the term "Turnover", and for the purposes of this Section "Output" shall mean "the sale value of goods manufactured by the Insured in the course of the Business at the Insured Premises".

Provided that:

- (a) Only one such meaning shall be operative in connection with any one occurrence involving physical loss, destruction or damage (as within defined).
- (b) If the meaning set out above is adopted
 - (i) Accumulated Stocks Clause shall be inoperative; and
 - (ii) Memo. I of Specification 1 or Specification 2 shall stand to read as follows:

"Memo - If during the INDEMNITY PERIOD goods shall be manufactured elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on their behalf, the sale value of goods so manufactured shall be brought into account in arriving at the Output during the INDEMNITY PERIOD".

3.3 Automatic Reinstatement of Loss Amount

The Sum Insured shall be automatically reinstated immediately after an Insured loss to which an aggregate limit applies. In consideration of such reinstatement, the Insured shall pay an additional premium computed by multiplying the rate to the paid loss amount, but pro-rated for the unexpired duration of the Period of Insurance from the time of loss.

3.4 Books of Account

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Insurer for the purpose of investigating or verifying any claim hereunder may be produced and certified by the Insured's auditors and their certificate shall be prima facie evidence of the particulars and details to which such certificate relates.

3.5 Business Conducted other than at Location

The actual Turnover and actual Gross Profits derived elsewhere during the Period of Indemnity for the benefit of the Business shall be taken into account to determine the final amount of insured loss.

3.6 Departmental

In the event of a claim arising in any of the departments of the Insured included in this Insurance, the settlement of such claim shall be made on the figures of each of such department separately (as disclosed by the Insured's books) and for that purpose the definitions of Gross Profit and Turnover (wherever those words appear) shall be read to refer to the figures of such departments affected; provided that if the Sum Insured by this Section shall be less than the aggregate of the Sums produced by applying the

Business Interruption

Rate of Gross Profit of each department of Business (whether affected by the physical loss, destruction or damage or not) to its departmental Annual Turnover thereof the amount payable shall be proportionately reduced. In the event of a claim in respect of any department and there shall be any saving in the charges normally appearing in the head office Profit and Loss Account, the amount of such saving shall be taken into account in the assessment of such claim.

3.7 Fines and Penalties

This Section is extended to cover fines or damages up to S\$25,000 for every occurrence for breach of contract and the amount payable as indemnity therein shall be such sums as the Insured shall be legally liable to pay in discharge of fines or damages incurred solely in consequence of the physical loss, destruction or damage, for non-completion or late completion of orders.

3.8 Material Damage Excess Waiver

It shall not be a condition precedent to liability in respect of interruption or interference in consequence of physical loss, destruction or damage that payment shall have been made or liability admitted under the insurance covering the interest of the Insured in the Property Insured at the Insured Premises against such physical loss, destruction or damage if no such payment shall have been made nor liability admitted solely owing to the operation of a proviso in such insurance excluding liability for losses below a specified amount.

3.9 New Business

For the purpose of any claim arising from physical loss, destruction or damage occurring before the completion of the first year's trading of the Business at the Insured Premises, the terms 'Rate of Gross Profit', 'Annual Turnover' and 'Standard Turnover' shall bear the following meanings:-

Rate of Gross Profit

The actual rate of gross profit earned on the turnover for the period between the date of the commencement of the Business and the date of the physical loss, destruction or damage.

Annual Turnover

The proportional equivalent for a period of twelve (12) months, of the turnover realised during the period between the commencement of the Business and the date of the physical loss, destruction or damage.

Standard Turnover

The proportional equivalent, for a period equal to the Indemnity Period, of the turnover realised during the period between the commencement of the Business and the date of the physical loss, destruction or damage to which such adjustment shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the physical loss, destruction or damage or which would have affected the Business had the physical loss, destruction or damage not occurred, so that the

figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the physical loss, destruction or damage would have been obtained during the relative period after the physical loss, destruction or damage.

After twelve (12) months of trading has been completed, the usual specification as stated in the Policy Schedule is applicable.

3.10 Non-Invalidation Clause

This Section shall not be invalidated by:

- (a) any change of occupancy or increase of risk taking place in the Property Insured without the Insured's knowledge, provided that he shall immediately on the same coming to his knowledge, advise the Insurer and pay any additional premium that may be required from the date of such increase of risk.
- (b) workmen on the Insured Premises for the purpose of effecting repairs, minor alterations or general maintenance purposes and the like.

3.11 Payments on Account

Provided that liability has been admitted, progress payments on account of any claim may be made to the Insured at such intervals and for such amounts as may be agreed upon production of a report by the loss adjustor (if appointed) provided such payment(s) shall be deducted from the amount finally determined upon adjustment of the claim and provided the loss adjustor has recommended payment.

3.12 Salvage Sale

If, following physical loss, destruction or damage giving rise to a claim under this Section, the Insured shall hold a salvage sale during the Indemnity Period.

Clause (a) of Item No. 1 of this Section shall, for the purpose of such claim, read as follows:

- (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 (less the turnover for the period of the salvage sale) shall, in consequence of the physical loss, destruction or damage, fall short of the Standard Turnover, from which sum shall be deducted the Gross Profit actually earned the period of the salvage sale.

3.13 Pollution & Contamination Exclusion

This Section does not cover consequential loss resulting from pollution or contamination but this shall not exclude loss resulting from destruction of or damage to property used by the Insured at the Premises for the purpose of the Business, not otherwise excluded, caused by

- (a) pollution or contamination which itself results from a Defined Peril;
- (b) a Defined Peril which itself results from pollution or contamination.

The words "Defined Peril" shall mean fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers,

Business Interruption

explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, earthquake, storm, flood, bursting overflowing discharging or leaking water tanks apparatus or pipes, sprinkler leakage or impact by any road vehicle or animal and not otherwise excluded.

4 Optional Extensions (Not included unless specified in the Schedule)

4.1 Customer and Supplier

It is hereby agreed that loss resulting from interruption of or interference with the Business directly arising from damage (as herein defined) to premise belonging to any supplier or customer of the Insured shall be deemed to be a loss resulting from damage to property of the Insured at the premises.

It is hereby agreed that this extension shall include interdependency between the Insured's group companies.

It is understood and agreed that :

- a. A supplier's premises is any from which the Insured obtain supplies of materials, components, goods for services and the premises of processors and the premises of manufactures of plant and equipment for the Insured
- b. A customer is any individual, partnership or company to which the Insured supply materials, components, goods or services.

Liability under this extension shall not exceed 10% of the Business Interruption sum insured or \$250,000 whichever is the lesser.

4.2 Prevention Of Access Clause/Denial of Access

Subject to the terms and conditions of this Policy, loss as insured by this Section resulting from interruption of or interference by a competent authority with the Business in consequence of physical loss, destruction or damage (as defined herein) to the Property Insured in the vicinity within 1km of the Insured Premises which shall prevent or hinder the use thereof or access thereto, whether the Insured Premises or the Property Insured therein shall be damaged or not, shall be deemed to be loss resulting from physical loss, destruction or damage to the Property Insured used by the Insured at the Insured Premises.

Liability under this extension shall not exceed 20% of the Business Interruption sum insured or \$1,000,000 whichever is the lesser in respect of any one occurrence, subject to thirty (30) days' Indemnity Period.

4.3 Failure of Utilities Supply

This Section is extended to cover loss resulting from interruption of or interference with the Business in consequence of physical loss, destruction or damage to property at any electricity station or sub-station, gas, water or telecommunication services supply authorities from which the Insured obtain their direct and immediate supply provided that the failure of supply exceeds a period of 24 hours and the Insurer's liability shall only apply to such period in excess of 24 hours.

The Insurer's liability under this extension should not exceed limit as stated in the schedule.

4.4 Auditors Charges

It is hereby agreed that this insurance is extended to include any charges payable by the Assured to the Auditors for producing and certifying any particulars or detail contained in the Assured's books of account or to her business books or documents or such other proofs, information or evidence as may be required by the Insurer in connection with a claim under this policies.

The Insurer's liability under this extension should not exceed limit as stated in the schedule.

4.5 Closure Clause (Closure due to Food or drink , vermin or pests, defective drains and murder or suicide)

Damage is extended to include loss resulting from:-

- [A] any illness or disease attributable to food or drink supplied at the Premises;
- [B] The discovery of vermin or pests at the Premises;
- [C] Any accident causing defects in the drains or other sanitary arrangements at the Premises;
- [D] Any occurrence of murder or suicide at the Premises.

which causes restrictions on the use of the Premises on the order or advice of the competent local authority.

Special Provisions:

- [a] For the purpose of this Extension Indemnity Period shall mean the period during which the results of the Business shall be affected in consequence of the Damage, beginning with the date from which the restrictions on the Premises are applied (or in the case of C. and D. above, the date of the accident or discovery of the accident) and ending not later than the Maximum Indemnity Period thereafter.

Maximum Indemnity Period shall mean 3 months from the start date of the Indemnity Period.

Time Excess shall mean 3 days from the date from which the restrictions on the Premises are applied (or in the case of C. and D. above, the date of the accident or discovery of the accident).

Premises shall mean only those Insured locations as specified in the Schedule of this Section; in the event that the Material Damage or Business Interruption Sections include an extension which deems Damage at other locations to be Damage at the Premises, such extension shall not apply to this Extension.

- [b] The Insurer shall not be liable under this Extension for any costs incurred in the cleaning, repair, replacement, and recall or checking of Property.
- [c] The Insurer shall only be liable for loss arising at those Premises which are directly subject to the Damage.
- [d] The liability of the Insurer shall not exceed the sum insured stated in the schedule.
- [e] Notwithstanding Special Provision [c], the

Business Interruption

insurance by this Extension extends to include the costs and expenses necessarily incurred with the consent of the Insurer in:

- [i] Cleaning and decontamination of property used by the Insured for the purpose of the Business (other than stock in trade);
- [ii] Removal and disposal of contaminated stock in trade;

At or from the Premises, the use of which has been restricted on the order or advice of the competent local authority solely in consequence of the Damage as defined above

4.6 Additional Increased Cost of Working

This insurance hereby covers additional increased cost of working reasonably incurred by the Insured in consequence of loss or damage at the Insured's premises for any of the following purposes:

- a. Avoiding or diminishing a reduction in turnover that would, but for the additional increased costs being incurred, have taken place during the Indemnity Period.
- b. Resuming or maintaining any normal operation or service that the Insured operated during the Indemnity Period.

4.7 Book Debts

The Insurer will indemnify the Insured following an Event Insured by this policy during the Period of Insurance to the records of the account receivable kept at the Premises in respect of:

- 1. All sums due to the Insured from customers, provided the Insured is unable to effect collections thereof as the direct result of such Insured Event.

- 2. All interest charges on any loan to offset impaired the collections pending repayment of such sums made uncollectable by such Insured Event.
- 3. Any collection expense in excess of normal collection cost and made necessary because of such Insured Event.
- 4. Auditor's charges necessarily and reasonable incurred in substantiating any claim under this Section.

The Insurer's liability under this extension should not exceed limit as stated in the schedule.

THE SPECIFICATION ATTACHING TO AND FORMING PART OF BUSINESS INTERRUPTION SECTION

Only one Specification — 1, 2, 3, 4, or 5 as indicated in the Schedule is applicable.

SPECIFICATION 1

Item No.1 On Gross Revenue) Sum Insured and Total Sums
Item No.2 On Professional) Insured as stated in the
Accountant's Charge) Schedule

ITEM NO. 1

The Insurance under Gross Revenue is limited to loss of Gross Revenue due to (a) REDUCTION IN GROSS REVENUE and (b) INCREASE IN COST OF WORKING and the amount payable as Indemnity therein shall be:

REDUCTION IN GROSS REVENUE

- a. the Sum derived from applying the rate of Gross REVENUE to the amount by which the Gross Revenue during the Indemnity Period shall, in consequence of the physical loss, destruction or damage, fall short of the Standard Gross Revenue
- b. INCREASE IN COST OF WORKING the additional expenditure (subject to the provision of Memo. 2) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the physical loss, destruction or damage, but not exceeding the sum produced by applying the Rate of Gross Revenue to 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 Revenue as may cease or be reduced in consequence of the physical loss, destruction or damage.

Provided that if the Sum Insured under the Gross Revenue be less than the sum derived by applying the Rate of Gross Revenue to the Annual Gross Revenue (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve (12) months), the amount payable shall be proportionately reduced.

Business Interruption

ITEM NO. 2

The Insurance under Item No. 2 is limited to the reasonable charges payable by the Insured to his professional accountants for producing any particulars or details contained in the Insured's books of account or other business books or documents or such other proofs, information or evidence as may be required by the Insurer under the terms of this Section and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents.

Definitions

Gross Revenue

means the money paid or payable to the Insured for services rendered in the course of the Business at the Insured Premises.

Indemnity Period

means the period beginning with the occurrence of the physical loss, destruction or damage during which period, the Business has been affected as a consequence of the physical loss, destruction or damage, but in no case exceeding the Maximum Indemnity Period.

Maximum Indemnity Period

means the period stated in the Schedule.

<p>Annual Turnover The Gross Revenue during the twelve (12) months immediately before the date of the physical loss, destruction or damage.</p> <p>Standard Turnover The Gross Revenue during the twelve (12) months immediately before the date of the physical loss, destruction or damage which corresponds to the Indemnity Period, appropriately adjusted where the Indemnity Period exceeds twelve (12) months.</p>	<p>to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the physical loss, destruction or damage or which would have affected the Business had the physical loss, destruction or damage not occurred, so that the figures thus adjusted shall represent as nearly as may reasonably be practicable the results which but for the physical loss, destruction or damage would have been obtained during the relative period after the physical loss, destruction or damage.</p>
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Memo 1

If during the Indemnity Period Services shall be rendered elsewhere than at the Insured Premises for the benefit of the Business either by the Insured or by others on their behalf, the money paid or payable in respect of such services shall be brought into account in arriving at the Gross Revenue during the Indemnity Period.

Memo 2

In the event of the Gross Revenue earned during the accounting period of twelve (12) months most nearly

concurrent with any Period of Insurance as certified by the Insured's auditors being less than the sum insured thereon a pro rata return of premium not exceeding fifty per cent (50%) of the premium paid on such sum insured for such period of insurance will be made in respect of the difference. If any physical loss, destruction or damage shall have occurred, giving rise to a claim under this Section, such return shall be made in respect only of so much of the difference as is not due to such physical loss, destruction or damage.

Policy Floater

means Gross Revenue for all locations insured the split of which must be given to the Insurer in the event of a claim

SPECIFICATION 2

Item No.1 OnGross Profit) Sum Insured and TotalSums
Item No.2 On Professional) Insured as stated in the
Accountant's Charge) Schedule

ITEM NO. 1

The Insurance under Gross Profit 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 shall be:

(a) REDUCTION IN TURNOVER

the Sum derived from applying the rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the physical loss, destruction or damage, fall short of the Standard Turnover.

(b) INCREASE IN COST OF WORKING

the additional expenditure (subject to the provision of Memo. 2) 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 physical loss, destruction or damage, but not exceeding the sum derived by applying the Rate of Gross Profit to 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 physical loss, destruction or damage.

Provided that if the Sum Insured under the Gross Profit be less than the sum derived 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 (12) months), the amount payable shall be proportionately reduced.

ITEM NO. 2

The Insurance under Item No. 2 is limited to the reasonable charges payable by the Insured to his professional accountants for producing any particulars or details contained in the Insured's books of account or other business books or documents or such other proofs, information or evidence as may be required by the Insurer under the terms of this Section and reporting that such particular or details are in accordance with the Insured's books of account or other business books or documents.

Business Interruption

Definitions

Gross Profit

means the amount by which the sum of the Turnover and the Closing Stock shall exceed the sum of the Opening Stock and the Specified Working Expenses

N.B. For the purpose of this definition, the amounts of the Opening and Closing Stocks shall be arrived at in accordance with the Insured's usual accounting methods, due provision being made for depreciation.

SPECIFIED WORKING EXPENSES :

Only applicable if specific in the Schedule.

N.B. The words and expressions used in this definition shall have the meaning usually attached to them in the books and accounts of the Insured.

Turnover

means the money (less discounts allowed) paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the Business at the Insured Premises.

Indemnity Period

means the period beginning with the occurrence of the physical loss, destruction or damage and ending not later than the Indemnity Period as stated in the Schedule during which period, the Business has been affected as a consequence of the physical loss, destruction or damage.

<p>Rate of Gross Profit means the rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the physical loss, destruction or damage.</p> <p>Annual Turnover means the Turnover during the twelve (12) months immediately before the date of the physical loss, destruction or damage.</p> <p>Standard Turnover means the Turnover during the twelve (12) months immediately before the date of the physical loss, destruction or damage which corresponds to the Indemnity Period, appropriately adjusted where the Indemnity Period exceeds twelve (12) months.</p>	<p>to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the physical loss, destruction or damage or which would have affected the Business had the physical loss, destruction or damage not occurred, so that the figures thus adjusted shall represent as nearly as may reasonably be practicable the results which but for the physical loss, destruction or damage would have been obtained during the relative period after the physical loss, destruction or damage.</p>
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Memo 1

If during the Indemnity Period goods shall be sold or Services shall be rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on their behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

Memo 2

In the event of the Gross Profit earned during the accounting period of twelve (12) months most nearly concurrent with any Period of Insurance as certified by the Insured's auditors being less than the sum insured thereon a pro rata return of premium not exceeding fifty percent (50% of the premium paid on such sum insured for such Period of Insurance will be made in respect of the difference. If any physical loss, destruction or damage shall have occurred, giving rise to a claim under this Section, such return be made in respect only of so much of the difference as is not due to such physical loss, destruction or damage.

Policy Floater

means Gross Profit for all locations insured the split of which must be given to the Insurer in the event of a claim

SPECIFICATION 3

Item No.1 On Net Profit) Sum Insured and Total Sums

Item No.2 On Professional) Insured as stated in the Accountant's Charge Schedule

ITEM NO. 1

The Insurance under Net Profit is limited to loss of Net Profit due to (a) REDUCTION IN TURNOVER and (b) INCREASE IN COST OF WORKING and the amount payable as Indemnity shall be:

(a) REDUCTION IN TURNOVER

the Sum produced by applying the rate of Net Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the physical loss, destruction or damage, fall short of the Standard Turnover.

(b) INCREASE IN COST OF WORKING

the additional expenditure (subject to the provision of Memo. 2) 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 physical loss, destruction or damage, but not exceeding the sum produced by applying the Rate of Net Profit to 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 Net Profit as may cease or be reduced in consequence of the physical loss, destruction or damage.

Provided that if the Sum Insured under Net Profit be less than the sum derived by applying the Rate of Net Profit to the annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve (12) months), the amount payable shall be proportionately reduced.

ITEM NO. 2

The Insurance under Item No. 2 is limited to the reasonable charges payable by the Insured to his professional accountants for producing any particulars or details contained in the Insured's books of account or other business books or documents or such other proofs, information or evidence as may be required by the Insurer under the terms of this Section

Business Interruption

and reporting that such particular or details are in accordance with the Insured's books of account or other business books or documents.

Definitions

Net Profit

means the net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all standing and other charges including depreciation but before the deduction of any taxation chargeable on profits.

Turnover

means the Net value of Sales made and charges for work done in the course of the business at the premises.

Indemnity Period

means the period beginning with the occurrence of the physical loss, destruction or damage and ending not later than the Indemnity Period as stated in the Schedule thereafter during which period, the Business has been affected as a consequence of the physical loss, destruction or damage.

<p>Rate of Net Profit means the rate of Net Profit earned on the Turnover during the financial year immediately before the date of the physical loss, destruction or damage.</p> <p>Annual Turnover means the Turnover during the twelve (12) months immediately before the date of the physical loss, destruction or damage.</p> <p>Standard Turnover means the Turnover during the twelve (12) months immediately before the date of the physical loss, destruction or damage which corresponds to the Indemnity Period, appropriately adjusted where the Indemnity Period exceeds twelve (12) months.</p>	<p>to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the physical loss, destruction or damage or which would have affected the Business had the physical loss, destruction or damage not occurred, so that the figures thus adjusted shall represent as nearly as may reasonably be practicable the results which but for the physical loss, destruction or damage would have been obtained during the relative period after the physical loss, destruction or damage.</p>
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Memo 1

If during the Indemnity Period goods shall be sold or Services shall be rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on their behalf, the money paid or payable in respect of such sales or services shall be taken into account in considering the Turnover during the Indemnity Period.

Memo 2

In the event of the Net Profit earned during the accounting period of twelve (12) months most nearly concurrent with

any Period of Insurance as certified by the Insured's auditors being less than the sum insured thereon a pro rata return of premium not exceeding fifty percent (50%) of the premium paid on such sum insured for such Period of Insurance will be made in respect of the difference. If any physical loss, destruction or damage shall have occurred, giving rise to a claim under this Section, such return shall be made in respect only of so much of the difference as is not due to such physical loss, destruction or damage.

SPECIFICATION 4

Item No. 1 On Loss of () Sum Insured and Total Sums Gross Rental

ITEM NO. 1

The Insurance under Gross Rental is limited to loss of Gross Rental due to (a) REDUCTION IN TURNOVER and (b) INCREASE IN COST OF WORKING and the amount payable as Indemnity shall be:

(a) LOSS OF RENTAL

The amount by which the Gross Rental during the Indemnity Period shall in consequence of the damage fall short of the Standard Gross Rental

(b) INCREASE IN COST OF WORKING

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Loss of Gross Rental which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the damage but not exceeding the amount of the reduction in Gross Rental 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 Rental as may cease or be reduced as a consequence of the physical loss, destruction or damage.

Provided that, if the Loss of Gross Rental be less than the Annual Gross Rental (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve (12) months), the amount payable shall be proportionately reduced.

Definitions

Gross Rental

means

1. If the Insured is the landlord, the money paid or payable to the Insured by tenants in respect of Rental of the Premises
2. If the Insured is the tenant, money paid or payable by the Insured to the landlord owner or manager of the Premises.

Indemnity Period

means the period beginning with the occurrence of the physical loss, destruction or damage and ending not later than the Indemnity Period as stated in the Schedule thereafter during which the result of the Business shall be affected as a consequence of the physical loss, destruction or damage.

Business Interruption

<p>Standard Gross Rental means the Gross Rental during the period corresponding with the Indemnity Period in the twelve months immediately before the date of damage which corresponds with the Indemnity Period.</p>	<p>to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the physical loss, destruction or damage or which would have affected the Business had the physical loss, destruction or damage not occurred, so that the figures thus adjusted shall represent as nearly as may reasonably be practicable the results which but for the physical loss, destruction or damage would have been obtained during the relative period after the physical loss, destruction or damage.</p>
<p>Annual Gross Rental) means the Gross Rental during the twelve months immediately before the date of damage.</p>	

Alternative Trading Clause

If during the Indemnity Period the business shall be conducted elsewhere than at the premises the money paid or payable to the Insured in respect of rent at such other premises shall be taken into account in considering the Gross Rental.

Premium Adjustment Clause

In the event of that the Gross Rental (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) during the accounting period of twelve months most nearly concurrent with any period of insurance as certified by the Insured's auditors is less than the sum insured thereon, a pro rata return of premium not exceeding 50 percent of the premium paid on such sum insured for such period of insurance will be made in respect of the difference. If any damage shall have occurred giving rise to a claim under this policy such return shall be made in respect only of so much of the said difference as is not due to such damage.

This Premium Adjustment Clause is only valid for twelve (12) months from the date of expiry of the Policy.

SPECIFICATION 5

Item No. 1 On Increase in } Sums Insured as stated in the
Cost of Working Schedule

ITEM NO. 1

The insurance under Item No. 1 is limited to Increase in Cost of Working and the amount payable as indemnity shall be:

THE ADDITIONAL EXPENDITURE: necessarily and reasonably incurred by the Insured in consequence of the physical loss, destruction or damage in order to prevent or minimise the interruption of or interference with the Business during the Indemnity Period (including cost incurred in obtaining any necessary temporary premises, the cost of removal to and from temporary premises and expenses incidental to the occupation thereof, increase in rent, rates and taxes, salaries of additional staff, and overtime payments).

The Insurer's liability under Item 1 shall not exceed in respect of the first three (3) months of the Indemnity Period, one-half of the Sum Insured as allocated herein, and for each of the succeeding month within the Indemnity Period, one-ninth part of the balance remaining of that Sum Insured after deducting the amount payable in respect of the first three (3) months.

Definitions

Indemnity Period

means the period beginning with the occurrence of the physical loss, destruction or damage during which the results of the Business shall be affected in consequence of the physical loss, destruction or damage, but in no case exceeding the Maximum Indemnity Period.

Maximum Indemnity Period

means the period stated in the Schedule.

Liability

1 Cover

1.1 In consideration of the premium payable by the Insured to the Insurer, the Insurer will indemnify the Insured against their liability to pay Damages within the limits defined by each insured sub-section of this Section of the Policy arising out of the Business specified in the Schedule, subject always to the terms, Conditions and Exclusions of such sub-section and of the Policy as a whole. Further, indemnity applies only to such liability arising from Business carried on within the territorial limits as specified in the Schedule.

2 Exclusions

The Insurer shall not be liable under this Section to make any payment for Damages:

- 2.1** arising out of, based upon or attributable to bodily injury, property damage personal injury or advertising injury due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, invasion, act of foreign enemy, civil commotion, factional civil commotion, military or usurped power, rebellion or revolution.
- 2.2** arising out of, based upon or attributable to bodily injury or property damage arising directly or indirectly as a result of or in connection with Terrorism including, but not limited to, any contemporaneous or ensuing bodily injury or property damage caused by fire, looting or theft.
- 2.3** directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the manufacture of, mining of, use of, sales of, installation of, survey or investigation of, management of, removal of, distribution of, existence of or exposure to asbestos products, asbestos fibers or asbestos dust, or property or materials containing any of the foregoing, including without limitation all liability to pay claimants' or the Insured's legal costs and expenses or any other costs and expenses, howsoever incurred in the investigation, defense and/or settlement of any claim or Legal Proceeding against the Insured.
- 2.4** directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form, or to any obligation of the insured to indemnify any party because of Bodily Injury or Property Damage arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form.
- 2.5** arising out of, based upon or attributable to bodily Injury or Property Damage arising out of Offshore work
- 2.6** directly or indirectly caused by or contributed to by or arising from:
 - (i) nuclear weapons material;

- (ii) ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel and for the purposes of this Exception combustion shall include any self-sustaining process of nuclear fission;

- 2.7** for any liquidated or punitive or exemplary damages, civil or criminal fines or penalties
- 2.8** arising from the actual or alleged breach of any professional duty by the Insured
- 2.9** for any Financial Loss

The exclusions set out at each subsection following shall apply to the cover provided under the relevant subsection.

3 Definitions

- 3.1 "Injury"**
means death, bodily injury, illness or disease of or to any person;
- 3.2 "Damages"**
means any amount that an Insured shall be legally liable to pay to a Third Party in respect of judgments rendered against an Insured, or for settlements negotiated by the Insurer with the consent of the Insured in respect of any Claim, and shall include claimants' costs, fees and expenses.
- 3.3 "Off shore Work"**
means embarkation onto a conveyance until disembarkation from such conveyance onto land for the purpose of travel to or from transit between work on any offshore structure platform installation or accommodation vessel.
- 3.4 "Property Damage"**
means loss of possession or control of or actual damage to tangible property;
- 3.5 "Pollution"**
means pollution or contamination of the atmosphere or of any water, land or other tangible property;
- 3.6 "Product"**
means any property after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured but shall not include food or drink supplied by or on behalf of the Insured primarily to the Insured's employees as a staff benefit.
- 3.7 "Terrorism"**
means the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in connection with any organization, government, power, authority or military force, when the effect is to intimidate or coerce a government, the civilian population or any segment thereof, or to disrupt any

Liability

segment of the economy. Terrorism shall also include any act which is verified or recognized by the relevant authorities as an act of terrorism.

3.8 "Financial Loss"

means financial loss caused by the loss of money or securities owned by any third party.

3.9 Asia

means Malaysia, Indonesia, Thailand, Philippines, Myanmar, Vietnam, Cambodia, Laos, Brunei, China, Hong Kong, Macau, Taiwan, Korea, Japan, India, Sri Lanka and Mongolia.

4 Conditions

In addition to the general terms and conditions, the following terms shall apply to the cover provided by this section of the policy only:

4.1 Indemnity to Others

The indemnity granted extends to:

- (i) at the request of the Insured, any party who enters into an agreement with the Insured for any purpose of the Business, but only with the express agreement of the Insurer as specified in the Schedule, and to the extent required by such agreement to grant such indemnity and subject always to Clause 5.2(iv);
- (ii) officials of the Insured in their business capacity for their liability arising out of the performance of the Business and/or in their private capacity arising out of their temporary engagement of the Insured's employees;
- (iii) at the request of the Insured, any person or firm for their liability arising out of the performance of a contract to provide labour only services to the Insured;
- (iv) the officers committee and members of the Insured's canteen, social, sports, medical, fire fighting and welfare organisations in their respective capacity as such;
- (v) the personal representatives of the estate of any person indemnified by reason of this Clause in respect of liability incurred by such persons;

provided always that all such persons or parties shall observe, fulfil and be subject to the terms, Conditions and Exclusions of this Policy as though they were the Insured.

4.2 Cross Liabilities

Each person or party specified as the Insured in the Schedule is separately indemnified in respect of claims made against any of them by any other, subject to the Insurer's total liability not exceeding the stated Indemnity Limits.

4.3 Defence Costs

The Insurer will pay all costs, fees and expenses incurred with their prior consent by the Insured ("Defence Costs")

- (i) in the investigation, defence or settlement of;

- (ii) as a result of representation at any inquest, inquiry or proceedings in respect of matters which have a direct relevance to;

any occurrence which forms or could form the subject of indemnity by this Policy.

4.4 Indemnity Limits

The Insurer's liability to pay damages (including, Defence costs, claimant's costs, fees and expenses) shall not exceed the sum stated in the Schedule against each Subsection in respect of any one occurrence or series of occurrences arising from one originating cause, but under Subsection Pollution Liability and Subsection Product Liability the Indemnity Limits represent the Insurer total aggregate liability in respect of all occurrences during the Policy Period.

Should liability arising from the same originating cause form the subject of indemnity by more than one subsection of this Policy Section, each subsection shall be subject to its own Indemnity Limit, provided always that the total amount of Insurer's liability shall not exceed the greatest Indemnity Limit available under any one of the subsections providing indemnity.

5 Subsection - PUBLIC LIABILITY

5.1 Indemnity

The Insured is indemnified by this subsection in accordance with the Operative Clause for Damages arising out of Injury and/or Property Damage occurring during the Period of Insurance but not against liability arising out of:-

- (i) Pollution
- (ii) or in connection with any Product

5.2 Exclusions

This sub-Section does not cover liability:

- (i) arising out of the ownership, possession or use of any motor vehicle or trailer by or on behalf of the Insured, other than claims:
 - (a) caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer;
 - (b) arising beyond the limits of any carriageway or thoroughfare caused by the loading or unloading of any motor vehicle or trailer;
 - (c) arising out of any motor vehicle or trailer temporarily in the Insured's custody or control for the purpose of parking unless such cover is specified in the Schedule, and only to the limit specified therein;

provided always that no indemnity is granted against liability compulsorily insurable by legislation or for which the government or other authority has accepted responsibility;

- (ii) arising out of the ownership, possession or use by or on behalf of the Insured of any aircraft, watercraft or hovercraft (other than

Liability

- watercraft not exceeding five metres in length and then only whilst on inland waterways);
- (iii) for and/or arising out of Damage to property owned leased or hired by or under hire purchase or on loan to the Insured or otherwise in the Insured's care custody or control other than:
 - (d) premises (or the contents thereof temporarily occupied by the Insured for work therein and/or other property temporarily in the Insured's possession for work thereon (but no indemnity is granted for Damage to that part of the property on which the Insured is working and which arises out of such work);
 - (e) clothing and personal effects belonging to employees and visitors of the Insured;
 - (f) premises tenanted by the Insured to the extent that the Insured would be held liable in the absence of any specific agreement.
 - (g) If the Schedule specifies a sum insured for Goods in care, custody and control, and only to the limit as specified for any occurrence or series of occurrences arising from one event
- (iv) assumed under any contract or agreement unless and to the extent such liability would have attached in the absence of such agreement.
- (v) in respect of any customer goods covered under any Innkeepers' Liability Act or similar unless a sum insured is specified in the Schedule, and only to that sum insured any one occurrence and in the aggregate for one policy period.
- (vi) for which the insured or any carrier as his Insurer, may be held liable under any workmen's compensation, unemployment compensation or disability benefits law or under any similar law.

5.3 Extensions

Overseas Extension (Non-Manual Employees Only)

The Territorial Limits specified in the schedule are extended to include non-manual work undertaken by the Insured overseas subject to the Policy Jurisdiction clause.

6 Subsection - POLLUTION LIABILITY

6.1 Indemnity

The Insured is indemnified by this subsection in accordance with the Operative Clause for Damages arising out of Injury and/or Property Damage occurring during the Period of Insurance and arising out of Pollution, but only to the extent that the Insured can demonstrate that such Pollution:

- (i) was the direct result of a sudden, specific and identifiable event occurring during the Period of Insurance;
- (ii) was not the direct result of the Insured failing to take reasonable precaution to prevent such Pollution.

6.2 Exclusions

This subsection is subject to the Exclusions of subsections 5.2 and 7.2, and also does not cover liability for and/or arising out of:

- (i) Damage to premises which are presently or were at any time previously tenanted by the Insured;
- (ii) Damage to land or water within or below the boundaries of any land or premises which is presently or was at any time previously owned or leased by the Insured or otherwise in the Insured's care, custody or control.

7 Subsection - PRODUCTS LIABILITY

7.1 Indemnity

The Insured is indemnified by this subsection in accordance with the Operative Clause for Damages arising out of Injury and/or Property Damage occurring during the Period of Insurance alleged to have been caused by any Product.

If any Product from one prepared or acquired batch of Products causes Property Damage to property of or Injury to more than one person, all Property Damage and Injury resulting from that batch shall be considered as arising out of one originating cause ['CONNECTED CLAIMS'];

7.2 Exclusions

This Subsection does not cover liability:-

- (i) for and/or arising out of Property Damage to any Product or part thereof;
- (ii) for costs incurred in the repair, reconditioning, modification or replacement of any Product or part thereof and/or any financial loss consequent upon the necessity for such repair, reconditioning, modification or replacement;
- (iii) arising out of the recall of any Product or part thereof;
- (iv) In respect of any Products which with the knowledge of the Insured are incorporated into any aircraft or craft made or intended to be airborne
- (v) arising out of the faulty or negligent design, formula, specification, plan advertising material or printed instructions of or for the product;
- (vi) arising out of Pollution
- (vii) for which the insured or any carrier as his Insurer, may be held liable under any workmen's compensation, unemployment compensation or disability benefits law or under any similar law.

Machinery Breakdown

MACHINERY BREAKDOWN

1 Cover

- 1.1 The Insurer will, at its option by payment in cash, replacement or repair, indemnify the Insured up to the respective Sums Insured in respect of each of the items as specified in the Schedule against any unforeseen and sudden physical loss or damage from causes such as defects in casting and material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short circuit, storm, or from any other cause not specifically excluded hereinafter, in a manner necessitating repair or replacement, whilst on the Insured Premises during the Period of Insurance.
- 1.2 This Section shall apply to the Insured items after successful completion of their performance acceptance tests whether they are at work or at rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of the said operations, or when being shifted within the Insured Premises, or during subsequent re-erection.

2 Exclusions

- 2.1 The Insurer shall not be liable for:
- (i) the deductible stated in the Schedule to be borne by the Insured in any one occurrence; if more than one item is lost or damaged in any one occurrence, the Insured shall not, however, be called upon to bear more than the highest single deductible applicable to such items;
 - (ii) loss or damage caused by breakdown due to the imposition of abnormal conditions directly or indirectly resulting from testing, intentional overloading or experiments;
 - (iii) loss of or damage to exchangeable and replaceable parts including but not limited to bits, knives, sawblades;
 - (iv) loss of or damage to dies, moulds, patterns, blocks, stamps, punches, coatings or engraved cylinders and rolls;
 - (v) loss of or damage to parts which by their use and/or nature suffer a high rate of wear or depreciation including but not limited to objects made of glass, crushing, hammering or grinding surfaces, wearplates, screens and sieves, flexible pipes, jointing and packing materials, filter cloths, wheels, ropes, wires, belts, straps, elevator and conveyor belts or bands, cables other than electrical conductors, brushes, batteries, tyres, refractory materials, fire bars, burner jets;
 - (vi) loss of or damage to operating materials including but not limited to lubricants, fuels, chemicals, filter substances heat transfer media, cleansing agents, oils, catalysts;

- (vii) damage to materials in the course of process;
- (viii) loss or damage due to fire, direct lightning, chemical explosion (except flue gas explosions in boilers), extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft, burglary or attempts thereat, collapse of buildings, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes;
- (ix) loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;
- (x) loss or damage caused by any faults or defects existing at the time of commencement of this Section within the knowledge of the Insured or his representatives, whether such faults or defects were known to the Insurer or not;
- (xi) loss or damage arising out of the wilful act or gross negligence of the Insured or his representatives;
- (xii) any consequence of mutiny, riot, strike, lock-out or civil commotion.
- (xiii) any consequence of nuclear reaction, nuclear radiation or radioactive contamination;
- (xiv) loss or damage occasioned by or happening through:-
 - (a) as a direct consequence of the continual influence of operation (eg wear and tear, gradual deterioration, cavitation, erosion, corrosion, rust, boiler scale);
 - (b) gradually developing flaws, deformation, distortion, cracks or partial fractures;
 - (c) loose parts or defective joints or seams;
- (xv) consequential loss or liability of any kind or description, any payments over and above the indemnity for material damage as provided herein.

In any action, suit or other proceeding where the Insurer alleges that, by reason of the provision of Exclusion (xii) above, any loss or damage is not covered by this Section, the burden of proving that such loss or damage is covered shall be upon the Insured.

2.2 Data Distortion/Corruption Endorsement

The Insurer will not pay for damage or consequential loss directly or indirectly caused by, consisting of, or arising from:

- (a) Any functioning or malfunctioning of the internet or similar facility, or of any intranet or private network or similar facility.
- (b) Any corruption, destruction, distortion, erasure or other loss or damage to data, software, or any kind of programming or instruction set.

Machinery Breakdown

- (c) Loss of use or functionality whether partial or entire of data, coding, program, software, any computer or computer system or other device dependent upon any microchip or embedded logic, and any ensuing inability or failure of the Insured to conduct business.

Such damage or consequential loss described in (a), (b) or (c) above is excluded regardless of any other cause that contributed concurrently or in any other sequence.

3 Definitions

No additional definitions apply to this Section of the Policy.

4 Conditions

4.1 Sums Insured

It shall be a requirement of this Section that the Sum Insured is equal to the cost of replacement of the Insured machinery by new machinery of the same specification and performance when purchased as an individual item including normal erection costs, freight charges, customs dues and taxes, if any.

If the Sum Insured is less than the amount required to be insured, the Insurer shall pay only in such proportion as the Sum Insured bears to the amount required to be insured. Every item, if more than one, shall be subject to this condition separately.

4.2 Basis of Indemnity:

- (a) In cases where a damaged Insured item can be repaired - the Insurer shall pay expenses necessarily incurred to restore the damaged machine to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues, if any, to the extent such expenses have been included the sum insured. If the repairs are executed at a workshop owned by the Insured, the Insurer shall pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced, but the value of any salvage shall be taken into account.

If the cost of repairs as detailed hereinabove equals or exceeds the actual value of the machinery insured immediately before the occurrence of the damage, the item shall be regarded as destroyed and settlement shall be made on the basis provided for in (b) below.

- (b) In cases where an Insured item is destroyed – the Insurer shall pay the actual value of the item immediately before the occurrence of the loss, including charges for ordinary freight, cost of erection and customs duties, if any, provided such expenses have been included in the sum insured, such actual value to be calculated

by deducting proper depreciation from the replacement value of the item. The Insurer shall also pay any normal charges for the dismantling of the machinery destroyed, but the salvage shall be taken into account.

Any extra charges incurred for overtime, night work, work on public holidays, and express freight shall be covered by this Section only if agreed in writing.

The cost of any alterations, additions, improvements or overhauls shall not be recoverable under this Section.

The cost of any provisional repairs shall be borne by the Insurer if such repairs constitute part of the final repairs and do not increase the total cost of repair.

The Insurer shall make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be.

- 4.3 The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Insurer to prevent loss or damage and comply with statutory requirements and manufacturer's recommendations.
- 4.4 Representatives of the Insurer shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Insurer with all details and information necessary for the assessment of the risk.
- 4.5 The Insured shall immediately notify the Insurer by telefax or telegram or by telephone and confirm in writing of any material change in the risk and cause at his own expense. He will take such additional precautions to be taken as circumstances may require to ensure safe operation of the Insured items, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly. No material alteration shall be made or admitted by the Insured where the risk is increased, unless the continuance of the Insurance is confirmed in writing by the Insurer.
- 4.6 In the event of any occurrence which might give rise to a claim under this Section, the Insured shall
 - (a) immediately notify the Insurer either by telefax or telegram or by telephone as well as in writing, giving an indication of the nature and extent of loss or damage;
 - (b) take all reasonable steps within his power to minimise the extent of the loss or damage;
 - (c) preserve the parts affected and make them available for inspection by a representative or surveyor of the Insurer;
 - (d) furnish all such information and documentary evidence as the Insurer may require.

Machinery Breakdown

The Insurer shall on no account be liable for loss or damage for which no notice has been received by the Insurer within fourteen (14) days of its occurrence. Upon notification being given to the Insurer under this condition, the Insured may carry out repairs of any minor damage or replace items which have sustained any minor damage; in all other cases a representative of the Insurer shall have the opportunity of inspecting the loss or damage before any repairs or alterations are effected. If a representative of the Insurer does not carry out the inspection within a period of

time which could be considered adequate under the circumstances, the Insured shall be entitled to proceed with the repairs or replacement.

The liability of the Insurer under this Section in respect of any Insured item shall cease if the said item is kept in operations after a claim without being repaired to the satisfaction of the Insurer, or if temporary repairs are carried out without the Insurer's consent.

- 4.7 The Insurer shall be entitled to withhold indemnification
- (a) if there are doubts regarding the Insured's right to receive the indemnity, pending receipt by the Insurer of the necessary proof;
 - (b) if in connection with the claim an examination by the police or an inquiry under criminal law has been instituted against the Insured, pending completion of such examination or inquiry.
- 4.8 The Insurer shall not be liable to pay interest other than interest for default.

5 Warranties

The Insured shall overhaul and maintain each Insured item in good working order to a standard which is at least in accordance with the applicable manufacturers' or suppliers' recommended maintenance and overhaul schedules.

6 Extensions

6.1 Appraisalment

If the aggregate claim for any loss destruction or damage does not exceed S\$3,000 or five percent (5%) of the Sum Insured for every occurrence, whichever is lesser, by the item or items affected, no special inventory or appraisalment of the undamaged Property is required.

6.2 Expediting Costs

In respect of each claim for Damage to any Property Insured for which the Insurer shall have admitted liability, the Insurer, upon the request of the Insured, shall pay:-

- (a) Penalty rates for wages during overtime, shifts, nights, Sundays or public holidays; and
- (b) Working for carriage by express passenger, fast goods or other rail or road transport; and

- (c) Payment for carriage by air-freight via licensed airline(s) operating a regular schedule but not by aircraft chartered for such carriage;

reasonably incurred to expedite repair or replacement of the damaged Property Insured provided that such expediting costs shall not exceed fifteen per cent (15%) of the normal repair costs or S\$100,000, whichever is lesser, under this Section.

6.3 Payment on Account

In the event of the occurrence of a loss under this Section and if liability of loss has been established but the final loss amount has yet to be determined, the Insurer will make payment on account in respect of such loss to the Insured if desired and for such amounts as agreed by the Insurer, on production of a statement of claim certified by the approved assessor or adjuster, provided the sum of such payment is deducted from the final determined amount of insured loss.

- 6.4 The following extensions are only covered if indicated in the Machinery Breakdown Section of the Schedule

Deterioration of Stocks

Deterioration of Stocks If stated on the Schedule the Insurer will indemnify the Insured for up to the sum insured stated in the Schedule in the aggregate in anyone Period of Insurance for loss of or damage or deterioration of food in any refrigeration units within the Property insured whilst in the insured Location of Risk due to:

- (a) Accidental damage to refrigerating equipment;
- (b) Failure of public electric supply;
- (c) Accidental escape of refrigerant gas.

Provided that:

The Insured had maintained the refrigerating equipment in good working order and had at all material times undertaken precautions to keep it in a proper state of repair

Special Exceptions

This extension shall exclude loss or damage resulting from:

- (a) A deliberate act of any power supply authority;
- (b) The withholding or restricting of power by such authority;
- (c) A deliberate act or neglect of the Insured or member of the Insured's household or sole proprietor, director, partner, officer or servant of the Insured;

Machinery Breakdown

- (d) Refrigeration units which are more than 10 years old;
- (e) Consequential loss of any kind;
- (f) The imposition of abnormal conditions directly or indirectly resulting from testing, intentional overloading or experiments;
- (g) Loss or damage arising from faulty packing or storage, inherent defects, contamination or disease;
- (h) Faults or defects known to the Insured or any of the Insured's employees at the time the contract was arranged and not disclosed to the Insurer;
- (i) Forced quarantine, evacuation or epidemic which affects the local power grid.

(i) 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, in consequence of the accident, falls short of the standard turnover

(ii) in respect of increase in cost of working: the additional expenditure 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 accident, but not exceeding the sum produced by applying the rate of gross profit to 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 the gross profit as may cease or be reduced in consequence of the accident, provided that if the sum insured hereunder is less than the sum produced by applying the rate of gross profit to the annual turnover, the amount payable is proportionately reduced.

MACHINERY BREAKDOWN LOSS OF PROFITS (if applicable)

1 Cover

1.1 If during the Period of Insurance or any renewal thereof the Business carried on by the Insured at the Premises specified in the Schedule(s) is interrupted or interfered with in consequence of an Accident (as hereinafter defined) of any machinery described in the list of machinery and plant insured (in Machinery Breakdown Insurance Section), then the Insurer shall in respect of each subject matter insured indemnify the Insured against the amount of loss as hereinafter defined resulting from such interruption or interference.

1.2 Provided that the liability of the Insurer in no case exceeds in respect of each subject matter insured in any one Period of Insurance the Sum Insured specified in the Schedule(s) or in the whole the total Sum Insured hereby or such other sum or sums as may hereinafter be substituted therefore by endorsement signed by or on behalf of the Insurer.

Basis of Insurance

1.3 The cover provided under this Policy shall be limited to loss of gross profit due to reduction in turnover and increase in cost of working and the amount payable as indemnity hereunder shall be

Machinery Breakdown

2 Exclusions

This Section shall not cover any loss resulting from interruption of or Interference with the business directly or indirectly attributable to any of the following causes:

- 2.1 loss or damage due to fire, direct lightning, chemical explosion, extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft or attempts thereat, collapse of buildings, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes;
- 2.2 loss or damage caused by breakdown due to the imposition of abnormal conditions directly or indirectly resulting from testing, intentional overloading or experiments;
- 2.3 loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;
- 2.4 loss or damage caused by any faults or defects existing at the time of commencement of this Section within the knowledge of the Insured or his representatives, whether such faults or defects were known to the Insurer or not;
- 2.5 loss or damage arising out of the willful act or gross negligence of the Insured or his representatives;
- 2.6 any consequence of mutiny, riot, strike, lock-out, civil commotion, a group of malicious persons or persons acting on behalf of or in connection with any political organisation;
- 2.7 any consequence of nuclear reaction, nuclear radiation or radioactive contamination;
- 2.8 loss of or damage to
- (i) foundations and masonry, unless specifically included any described in the list of machinery and plant insured;
 - (ii) exchangeable and replaceable parts including but not limited to bits, drills, knives, saw blades;
 - (iii) dies, moulds, patterns, blocks, stamps, punches, coatings or engravings on cylinders and rolls;
 - (iv) parts which by their use and/or nature suffer a high rate of wear or depreciation including but not limited to crushing surfaces, balls, hammers, screens and sieves, engraved soft metal cylinders, wear plates, elevator and conveyor belts or bands, chains, flexible pipes, jointing and packing materials, filter cloths, parts made of glass, rubber, textile or synthetics, grinding wheels, ropes, belts, straps, cables other than electrical conductors, brushes, batteries, tyres, refractory materials, grate bars, burner jets, fire bus;
- (v) operating media including but not limited to fuels, chemicals, catalysts, filter substances, heat transfer media, cleansing agents, lubricants, oils;
- 2.9 repair or replacement necessitated by direct damage due to wear and tear, corrosion, erosion, deposits of scale, sludge or other sediment, rust or scratching of painted or polished surfaces, or by any other direct consequences of progressive or continuous influences from working or atmospheric or chemical action, but the Insurer shall be liable for any loss resulting from interruption or interference caused by damage arising from such causes and otherwise insured by this Section;
- 2.10 shortage, destruction, deterioration of or damage to raw materials, semi-finished or finished products or other materials required for proper operation, even if the consequence of material damage to an item indicated in the list of machinery and plant insured is involved;
- 2.11 any restrictions on reconstruction or operation imposed by any public authority;
- 2.12 the Insured not having at his disposal in good time sufficient capital for repairing or replacing destroyed or damaged machinery;
- 2.13 loss of or damage to machinery, mechanical installations and their additional installations or other items which are not listed in the list of machinery and plant insured, even if the consequence of material damage to an item indicated in the list of machinery and plant insured is involved;
- 2.14 loss of business due to causes such as suspension, lapse or cancellation of a lease, licence or order etc. which occurs after the date when the machinery affected by an accident is again in operating condition and the business could have been resumed, if the said lease, licence or order, etc. had not lapsed or had not been suspended or cancelled.;
- In any action, suit or other proceeding where the Insurer alleges that by reason of the provisions of Exclusion 2.3 - 2.7. above any loss is not covered by this Section, the burden of proving that such loss is covered shall be upon the Insured.
- 2.15 the deductible stated in the Schedule to be borne by the Insured in any one occurrence.
- 2.16 loss or damage occasioned by or happening through gradually developing flaws, deformation, distortion, cracks or partial fractures.
- 2.17 loss or damage occasioned by or happening through loose parts or defective joints or seams.

Machinery Breakdown

3 Definitions

For the purposes of this section of the policy only,

3.1 Gross Profit

means the amount by which the sum of the value of the turnover and the value of the closing stock exceed the sum of the value of the opening stock and the amount of the specified working expenses. The values of the opening and closing stocks shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation.

3.2 Specified Working Expenses

means the variable expenses of the business which are not insured by this Section are:

1. turnover and purchase taxes
2. purchases (less discounts received)
3. carriage, packing and freight

3.3 Turnover

means the money (less discounts allowed) paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the Business at the Premises.

3.4 Indemnity Period and Time Excess

means the period not exceeding the indemnity period limit stated in the list of machinery and plant insured commencing with the occurrence of the accident during which the results of the business are affected in consequence of such accident, provided always that the Insurer is not liable for the amount of loss arising during the time excess, such time excess to commence as from the beginning of the interruption of or interference with the Business resulting in a claim under this Section.

3.5 Rate of Gross Profit

means the rate of gross profit earned on the turnover during the financial year immediately before the date of the accident to which such adjustments are made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the accident or which would have affected the Business had the accident not occurred, so that the figures thus adjusted represent as nearly may be reasonably practicable the results which but for the accident would have been obtained during the relative period after the accident.

3.6 Standard Turnover

means the turnover during that period in the twelve (12) months immediately before the date of the accident which corresponds to the indemnity period to which such adjustments are made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the accident or which would have affected the Business had the accident not occurred, so that the figures thus adjusted represent as nearly may be reasonably practicable the results which but for the accident would have been obtained during the relative period after the accident.

3.7 Annual Turnover

means the turnover which the Insured would have been able to obtain but for the accident during the twelve (12) months immediately before either the date when the Business is no longer affected or when the Indemnity Period ends, whichever occurs first.

3.8 Accident

means an unforeseen and sudden physical loss or damage occurring to the insured machinery and necessitating its immediate repair or replacement due to causes such as defects in casting and material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, malice, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short circuit, storm, or any other cause not specifically excluded hereinafter whilst such machinery is

- working or at rest,
- being dismantled, moved or re-erected for the purpose of cleaning, inspection, repair or installation at another location within the Premises, provided such machinery has successfully completed its performance acceptance tests.

4 Conditions

In addition to the general terms and conditions, the following terms shall apply to the cover provided by this section of the policy only:

4.1 Benefits from Other Premises

If during the Indemnity Period goods are sold or services are rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by others acting on his behalf, the money paid or payable in respect of such sales or services shall be taken into account in arriving at the turnover during the Indemnity Period.

4.2 Return of Premium

If the Insured declares at the latest six (6) months after the expiry of any Period of Insurance that the Gross Profit earned during the accounting period of twelve (12) months most nearly concurrent with any Period of Insurance, as certified by the Insured's auditors, was less than the Sum Insured thereon, a pro rata return of premium not exceeding one third of the premium paid on such sum insured for such Period of Insurance shall be made in respect of the difference.

If any Accident has occurred giving rise to a claim under this Section, such return shall be made in respect only of so much of said difference as is not due to such Accident.

4.3 Relative Importance

The term "Relative Importance" referred to in the list of machinery and plant insured shall be the percentage effect which a breakdown of a particular machine will have on the total gross profit, disregarding any loss-minimising measures. If in the event of an accident affecting an insured item of

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machinery the percentage of Relative Importance stated in the list of machinery and plant insured for this item is lower than the actual percentage of Relative Importance subsequently arrived at for the period of interruption, the Insurer shall only be liable to indemnify the proportion which the percentage of Relative Importance stated in the list of machinery and plant insured bears to the actual percentage.

4.4 Overhauls

In calculating the loss, due allowance shall be made for the time spent on any overhauls, inspections or modifications carried out during any period of interruption.

4.5 Benefits after Recommissioning

If during a period of six (6) months immediately following the recommissioning of insured machinery after an Accident, the Insured derives benefits from deferred sales or from increased production and/or profits as a consequence of an interruption, such benefits shall be taken into account in determining the indemnity payable under this Section.

4.6 Reinstatement of Sum Insured

For the period following the occurrence of an Accident up to the end of the Period of Insurance the Sum Insured shall be reinstated by payment of an additional premium on a pro rata basis, such premium to be calculated from that part of the sum insured which corresponds to the indemnity paid; the agreed Sum Insured shall remain unaltered.

4.7 Material Damage Cover for Machinery Insured

The machinery described in the list of machinery and plant insured shall be covered against machinery breakdown during the currency of this Section.

- a) Representatives of the Insurer shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the Insurer's authorised representatives with all details and information necessary for the assessment of the risk.
- b) The Insured shall immediately notify the Insurer by telegram and in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.
- c) Dismantling and reassembling in connection with any examinations shall be carried out by the Insured on such date or dates as the Insurer and the Insured mutually agree upon for the making of such examinations.

No material alteration shall be made or admitted by the Insured whereby the risk is increased, unless the continuance of the cover provided under this Section is confirmed in writing by the Insurer.

4.8

The Insured shall be obliged to keep complete records. All records, e.g. inventories, production and balance

sheets, for the three (3) preceding years shall be held in safe keeping or, as a precaution against their being simultaneously destroyed, the Insured shall keep separate sets of such records.

4.9

In the event of any occurrence which gives rise or is likely to give rise to a claim under this Section, the Insured shall

- a) immediately notify the Insurer by telephone or telegram and send written confirmation thereof within forty-eight (48) hours of the occurrence;
- b) do and concur in doing and permit to be done all such things as may be reasonably practicable to minimise or establish the extent of any interruption of or interference with the Business or to avoid or diminish the loss resulting therefrom;
- c) as far as may be reasonably practicable, without causing any increase in the period of interruption or interference, take precautions to preserve any things which might prove necessary or useful by way of evidence in connection with any claim;
- d) discontinue the use of any damaged machinery unless the Insurer authorise otherwise, and the Insurer shall not be liable in respect of any further interruption or interference arising out of the continued use of any damaged machinery without their having given their consent to such use until the said machinery has been repaired to the satisfaction of the Insurer.

4.10

In the event of a claim being made under this Section not later than thirty (30) days after the expiry of the indemnity period or within such further times as the Insurer may allow in writing, the Insured shall at his own expense deliver to the Insurer a written statement setting forth particulars of his claim together with details of all other policies covering the Accident or any part of it or consequential loss of any kind resulting therefrom, and the Insured shall at his own expense also produce and furnish to the Insurer such books of account and other business books, e.g. invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonably be required by the Insurer for the purpose of investigating or verifying the claim, together with – if required – a statutory declaration of the truth of the claim and of any matters connected therewith.

4.11

In the event of an accident to any Insured machinery likely to give rise to a claim herein, the Insurer shall have the right to take over and control all necessary repairs or replacements.

4.12

In the event of any occurrence in respect of which a claim is or may be made under this Section, the Insurer and every person authorised by the Insurer may, without thereby incurring any liability and without diminishing the right of the Insurer to rely upon any condition of this Section, enter any building where the loss has happened and may take possession of or require that any of the machinery be rendered

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to them and may keep possession of and deal with such machinery for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the leave and licence of the Insured to the Insurer so to do. If the Insured or anyone acting on his behalf does not comply with the requirements of the Insurer or hinders or obstructs the Insurer during any of the above mentioned acts, then all benefit under this Section shall be forfeited.

- 4.13 If at the time any claim arises under this Section there is any other insurance covering the same loss or damage, the Insurer shall not be liable to pay or contribute more than their rateable proportion of any claim for such loss or damage.

The Insurer shall not be liable to pay for or contribute to any loss which but for the existence of this Section is or would be insured by any Loss of Profits Section covering marine risks or fire and/or explosion risks.

- 4.14 The indemnity shall fall due two (2) weeks after its final determination. If, after the expiry of one (1) month since the beginning of an interruption of or interference with the Business and after the expiry of each further month, it is possible to determine the minimum amount which the Insurer are liable to pay for the elapsed period of interruption, the Insured shall be entitled to demand that such amount be paid to him as an instalment of the total indemnity.

The Insurer shall be entitled to postpone payment

- a) if there is any doubt as to the Insured's right to receive payment, until the necessary proof is furnished;
- b) if, as a result of any physical loss or damage or any interruption of or interference with the business, police or penal investigations have been initiated against the Insured, until the completion of such investigations.

The Insurer shall not be liable to pay interest other than interest for default.

- 4.15 Should at any time after the commencement of this Section
- a) the Business be wound up or carried on by a liquidator or receiver or be permanently discontinued;
 - b) the Insured's interest cease otherwise than by death;
 - c) any alteration be made whereby the risk of accident is increased;
 - d) the retention of standby or spare machinery or any other loss-minimising factors in existence when the insurance was effected by reduced or discontinued, or such standby or spare machinery be not maintained in an efficient working condition and available for immediate use;

Then this Section shall be avoided unless its continuance is admitted by a special written statement signed by or on behalf of the Insurer.

5 Extensions

5.1 Appraisalment

If the aggregate claim for any loss destruction or damage does not exceed S\$3,000 or five percent (5%) of the Sum Insured for every occurrence, whichever is lesser, by the item or items affected, no special inventory or appraisalment of the undamaged Property is required.

5.2 Payment on Account

In the event of the occurrence of a loss under this Section and if liability of loss has been established but the final loss amount has yet to be determined, the Insurer will make payment on account in respect of such loss to the Insured if desired and for such amounts as agreed by the Insurer, on production of a statement of claim certified by the approved assessor or adjuster, provided the sum of such payment is deducted from the final determined amount of insured loss.

Electronic Equipment

1 Covers

The Insurer will indemnify the Insured in respect of the cost of repairs to or replacement or reinstatement of the Electronic Data Processing (EDP) equipment and Data Carrying Media, which having been successfully installed and commissioned and in normal operating conditions should suffer any unforeseen and sudden physical loss or damage from any cause other than those specifically excluded.

1.1 Material Damage

The Insurer will indemnify the Insured at its option by payment in cash, replacement or repair, up to an amount not exceeding that specified in the Schedule if any of the specified items suffer any unforeseen and sudden physical loss or damage from any cause other than those specifically excluded, in a manner necessitating repair or replacement.

1.2 Reinstatement of Data

If the Data Carrying Media inclusive of the information stored thereon, suffers any material damage indemnifiable under Material Damage Section, the Insurer will indemnify the Insured in respect of expenses incurred up to an amount not exceeding that stated in the Schedule for reconstruction and re-recording of such information.

1.3 Increased Cost of Working

(Only applicable if specified in the Schedule)

In the event of loss or damage insured by Material Damage Section, the Insurer shall indemnify the Insured under this Section in respect of the cost of additional expenditure necessarily and reasonably incurred for the use of substitute EDP equipment for the sole purpose of avoiding or diminishing interruption of or interference with the Business which but for such expenditure would have taken place during the Indemnity Period.

Maximum indemnity period: Period as stated in the Schedule.

2 Exclusions

Exclusions applying to Cover 1.1

2.1 The Insurer shall not be liable for

- (i) the Excess stated in the Schedule for each and every occurrence giving rise to an admissible claim.
- (ii) loss or damage directly or indirectly caused by or arising from
 - (a) faults or defects existing at the time of commencement of this Section.
 - (b) failure or interruption of any gas, water or electricity service or supply.
- (iii) loss or damage as a direct consequence of the continual influence of operation (e.g. wear and tear, cavitation, erosion, corrosion, encrustation) or of gradual deterioration due to atmospheric conditions.

- (iv) loss or damage for which the manufacturer or supplier is responsible.
- (v) loss or damage to rented or hired equipment for which the owner is responsible either by law or under a lease and/or Maintenance Agreement.
- (vi) loss of use or consequential loss of any kind.
- (vii) Any costs incurred in connection with:
 - (a) the elimination of functional failures, unless such failures were caused by a covered loss or damage to the Insured items.
 - (b) the maintenance of the Insured items, such exclusion also applies to parts exchanged in the course of such maintenance operations.
- (viii) the cost of reinstatement of data.
- (ix) loss, damage or expenses recoverable under the Maintenance Agreement(s) or which would be so recoverable but for a breach of the Insured's obligations under the Maintenance Agreement(s).
- (x) extra charges incurred for overtime, night work, work on public holidays, express freight or air freight, unless specified in the Schedule.
- (xi) the cost of any alterations, additions, improvements or overhauls undertaken at the time of repair of loss or damage insured by this Section, and the cost of any temporary repair and the consequences thereof.
- (xii) (a) expendable parts such as valves, tubes, ribbons, fuses, seals, belts, wires, chains, rubber tyres, exchangeable parts, engraved cylinders, objects made of glass, porcelain or ceramics, sieves or fabrics, any operating media (eg lubrication oil, fuel, chemicals) etc
(b) aesthetic defects such as scratches on painted, polished or enameled surfaces.

The Insurer shall provide compensation in the event that such parts are affected by a covered loss or damage to the Insured items.

- (xiii) loss or damage due to any computer virus, being an executable program or computer code segment that is self replicating, requires a host program or executable disk segment in which it can be contained, and which destroys or alters the host program or other computer code or data, causing undesired program or computer system operation.

Exclusions applying to Cover 1.2

2.2 The Insurer shall, not be liable for

- (i) the excess stated in the Schedule for each and every occurrence giving rise to an admissible claim.
- (ii) any costs arising from false programming, punching, labelling or inserting, inadvertent cancelling of information or discarding of data

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media, and from loss of information caused by magnetic fields.

- (iii) loss of use or consequential loss of any kind.
- (iv) wasting, wearing away or wearing out caused by or naturally resulting from ordinary use or working or gradual deterioration.
- (v) loss or damage consisting solely in the alteration of the machine-readable information stored therein, without simultaneous loss of or damage to the Data Carrying Media, unless it can be proven that such loss or damage is the result of lightning.

Exclusions applying to Cover 1.3

- 2.3** The Insurer shall not be liable for any additional expenditure incurred as a result or consequence of:
- (i) Additional expenditure incurred during the excess period described in the Schedule.
 - (ii) The reinstatement of damaged or lost data and programmes and loss of or damage to data media or loss of use or consequential loss resulting therefrom.
 - (iii) Increased costs of working resulting from interruption or interference directly caused by loss or distortion of data, unless such loss or distortion is the direct result of loss or damage otherwise insured by Increased Cost of Working Section.
 - (iv) Any restrictions imposed by public authorities concerning the reconstruction or operation of the EDP Equipment.
 - (v) Funds not being available to the Insured in time for repairing or replacing damaged or destroyed equipment.
 - (vi) The discontinuance of manufacture of the lost or damaged item or any non-availability of spare parts of series production for such item.

General Exclusions applying to this section

- 2.4** The Insurer shall not be liable for loss, destruction or damage directly or indirectly caused by or contributed to or arising from
- (a) earthquake.
 - (b) any wilful act of the Insured or his representatives.

In any action or suit or other proceeding where the Insurer alleged by reason of the items above that any loss, destruction or damage is not covered by this Section, the burden of proving that such loss, destruction or damage is covered shall be upon the Insured.

- 2.5** This Section does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of Electronic Data caused by a Computer Virus or the Failure of an External Network or loss of use, reduction in functionality, cost or expense of

whatsoever nature resulting there from, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

Electronic Data means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Computer Virus means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. Computer Virus includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

Failure of an External Network means failure of some or all services provided by an internet service provider, or telecommunications provider outside a radius of 150 metres from the Insured location specified in this Section.

3 Definitions

- 3.1 "Electronic Data Processing (EDP) Equipment"** shall mean those parts of the electronic data or word processing installation including the central processing unit, data storage devices, control console, disc drives, magnetic tape transports, power pack and all input or output equipment, operating under the direct control of or connected to the central processing unit, and associated air conditioning equipment, but only if specifically described in the Schedule.
- 3.2 "Data Carrying Media"** shall mean tapes, disk, magnetic cards or other materials used to carry data in a form directly assimilable by the computer equipment, but only if specifically described in the Schedule. It does not mean invoices, bills or other documents from which the input data is produced, nor does it mean the printed output documents from the computer equipment.
- 3.3 "Excess"** shall mean the first amount of each and every claim for which the Insured is responsible.
- 3.4 "Maintenance Agreement(s)"** shall mean the agreement(s) by which the Insured receive maintenance services for **Electronic Data Processing (EDP)** equipment from the owners or suppliers of the computer equipment or Insurer approved by the suppliers.
- 3.5 "Indemnity Period"** shall mean the period beginning with the occurrence of the loss of or damage to computer equipment and ending not later than the Indemnity Period Limit

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thereafter during which the results of the Business shall be affected in consequence of the loss of or damage to the computer equipment.

4 Conditions

Conditions applying to Cover 1.1 Material Damage

4.1 Sum Insured

The Sum Insured for each item shall at all times be equal to the cost of replacement of the item by a new item of the same specification and performance when purchased as an individual item, including normal erection costs and freight charges, customs dues and taxes, if any; provided that if the Insured item is no longer specified in price lists at a later date, the latest list price shall apply and be adapted to any change of wages and prices.

In the event that an Insured item cannot be assigned to any list price, the respective purchase or delivery price of this item shall apply and also be adapted to any change of wages and prices.

In the event that neither a list price nor a purchase or delivery price can be determined, the sum of those costs shall apply which in each individual case is necessary for manufacturing the item in actual design and capacity.

If any item shall at the time of any loss or damage be of greater value, as calculated above, than the Sum Insured for such item, then the Insured will be considered as being his own insurer for the difference and shall bear a proportionate share of the loss or damage accordingly. Each item insured under this Section shall be separately subject to this condition.

4.2 Basis of Indemnity

- (a) The Insurer shall at their option indemnify the Insured
- (i) either by repair or replacement of the lost, damaged or stolen item (compensation in kind) and the replaced parts (salvaged material) shall become the property of the Insurer.
 - (ii) or by payment in cash of the cost required for repair or replacement (compensation in money)
- (b) If compensation is made in money, the Insurer shall pay
- (i) in the case of Partial Loss, the actual repair costs less the value of the salvaged material; when no repair is made, the Insurer shall compensate for the estimated cost of repair, however not more than the Actual Cash Value of the depreciated Insured item immediately before the occurrence of the loss or damage.
 - (ii) in the case of an actual or constructive total loss, the new replacement cost less the value of salvaged material; when no replacement is made, the Insurer shall compensate only for

the actual cash value of the depreciated Insured item immediately before the occurrence of the loss or damage.

- (c) A loss shall be deemed to be a Partial Loss if the cost of restoring the damaged item to its former working condition (repair) plus the value of the salvaged material
- (i) is less than the new replacement cost or
 - (ii) is less than the actual cash value immediately before the occurrence of the loss or damage with regard to Items for which spare parts of series production are no longer available (obsolete items)
- Otherwise the loss shall be deemed to be a Total Loss.
- (d) if the damaged item is provisionally repaired, the liability of the Insurer shall be limited to the final repair cost which would have been incurred if provisional repairs had not been made.
- (e) the destroyed item shall no longer be covered under this Section, and all necessary data on the relevant substitute item shall be indicated for its inclusion in the Schedule.
- (f) the Insurer shall make payments only after being satisfied by the production of bills and documents that the repairs have been effected or replacement has taken place, as the case may be.

4.3 Warranty

It is warranted that the computer equipment is covered by a Maintenance Agreement with the manufacturer or supplier at all times when this Insurance is in force.

Maintenance Agreement shall be defined as follows:

1. Safety checks
2. Preventive maintenance
3. Functional testing
4. Rectification of loss or damage or faults arising from normal operations as well as from aging, e.g. by repair or replacement of modules, sections, assemblies and components.
5. Elimination of damage or troubles having occurred as a result of normal operation or wear and tear and requiring repair or replacement of components, modules and parts.

The Insurer is not liable for the cost of such maintenance work.

4.4 Hire Purchase – Loss Payable Clause

The bank or finance company named in the Schedule (hereinafter referred to as the Owners) are the owners of the equipment which is the subject of a hire purchase or leasing agreement made between the Owners of the one part and the Insured of the other part.

Any payment made in respect of loss or damage

Electronic Equipment

(which loss or damage is not made good by repair, reinstatement or replacement) under this Section shall be made to the Owners as long as they are owners of the Property Insured and their receipt of such payment shall be a full and final discharge to the Insurer in respect of such loss or damage.

Notwithstanding any provision in the hire purchase or lease agreement to the contrary, this Section is issued to the Insured named in the Schedule as the principal and not as agent or trustee for the Owners and nothing herein shall be construed as constituting the Insured an 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 Section).

The Insured shall not assign his right benefits and claims under this Section without the prior consent in writing of the Insurer.

Provided that the Insurer shall have the right to recover from the Insured any amount paid to the Owners which the Insurer otherwise would not be liable had it not been for application of the aforementioned condition.

Conditions applying to Cover 1.2 External Data Media:

4.5 Sum Insured

The Sum Insured must not be less than the cost of replacement of the Data Carrying Media when new with unused Data Carrying Media of the same specification together with the estimated cost of recollection and preparation of data in the appropriate form including any necessary additional expense for the hire of personnel premises or data preparation machines.

4.6 Basis of Indemnity

The Insurer shall indemnify any expenses that can be proven to have been incurred by the Insured within a period of twelve (12) months with effect from the date of the occurrence strictly for the purpose of restoring the insured data to a condition equivalent to that existing prior to the occurrence and necessary for permitting data processing operations to be continued in the normal manner.

If it is not necessary to reproduce lost data or information, or if such reproduction is not effected within twelve (12) months after the occurrence, the Insurer shall only be liable to indemnify the expenses incurred for replacing the lost or damaged Data Carrying Media themselves with new material.

Conditions applying to Cover 1.3

4.7 Limit of Liability

The Insurer shall not be liable for more than that amount that the Insured would have to pay as additional expenditure for twelve (12) months' use of substitute EDP equipment of similar performance to the insured EDP Equipment if the damage payable under Material Damage Section gives rise to a total or partial interruption of the operation of the EDP Equipment. Provided that such interruption occurs

during the Period of Insurance and the Insurer's liability shall not exceed in total the Sum Insured for this Section.

The Insurer shall also reimburse the Insured for personnel expenses and costs for transportation of materials following any insured event giving rise to a claim, provided such costs are incorporated in the Sum Insured.

The indemnity period as stated in the Schedule shall commence at the date of the earliest possible discovery of the physical loss or damage by the Insured in accordance with the technical rules, or at the latest date when additional expenditures arise.

Maximum Indemnity Period refers to the Period stated in the Schedule.

General Conditions applying to this Section:

4.8 Notice and Claims

In the event of any occurrence which might give rise to a claim under this Section, the Insured shall

- (a) immediately notify the Insurer either by telefax or telegram or by telephone as well as in writing, giving an indication of the nature and extent of loss or damage;
- (b) take all reasonable steps within his power to minimise the extent of the loss or damage;
- (c) preserve any damaged or defective parts and make them available for inspection by a representative or surveyor of the Insurer;
- (d) furnish at the request of and free of expense to the Insurer all such information and documentary evidence with respect to the claim as the Insurer may reasonably require.
- (e) notify the Police of any loss or damage due to fire, explosion, burglary, theft and robbery or any attempt thereat.

The Insurer shall on no account be liable for loss or damage for which no notice has been received by the Insurer within fourteen (14) days of its occurrence.

4.9 Alteration of Risk

Notice in writing shall be given as soon as possible to the Insurer of every change materially varying any of the facts or circumstances existing at the commencement of this Section and the Scope of Cover, Sum Insured and Premium shall, if necessary, be adjusted accordingly.

4.10 Precautions

The Insured shall at his own expense take all reasonable precautions to prevent loss or damage and to comply with statutory requirements and manufacturers' recommendations relating to the safeguarding and operation of the Insured items.

4.11 Payments

Where the Insured named in the Schedule comprises more than one party, payment under this Section shall be made to the party named in the Schedule for this

Electronic Equipment

purpose, and a formal receipt of which payment by such party or representative shall constitute a full and sufficient release and discharge to the Insurer.

4.12 Inspection

The Insurer shall at all reasonable times have the right to inspect and examine any item insured by this Section.

4.13 Non-Cancellation Clause

The Insurer undertakes to advise the Owners or lessors named in the Schedule prior to their cancellation of this Section if instructions have been received for the cancellation of this Section. However, the Insurer reserves the right to cancel this Section in the event of non-payment of premium by the Insured.

4.14 Reinstatement of Loss

In consideration of the Insured undertaking to pay an additional premium at the agreed rate on the amount of loss calculated on a pro-rate basis from the date of such reinstatement to the expiry of the current Period of Insurance, it is agreed that in the event of loss the Insurance herein shall be maintained in force for the full Sum Insured.

4.15 Repair Investigation Costs

Where prior consent from the Insurer has been obtained for the Insured to undertake repair investigations and test the cost of the same if abortive, such costs will be indemnified by the Insurer, subject to the liability of the Insurer in respect of such costs not exceeding S\$5,000 in any one Period of Insurance.

4.16 Sue and Labour Clause

In case of actual loss, it shall be lawful and necessary for the Insured, his or their factors, servants and assigns to sue, labour and travel for, in and about the defence, safeguard and recovery of the Property Insured and part thereof without prejudice to this Insurance, nor shall the acts of the Insured or the Insurer in recovering, saving and preserving the Property Insured in case of loss be considered a waiver or acceptance of abandonment. The expenses so incurred shall be borne by the Insured and the Insurer proportionately to the extent of their respective.

4.17 Loss Notification

This Insurance will not be prejudiced by any inadvertent delays, errors or omissions of the Insured in notifying the Insurer of any circumstances or events giving rise or likely to give rise to a claim under this Section.

4.18 Average Relief Clause (not applicable to Stocks)

If at the time of loss or damage to the Sum Insured, the loss or damage does not represent at least eighty-five per cent (85%) of the full cost or replacing all of the Property Insured at that time, including additional fees and costs which would be payable in connection with such replacement, then the Insured shall be considered as being his own insurer for the difference between the Sum Insured and the sum representing the actual cost of replacing the Property Insured including such additional fees and costs and shall bear

a rateable proportion of the loss accordingly. Every item, if more than one, of this Section shall separately be subjected to this Condition.

5 Extensions

5.1 Automatic Cover

The Insurer will indemnify the Insured in respect of additional computer equipment installed at the Insured Premises during the Period of Insurance provided that

- (a) the value of such additional equipment shall not exceed in any one Period of Insurance the Sum Insured as specified in Schedule or S\$50,000, whichever is lesser) at each situation specified.
- (b) such additional equipment is in a satisfactory working order when installed.
- (c) the Insured shall declare the value of such additional equipment within sixty (60) days of installation at the Insured Premises and shall agree to pay such additional premium as may be required by the Insurer.

5.2 Consulting Engineers' Fees Clause

The Insurer will indemnify the Insured under Material Damage Section in respect of the costs of consulting engineers necessarily and reasonably incurred for the reinstatement of an item of computer equipment following the occurrence of damage as insured herein but not such fees for preparing any claim.

Provided that the amount payable under this Clause shall not exceed those fees authorised by the Scale of the Associated Consulting Engineers prevailing at the time of the loss or damage and the maximum liability of the Insurer under this Endorsement shall not exceed ten per cent (10%) of the adjusted amount of the claim, subject to a maximum of S\$25,000 for every occurrence.

5.3 Debris Removal

The Insurer will indemnify the Insured in respect of all costs and expenses incurred in connection with the demolition, dismantling, removal, support, effecting temporary repairs and protection of any property (including debris) following the occurrence of damage as herein provided.

Provided that

- (a) such cost or expenses is not recoverable under any other policy of insurance.
- (b) the indemnity provided by this memorandum shall not include costs of removing, nullifying or cleaning up seeping, polluting or contaminating substances.

Subject to a limit not exceeding ten per cent (10%) of the Sum Insured or S\$10,000 for every occurrence, whichever is lesser.

5.4 Electrical & Mechanical Breakdown

This Section is extended to cover loss of or damage to

Electronic Equipment

the Property Insured consequent upon electrical or mechanical breakdown of the electronic equipment insured herein provided that the Insured shall keep in force a regular maintenance agreement with the manufacturers or suppliers of such electronic equipment.

5.5 Measures Taken In Avoidance of Impending Loss or Damage Clause

The Insurer will pay the Insured in respect of cost incurred by the Insured in taking reasonable but exceptional measures to avoid or mitigate impending loss or damage indemnifiable by Material Damage Section.

Provided that

- (a) the impending loss or damage does not stem from any reasonably foreseeable cause and that loss or damage would be the natural outcome to be expected in the absence of such measures.
- (b) the Insurer is satisfied that loss or damage had been avoided or reduced in consequence of the measures taken.
- (c) the amount recoverable under this Clause shall be limited to the amount of the loss or damage avoided or reduced, calculated in accordance with the terms of Material Damage Section and limited always to the Sum Insured.

5.6 Temporary Removal

The cover provided under Material Damage Section shall extend to include the computer equipment insured, up to a limit of ten per cent (10%) of the Sum Insured herein but excluding the cost of any central processing unit or main frame whilst such equipment is temporarily removed from the situation specified to any other situation within Singapore (transit risk is deemed to be excluded from this Clause).

5.7 Temporary Repairs and/or Expediting Costs Clause

This Insurance extends to cover the reasonable costs incurred in consequence of the making of temporary repairs and/or expediting of the replacement or the repairs, provided always that such costs are not recoverable under any other insurance and the Insurer's maximum liability in respect of such costs shall not exceed S\$5,000 in any one Period of Insurance.

5.8 Riot and Strike

This Section shall be extended to cover loss of or damage to the Property Insured consequent upon riot and strike.

1 Cover

- 1.1 The Insurer shall indemnify the Insured for their Loss sustained from any act of fraud or dishonesty committed by an employee (acting alone or in collusion with others), which is:
- (i) committed with the clear intent to cause the Insured a Loss, and
 - (ii) discovered by the Insured during the Period of Insurance or the Discovery Period, and
 - (iii) committed within the Geographical Limits, and
 - (iv) committed during the Coverage Period and for which
 - (v) the employee has been convicted in any court of Singapore.

2 Exclusions

- 2.1 The Insurer shall not be liable to make any payment for any:
- (i) indirect or consequential loss of any nature, including but not limited to any loss of income, loss of interest and dividends.
 - (ii) costs, fees or other expenses incurred in establishing the existence or amount of Loss covered under this Policy, or in prosecuting or defending any legal proceeding.
 - (iii) Loss due to extortion.
 - (iv) fines, penalties or damages of any type for which the Insured is legally liable.
 - (v) Loss caused from the time the Insured or any of the Insured's officers or partners who are not in collusion with the employee (as referred to under Coverage) have knowledge or information that such employee or other person has committed any act of fraud or dishonesty.
 - (vi) damage or destruction to any premises, however caused.
 - (vii) Loss which the Insured discovered:
 - (a) prior to the commencement of the Period of Insurance, or
 - (b) subsequent to the expiry of the Policy or Discovery Period (if applicable)
 - (viii) Loss, the proof of which is dependent solely upon a:
 - (a) profit and loss computation or comparison; or
 - (b) comparison of inventory records with an actual physical count. However, where a Loss is covered under this Policy, the Insured may furnish inventory records and actual physical count of inventory can be submitted as supporting documentation of such Loss.
 - (ix) loss of or arising from the accessing of any confidential information (including but not

limited to trade secrets, computer programs, customer information, patents, trademarks, copyrights or processing methods).

- (x) Loss arising from Forgery.

3 Definitions

For the purposes of this section of the policy only,

- 3.1 **“Counterfeiting”**
shall mean the imitation of an authentic negotiable instrument such that the Insurer is deceived on the basis of the quality of the imitation to believe that the imitation is the authentic original negotiable instrument. Fictitious instruments which merely contain fraudulent misrepresentations of fact and are genuinely signed or endorsed are not counterfeit.
- 3.2 **“Coverage Period”**
shall mean period from the Retroactive Date to the expiry of this Policy.
- 3.3 **“Retroactive Date”**
shall mean three months before the inception date of this Policy.
- 3.4 **“Discovered” or “Discovery”**
shall mean when a director, partner, departmental director, senior manager or equivalent of the Insured becomes aware of any acts which would cause a reasonable person to assume that a Loss covered by this Section has been or will be incurred, even though the exact amount or details of a Loss may not be known then. Such discovery shall constitute knowledge possessed or discovery made by every Insured.
- 3.5 **“Discovery Period”**
shall mean ninety (90) days following the expiration of this Policy during which written notice may be given to the Insurer of any Loss first discovered after inception of this Policy. A Discovery Period shall only be provided if the Insurer chooses not to provide renewal of this Policy or a policy providing similar coverage.
- 3.6 **“Forgery”**
shall mean the hand-written signing of the name of a genuine person by another person without authority and with intent to deceive. It does not include the signing in whole or in part of one's own name, with or without authority, in any capacity, for any purpose. Mechanically or electronically produced or reproduced signatures are treated the same as hand-written signatures.
- 3.7 **“Geographical limits”**
shall mean anywhere in the Republic of Singapore.
- 3.8 **“Loss”**
shall mean loss of Money or other property belonging to the Insured or for which the Insured is legally responsible.
- 3.9 **“Money”**
shall mean currency, coins, bank notes and bullion,

cheques, travellers cheques, registered cheques, postal orders and money orders held for sale to the public.

- 3.10 “Premises”**
shall mean any building or property owned or occupied by the Insured, as a place to conduct their business.
- 3.11 “Period of Insurance”**
shall mean the period of time from the inception date of this Policy to the expiry date of this Policy specified in the Schedule.
- 3.12 “Terrorism”**
shall mean any act of any person acting for and on behalf of or in connection with any organization with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence.

4 Conditions

In addition to the general terms and conditions, the following terms shall apply to the cover provided by this section of the policy only:

- 4.1 Limit of Liability**
The limit of liability specified in the Schedule is the total aggregate limit of the Insurer’s liability for all loss, arising out of all acts of fraud or dishonesty during the Period of Insurance and the Discovery Period.
Regardless of the number of years this Policy is in force and irrespective that it is or may be renewed and regardless of the number of premiums paid, the limit of liability as specified in the Schedule shall not be cumulative from year to year or period to period.

- 4.2 Claim Procedure**
The Insured shall, as a condition precedent to the obligations of the Insurer under this Policy:
- (i) give written notice to the Insurer no later than forty-five (45) days after a Loss is discovered.
 - (ii) give notice to the police and take all practical steps to prosecute those parties involved to conviction for any criminal act which the employee involved shall have committed; and
 - (iii) provide the Insurer with all requested information and documents and cooperate with the Insurer in all matters pertaining to the Loss.

All notices shall be in writing and be given by registered post or facsimile properly addressed to the Insurer at the following address:

Financial Claims Manager
AIG Asia Pacific Insurance Pte. Ltd.
AIG Building
78 Shenton Way #08-16
Singapore 079120
Tel: (65) 6419 1800
Fax: (65) 6835 7417

All notices required or permitted under this Section shall be deemed to be received: (i) if posted by

registered mail, upon confirmation of receipt by return receipt; or (ii) if by facsimile, upon confirmation of successful transmission.

4.3 Investigative Specialists

The Insurer shall have the right but not the duty to nominate an investigative specialist with respect to any Loss notified under this Section. The investigative specialist shall not be any entity or person with a clear conflict of interest.

The investigative specialist shall:

- (i) investigate the facts behind the Loss; and
- (ii) determine the quantum of the Loss; and
- (iii) advise what and how the Insured’s controls were or may have been breached; and
- (iv) issue their report in English (in a format agreed by the Insurer) in duplicate to the Insured and the Insurer.

The Insurer will pay the expense of the investigative specialist unless the Loss is not covered. If the Loss is not covered, the Insured will pay for such costs. The Excess specified in the Schedule is not applicable to the expense of the investigative specialist and such expense paid by the Insurer will be in addition to the limit of liability specified in the Schedule. The report issued by the investigative specialist will be binding and definitive as respects the facts and quantum of the Loss only.

4.4 Valuation

In no event shall the Insurer be liable for more than:

- (i) in the case of loss of property covered under this Section, the actual cash value of the property at the time of Loss or the actual cost of repairing or replacing the property with property or material of like quality or value, whichever is less.
- (ii) in the case of loss of foreign currency covered under this Section, the value of a foreign currency (a currency other than the currency in which this Policy is written) which is involved in a Loss the Insured sustained. The value will be determined by applying the rate of exchange as published in the Singapore’s Business Times on the date, or nearest to the date, the Loss was discovered.

4.5 Recoveries

Recoveries (except from insurance, reinsurance, sureties or indemnity), less the actual cost of recovery, made after Loss will be distributed as follows:

- (i) firstly, the Insured will be reimbursed for Loss exceeding the limit of liability or settlement (whichever is less) and the excess specified in the Schedule;
- (ii) secondly, the Insurer shall be reimbursed for any settlement or payment made; and
- (iii) thirdly, the Insured shall be reimbursed for Loss equal to the excess specified in the Schedule.

Group Personal Accident

1 Cover

1.1 Accidental Death & Disablement

This Section will insure the Insured Person in respect of the Event of Loss as per the percentage of the sum insured specified in the Schedule or an amount as stated, in accordance with the defined Injury.

1.2 Accident Medical Reimbursement

The Company will reimburse an Insured Person or the Insured the Medical Expenses paid to Physician(s) or Chinese Physician(s) or chiropractors for treatment of an Insured Person provided as a result of an Injury and up to the benefit level stated in the Schedule.

Provided that in the event an Insured Person or the Insured becomes entitled to a refund of all or part of such expenses from any other source, the Company will only be liable for the excess of the amount recoverable from such other source.

1.3 Weekly Indemnity for Temporary Total Disablement (TTD) & Temporary Partial Disablement (TPD)

If during any Period of Insurance and by reason of Accident the Insured Person is totally and continuously disabled and prevented from performing each and every duty pertaining to his occupation, the Company will pay periodically the weekly indemnity stated in the Schedule for the period the Insured Person shall be so disabled but in no case shall the weekly indemnity exceed 104 weeks for any one Accident.

The amount provided for Temporary Total Disablement benefit is up to the benefit level selected.

The amount provided for Temporary Partial Disablement benefit is up to the benefit level selected.

Temporary Partial Disablement is only payable if the Temporary Partial Disablement is following immediately from a Temporary Total Disablement and arising from the same bodily injury in the same Accident.

Compensation shall not be payable:

- (i) in excess of 104 weeks in the aggregate for both Temporary Total Disablement and Temporary Partial Disablement for any one Injury;
- (ii) unless an Insured Person shall as soon as possible after the happening of any Injury giving rise to a claim under the Policy procure and follow proper medical advice from a Physician.

2 Exclusions

The Company shall not be liable for any claim resulting from:

- 2.1 Any act of war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion or revolution;
- 2.2 An Insured Person employed by the Armed or Air Forces, Navy, Police, Fire Service, Civil Defence Forces, with the exception of peace time reservist duty (under Section 14 of the Enlistment Act Cap. 93) for a period not extending beyond 40 days;

or whilst involved in underground work or off-shore work or operations; or whilst driving or riding in any kind of motorised sea, land or air race; or whilst in violation or attempted violation of the law or resistance to arrest.

- 2.3 An Insured Person directly or indirectly engaging in air travel other than as a passenger in any properly licensed private and/or commercial aircraft;
- 2.4 An Insured Person engaging in a sport in a professional capacity or where such person would or could earn income or remuneration from engaging in such sport;
- 2.5 Suicide or attempted suicide or intentional self Injury or from deliberate exposure to exceptional danger (except in an attempt to save human life) or from an Insured Person's own criminal act, or is sustained whilst an Insured Person is in a state of insanity;
- 2.6 Pregnancy, miscarriage (except if miscarriage is caused by an Accident as provided for under Special Provisions to Section IV-Clause 8), abortion, childbirth, sterilisation, contraception as well as treatment for infertility;
- 2.7 Any Illness, disease or bacterial infection or Injury arising out of or consequent upon or contributed to by Acquired Immune Deficiency Syndrome (AIDS) or AIDS Related Complex (ARC), howsoever this syndrome has been acquired or may be named;
- 2.8 Provoked assault, intoxication, drugs abuse or insanity by natural causes.
- 2.9 General check-up, convalescence, custodial or rest cure;
- 2.10 Dental disease, dental care or surgery, cosmetic or plastic surgery or any elective surgery unless necessitated by Injury;
- 2.11 Congenital anomalies and conditions arising out of or resulting therefrom or physical impairment;
- 2.12 Any mental, psychiatric and/or nervous disorders including anxiety or depression, sleep disorders, convalescence of rest care, alcoholism and drug related treatment;
- 2.13 Any Pre-existing Condition.

3 Definitions

For the purposes of this section of the policy only,

- 3.1 **"Insured Person(s)"**
shall mean the employee(s) of the Insured who are named in the Schedule.
- 3.2 **"Accident"**
shall mean a sudden, unforeseen and fortuitous event that results in an Insured Person suffering death, Disablement or Injury.
- 3.3 **"Aggregate limit of indemnity"**
The maximum amount payable for all such losses for all Insured Person(s) under this Section for accidental death and permanent disability benefits will not exceed the amount shown as the aggregate limit on

Group Personal Accident

the Schedule. Any consequent reduction of liability as a result of the aggregate limit shall be made proportionately on the Sum Insured for each Insured Person(s).

- 3-4 "Injury"**
shall mean bodily Injury which is sustained by an Insured Person during the Period of Insurance and is caused by an Accident solely and independently of any other causes within 365 days of the date of such Accident.
- 3-5 "Illness"**
shall mean a physical condition marked by a pathological deviation from the normal healthy state.
- 3-6 "Effective Date"**
shall mean the commencement or reinstatement date of insurance as specified in the Schedule or endorsement in respect of the Insured Person.
- 3-7 "Pre-existing Condition"**
shall mean any Illness, disease or other condition of the Insured Person which prior to the Effective Date that the Insured Person became insured (a) first manifested itself, worsened, became acute or exhibited symptoms which would have caused an ordinarily prudent person to seek diagnosis, care or treatment; (b) required the Insured Person taking prescribed drugs or medicine; or (c) was treated by a Physician or treatment had been recommended by a Physician.
- 3-8 "Permanent"**
shall mean lasting 365 consecutive days of the date of Accident and at the expiry of that period being beyond hope of improvement.
- 3-9 "Disablement"**
shall mean Injury of a Permanent nature that results solely and directly from an Accident and which is independent of all other causes.
- 3-10 "Total Disablement"**
shall mean Injury of a Permanent nature which solely and directly totally disables and prevents an Insured Person from attending to his business or occupation (of any and every kind) or if he has no business or occupation, from attending to his usual duties.
- 3-11 "Temporary Total Disablement"**
shall mean Injury that entirely disables and prevents the Insured Person entirely from attending to any part of his ordinary business profession or occupation for a continuous and uninterrupted period of time.
- 3-12 "Temporary Partial Disablement"**
shall mean disablement that renders the Insured Person incapable of attending to a substantial portion of his ordinary business profession or occupation, (of any and every kind) for a continuous and uninterrupted period of time.
- 3-13 "Loss of Limb"**
shall mean total functional disablement or loss by complete and permanent physical severance of a hand at or above the wrist or of a foot at or above the ankle.
- 3-14 "Loss of Fingers or Toes"**
shall mean complete severance through or above the metacarpophalangeal joints or metatarsophalangeal joints.
- 3-15 "Loss of Sight"**
shall mean the entire irrecoverable loss of sight.
- 3-16 "Loss of Speech"**
shall mean the disability in articulating any three of the four sounds which contribute to speech such as the labial sounds, the alveololabial sounds, the palatal sounds and the velar sounds or total loss of vocal cord or damage of the speech centre in the brain resulting in aphasia.
- 3-17 "Loss of Hearing"**
shall mean permanent irrecoverable loss of hearing where:
If a dB = Hearing loss at 500 Hertz
If b dB = Hearing loss at 1000 Hertz
If c dB = Hearing loss at 2000 Hertz
If d dB = Hearing loss at 4000 Hertz
 $1/6$ of (a+2b+d) is 80dB
- 3-18 "Physician"**
shall mean a qualified and registered medical practitioner licensed under any applicable laws and acting within the scope of his/her licensing and training. The attending Physician shall not be an Insured Person; or business partner or an employee of the Insured; an agent of an Insured Person, or a person who is related to an Insured Person in any way.
- 3-19 "Chinese Physician"**
shall mean a registered herbalist, acupuncturist and bonesetter licensed under any applicable laws. The attending Chinese Physician shall not be an Insured Person; or business partner or an employee of the Insured; or an agent of an Insured Person, or a person who is related to an Insured Person in any way.
- 3-20 "Medical Expenses"**
shall mean expenses incurred within 365 days of sustaining Injury and paid by the Insured Person or the Insured to a Physician or Chinese Physician or chiropractor, hospital and/or ambulance service for medical, surgical, X-ray, hospital or nursing treatment including the cost of medical supplies and ambulance hire and the cost of dental treatment where such treatment is necessarily incurred to restore sound and natural teeth and is caused by an Accident. All treatment must be prescribed by a Physician in order for expenses to be reimbursed under this Section of the Policy and shall not exceed the usual level of charges for similar treatment, medical services or supplies in the location where the expenses were incurred had this insurance not existed. Treatment by Chinese Physician(s) or chiropractors on an Injury may be payable up to a maximum of 10% of the benefit level stated in the Schedule.
- 3-21 "Acquired Immune Deficiency Syndrome or AIDS"**
shall have the meanings assigned to it by the World Health Organisation including Opportunistic Infection, Malignant Neoplasm, Human Immune

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Deficiency Virus (HIV), encephalopathy (dementia), HIV Wasting Syndrome or any disease or illness in the presence of a sero-positive test for HIV.

3.22 “Opportunistic Infection”

shall include but not be limited to pneumocystis carinii pneumonia, organism of chronic enteritis, virus and/or disseminated fungi infection.

3.23 “Malignant Neoplasm”

shall include but not be limited to Kaposi’s sarcoma, central nervous system lymphoma and/or other malignancies now known or which become known as immediate causes of death, an illness, or disability, in the presence of Acquired Immune Deficiency.

3.24 “Act of Terrorism”

shall mean any actual or threatened use of force or violence directed at or causing damage, injury, harm or disruption, or commission of an act dangerous to human life or property, against any individual, property or government, with the stated or unstated objective of pursuing economic, ethnic, nationalistic, political, racial or religious interests, whether such interests are declared or not. Robberies or other criminal acts, primarily committed for personal gain and acts arising primarily from prior personal relationships between perpetrator(s) and victim(s) shall not be considered Acts of Terrorism. Act of Terrorism shall also include any act, which is verified or recognised by the (relevant) government as an act of terrorism.

4 Conditions

In addition to the general terms and conditions, the following terms shall apply to the cover provided by this section of the policy only:

4.1 Change of Occupation

If an Insured Person shall engage in any occupation in which a greater risk may be incurred than in the occupation disclosed in the proposal for this Section without first notifying the Company and obtaining written agreement to the amendment of this

Section (subject to the payment of such reasonable additional premium as the Company may require as the consideration for such agreement), then no claim shall be payable in respect of any injury or Event of Loss arising out of or in the course of such occupation.

4.2 Age Limit

Cover is available to Insured Persons between the ages of 16 and 70 years.

4.3 Receipts

The Company shall not be committed by any notice or any trust, charge, a lien, assignment or other dealings within this Section and the receipt of the Insured or Insured Person for any compensation payable herein shall in all cases be effectual discharge of the liability of the Company.

4.4 Claims Procedure

(a) Forms for Proof of Loss

The Company, upon receipt of a notice of claim will furnish to the Insured such claim forms which are usually furnished by the Company for filing proof of loss. Such claim forms must be returned by the Insured with full particulars within 15 days after the receipt of such claim forms. The Insured shall also when returning the completed claim form within the said 15 days submit to the Company written proof covering the occurrence, the circumstances and the extent of the loss for which the claim is made. The Insured shall also at any time at the request of the Company submit whatever documents required by the Company in support of the claim as soon as possible and in any event within 60 days after receipt of notice of such requirement.

(b) Time of Notice of Claim

As soon as practicable and in any case within 30 days after the occurrence of any event which may give rise to a claim, written notice of the claim shall be given to the Company at the address of the Company. Notice given by or on behalf of the Insured to the Company with information sufficient to identify the Insured Person shall be deemed to be notice to the Company.

(c) Time for Filing Proof of Loss

Affirmative proof of loss must be furnished to the Company at its said office in case of a claim for loss of time from disability within 90 days after the termination of the period for which the Company is liable, and in case of a claim for any other loss, within 180 days after the date of such loss.

(d) Medical Examination and Treatment

The Insured Person shall at his/her expense furnish the Company all such certificates, information and evidence as may be required by the Company and the Insured Person shall whenever reasonably required to do so, arrange to submit to medical examination by Physicians appointed by the Company. In the event of death of the Insured Person, where it is not forbidden by law, the Company shall be entitled to have a post-mortem examination at its own expense, and notice shall, where practicable, be given to the Company before internment or cremation, stating the name and place of any inquest appointed. In the event of any conflict of opinion between the Company’s Physicians and the Insured Person’s Physician, the opinion of the Company’s Physicians shall prevail and be binding on the Insured Person or his/her estate as the case may be.

Group Personal Accident

4.5 To Whom Indemnities Payable

The Company shall be entitled to treat the Insured, or the employer, as the absolute owner under this Section and shall not be bound to recognise any equitable or other claim to or interest in this Section and the receipt of any indemnity payable by the Insured or an Insured Person's legal representative alone shall be an effectual discharge.

4.6 Limitation of Time for Bringing Suit

No action at law or in equity shall be brought to recover under this Section prior to the expiration of 60 days after proof of loss has been filed in accordance with the requirements of this Section, nor shall such action be brought at all unless brought within 2 years from the expiration of the time within which proof of loss is required by this Section.

4.7 Assignment

No assignment of interest under this Section shall be binding upon the Company unless and until the original or a duplicate thereof is filed at the Company. The Company does not assume any responsibility for the validity of an assignment. No change of Beneficiary under this Section shall bind the Company, unless consent thereto is formally endorsed hereon by an executive officer of the Company. No provision of the charter, constitution or by-laws of this Company shall be used in defence of any claim arising under this Section unless such provision is incorporated in full in this Section.

4.8 Duplication of Cover

An Insured Person can only be covered once under this Section. In the event that an Insured Person is covered under more than one plan for this Section, the Company will consider the person to be insured under the plan for this Section which provides the highest benefit level.

5 Extensions

5.1 Geographical Limits

The coverage under this Section is 24 hours a day, worldwide unless otherwise endorsed or amended.

5.2 Automatic Addition and Deletion

This Section shall automatically cover all present and new employees of the Insured upon their date of employment subject to notification of the Company by the Insured within 90 days. Cover will cease once the employees leave the employment of the Insured.

5.3 Strike, Riot, Civil Commotion and Terrorism

This Section is extended to cover an Insured Person against death or Injury as a result of strike, riot, civil commotion or Act of Terrorism. The Company shall not be liable for any claim arising out of or in connection with the Insured Person's own participation or provocation of any such act or if such act could reasonably have been avoided by the Insured Person.

5.4 Hijack, Murder and Assault

This Section is extended to cover an Insured Person against death or Injury as a result of being a victim of hijack, murder or assault. The Company shall not be liable for any claims arising out of or in connection with the Insured Person's own participation or provocation of any such act.

5.5 Drowning and Suffocation

This Section is extended to cover an Insured Person against death or Injury as a result of drowning or suffocation by poisonous fumes, gas or smoke. The Company shall not be liable for any claim for such Injury arising out of or in connection with the Insured Person's own wilful or intentional act.

5.6 Exposure and Disappearance

When by reason of any Accident covered by this Section, the Insured Person is exposed to the elements and as the result of such exposure suffers an Event of Loss for which compensation is otherwise payable herein such Event will be covered by the terms of Section IV of the Policy.

If the body of the Insured Person has not been found within 365 days of the date of disappearance, sinking or wrecking of the aircraft or other conveyance either on the ground or at sea in which the Insured Person was travelling at the time of the Injury and under such circumstances as would otherwise be covered herein, it will be presumed that the Insured Person suffered loss of life resulting from bodily Injury caused by an Accident covered by this Section at the time of such disappearance, sinking or wrecking.

5.7 Motor-Cycling

This Section is extended to cover motor-cycling (whether as a rider or a pillion-rider) provided that at the time of sustaining Injury, the Insured Person is not engaging in or practising for racing and hill climbing contests and reliability trials and speed or duration testing.

5.8 Miscarriage Due to an Accident

This Section is extended to cover in the case of a female Insured Person who sustained an Injury and as a result suffered a miscarriage which is not attributable to any natural causes and/or sickness relating to pregnancy or childbirth.

5.9 Reservist Training

This Section is extended to cover peace time Singapore reservist duty (under Section 14 of the Enlistment Act Cap. 93) for a period not exceeding 40 days.

Group Personal Accident

Table of Benefits

Event of Loss	Compensation % of Sum Insured
1. Loss of Life	100%
2. Permanent total disablement	100%
3. Loss of or the permanent total loss of use of 2 limbs	100%
4. Loss of or the permanent total loss of use of one limb	100%
5. Permanent total loss of sight of both eyes	100%
6. Permanent total loss of sight of one eye	100%
7. Loss of or the permanent total loss of use of one limb and loss of sight of one eye	100%
8. Loss of speech and hearing	100%
9. Permanent and incurable insanity	100%
10. Permanent total loss of hearing	
a) both ears	75%
b) one ear	25%
11. Loss of speech	50%
12. Permanent total loss of the lens of one eye	50%
13. Loss of or the permanent total loss of use of 4 fingers and thumb of	
a) right hand	70%
b) left hand	50%
14. Loss of or the permanent total loss of use of 4 fingers of	
a) right hand	40%
b) left hand	30%
15. Loss of or the permanent total loss of use of one thumb	
a) both right phalanges	30%
b) one right phalanx	15%
c) both left phalanges	20%
d) one left phalanx	10%
16. Loss of or the permanent total loss of use of fingers	
a) 3 right phalanges	10%
b) 2 right phalanges	7.5%
c) one right phalanx	5%
d) 3 left phalanges	7.5%
e) 2 left phalanges	5%
f) one left phalanx	2%
17. Loss of or the permanent total loss of use of toes	
a) all-one foot	15%
b) great toe - 2 phalanges	5%
c) great toe - one phalanx	3%
d) other than great toe, each toe	1%
18. Fractured leg or patella with established non-union	10%
19. Shortening of leg by at least 5 cm	7.5%

Compensation:

- (a) The total compensation payable in respect of any disabilities due to the same Injury is arrived at by adding together the various percentages but shall not exceed 100% of the sum insured as specified in the Schedule and there shall be no further liability under this Section in respect of the same Insured Person for Injury sustained thereafter;
- (b) The Company shall in its absolute discretion determine the percentage payable for any Permanent Disablement not otherwise provided for by Events of Loss 2 to 19 inclusive;
- (c) In case where the Insured Person is left-handed, the compensation percentage in Events of Loss 13 to 16 shall be reversed for which the greater compensation percentage shall apply to the left hand and parts thereof.

Work Injury Compensation

Cover

- 1 This policy (hereinafter called the “Policy”) is issued as an approved policy under the Work Injury Compensation Act 2019.
2. **Interpretation**
 - 1) References to “Act” in this Policy mean the Work Injury Compensation Act 2019, as may be amended from time to time.
 - 2) References to “the Legislation” in this Policy mean the Work Injury Compensation Act 2019 and any regulations made thereunder, as may be amended from time to time.
 - 3) Words used in this Policy have the meanings given by the Legislation.
 - 4) References to “Terms of this Policy” mean any terms, exceptions, conditions and warranties, and any memorandum if applicable, contained in or endorsed on this Policy, which are consistent with the compulsory terms prescribed under the Act.
 - 5) The Insured refers to each insured specified in the Schedule, including the Policyholder, that is participating in the insurance plan under this Policy.
 - 6) The Policyholder refers to the party executing the contract for itself and on behalf of all other Insured specified in the Schedule.
 - 7) The Insured’s risk profile is the risk of accident or disease to any employee in the Insured’s employment, taking account of the Insured’s workforce, payroll numbers and other material information required to be stated in the Schedule.
 - 8) References to “Relevant Injury” in this Policy mean death or personal injury —
 - (a) sustained by an employee that is caused by an accident that —
 - (i.) arises out of and in the course of the employee’s employment with the Insured; and
 - (ii.) occurs during the Period of Insurance; or
 - (b) that results from a disease contracted in the circumstances mentioned in section 10(1) of the Act in respect of the employee’s employment with the Insured during the Period of Insurance.
 - 9) References to “the employee’s employment with the Insured” in this Policy include work done by the employee for another person while the employee’s services are temporarily lent or let on hire by the Insured to that other person (as mentioned in section 3(2) of the Act).
 - 10) References to “earnings” have the meaning given by the Act.
 - 11) References to “Estimated Annual Earnings” in this Policy mean an amount, not less than the Past Annual Earnings of the Insured, declared by the Insured to be an estimate of the total earnings to be paid by the Insured (as well as other employers and known to the Insured) during the 12 months starting on the Commencement Date of the Policy.
 - 12) References to “Past Annual Earnings” of the Insured in this Policy mean the total of the monthly earnings paid by the Insured (as well as by other employers and known to the Insured) during the 12 months immediately before the Commencement Date of the Policy.
 - 13) A word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear.
3. **WHEREAS** the Insured is carrying on the Business described in the Schedule, and has (a) submitted a Proposal to the Company for the insurance under this Policy and (b) paid or agreed to pay the premium stated in the Schedule as consideration for such insurance, this Policy incorporates the Schedule and the Proposal, which shall be read together as one contract.
4. **NOW** if any employee described in the Schedule in the Insured’s employment has a Relevant Injury the Company will, subject to the Terms of this Policy, indemnify the Insured against all sums that the Insured shall be liable to pay under the Legislation in respect of that employee and will in addition pay all costs and expenses incurred by the Insured with the written consent of the Company.
5. In the event of the death of the Insured the Company will indemnify the Insured’s legal personal representatives in accordance with the Terms of this Policy in respect of liability incurred by the Insured provided that such personal representatives shall observe, comply with, fulfil and be subject to the Terms of this Policy as though they were the Insured insofar as the Terms of the Policy can apply.
6. **PROVIDED ALWAYS** that —
 - (a) In the event of any change in the Legislation the Company reserves the right to cancel this Policy in accordance with clause 10(10) of this Policy or allow the Policy to remain in force and charge reasonable additional premium therefor;
 - (b) The contents of the Proposal are deemed to be representations, not warranties, but where there is fraudulent non-disclosure or misrepresentation of the Nature of the Business or Job Category or Category of Employee in the Proposal, the Company may avoid the contract and refuse all claims.
7. **JURISDICTION**
 - 1) This Policy is governed by the laws of the Republic of Singapore.
 - 2) The indemnity under this Policy does not apply in respect of judgments delivered by or obtained from a court or tribunal of a jurisdiction outside Singapore.
8. **Recovery from Insured**
 - 1) Where the Company pays any amount under this Policy that an Insured is liable to pay under the Legislation, the Company shall have the right to recover from the Insured —
 - (a) where there is a non-disclosure of any material fact which an Insured could reasonably be expected to have disclosed, or a deliberate or negligent misstatement of any material fact, the amount paid by the Company which is attributable to any Relevant Injury arising in

Work Injury Compensation

- relation to those non-disclosed or misstated material facts;
 - (b) where the Insured causes a fraudulent claim to be brought, the amount paid by the Company on behalf of the Insured in respect of the fraudulent claim;
 - (c) where the Insured breaches any obligation under clause 10 of this Policy, the amount paid by the Company on behalf of the Insured which is attributable to that breach.
- 2) For the avoidance of doubt —
- (a) material facts under clause 8(1)(a) of this Policy include but are not limited to the Nature of the Business or Job Category or Category of Employee required to be stated in the Schedule;
 - (b) clause 8(1)(a) of this Policy does not confer any right of recovery where the amount paid is in relation to the employee's activities that are incidental to the Job Category or Category of Employee stated in the Schedule or reasonably foreseeable to be carried out by an employee in the Job Category or Category of Employee stated in this Schedule.
9. **Exceptions**
- 1) The Company shall not be liable in respect of —
- (a) any sum which the Insured would have been entitled to recover from any party but for an agreement between the Insured and such party;
 - (b) any death, disability, loss, damage, destruction, any legal liabilities, cost or expense including consequential loss of whatsoever nature, directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:
 - (i.) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising military or usurped power; or
 - (ii.) any act of terrorism including but not limited to —
 - A. the use of threat of force or violence; and/or
 - B. harm or damage to life or to property (or threat of such harm or damage) including, but not limited to, nuclear radiation and/or contamination by chemical and/or biological agents,by any person(s) or group(s) of persons, committed for political, religious, ideological or similar purposes, express or otherwise, and/or to put the public or any section of the public in fear;
 - (c) any action taken in controlling, preventing, suppressing or in any way relating to clause 9(1)(b)(i) or (ii) of this Policy;
- (d) subject to clause 9(2) of this Policy, any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from —
 - (i.) nuclear weapons material; or
 - (ii.) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel and for the purposes of this exception combustion shall include any self-sustaining process of nuclear fission;
 - (e) any liability directly or indirectly caused by, arising out of or in any way connected with any claim against the Insured to the extent that the provision of any cover, or the payment of any claim or benefit hereunder would expose the Company, or its parent to any sanction, prohibition or restriction implemented pursuant to resolutions of the United Nations or the trade and economic sanctions, laws or regulations of Singapore, the European Union, United Kingdom, or United States of America;
 - (f) any claims based upon or arising out of asbestosis and mesothelioma.
- 2) Clause 9(1)(d) of this Policy does not exclude any liability caused by or contributed to by or arising from radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.
10. **Conditions**
- 1) Insofar as it is not prohibited by the Legislation, the Insured shall at all times observe, comply with and fulfil the Terms of this Policy.
- 2) The Policyholder warrants and shall be deemed to have the authority to enter into this Policy either as principal or where applicable as agent of all other Insured where applicable. The Policyholder also warrants and is deemed to have been authorised by all other Insured under this Policy to make such declarations or disclosures as the Company requires on their behalf.
- On receipt of this Policy, the Policyholder must provide a copy of the Policy and the Schedule to all other Insured to be insured by the Company under this Policy, and all Insured that are insured by the Company under this Policy will be deemed to have consented to the Terms of this Policy.
- 3) Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company.
- 4) The Insured shall take all reasonable precautions to prevent accidents and disease to the Insured's employees and shall comply with all statutory obligations and requirements.
- 5) In the event of the occurrence of any accident or any disease mentioned in section 10(1) of the Act that may give rise to a claim under this Policy, the Insured shall give notice of the occurrence to the Company with full particulars within the time required by the Legislation.
- 6) Every letter, claim, writ, summons and process relating to any accident or any disease mentioned in section 10(1) of the Act that may give rise to a claim under this Policy shall be notified or forwarded to the Company

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as soon as possible after receipt. Notice shall also be given to the Company as soon as possible after the Insured knows of any impending prosecution inquest or fatal inquiry in connection with any such accident or disease.

- 7) No admission, offer, promise, or payment shall be made by or on behalf of the Insured without the written consent of the Company.
- 8) The Company shall be entitled if it so desires to take over and conduct in the Insured's name the defence or settlement of any claim or to prosecute in the Insured's name for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured must give such information and assistance as the Company may require. This does not affect any right of the Insured to participate in the resolution of disputes by the Commissioner in accordance with the Legislation.
- 9) The Insured must notify the Company immediately if the Nature of the Business or Job Category or Category of Employee as described in the Schedule has changed in such a way as to increase the risk of accident or disease to any employee in the Insured's employment and at the latest within 14 days from the date of the change. The Insured must, in addition, specify in the notice the changes in the Nature of the Business or Job Category or Category of Employee and the date of the change.

Where the Insured corrects an inaccuracy in the description of the Nature of the Business or Job Category or Category of Employee in the Schedule by notifying the Company of the change, the Company may adjust the premium to an amount reasonably payable for the Insured's risk profile applicable to its proper description of the Nature of the Business or Job Category or Category of Employee.

- 10) The Company may cancel this Policy by giving 14 days' notice by registered letter to the Insured at his last known address; and provided no claim has arisen during the period during which the Policy had been in force the Company will return to the Insured the premium paid less the actual premium payable for the period during which the Policy had been in force subject to a minimum premium payment of \$50* by the Insured.

The Insured may cancel this Policy by giving 7 days' written notice to the Company and provided no claim has arisen during the period during which the Policy had been in force the Insured shall be entitled to a return of premium paid less the actual premium payable for the period during which the Policy had been in force subject to any adjustment of premium required by the Terms of this Policy and subject to a minimum premium payment of \$50* by the Insured.

- 11) Any dispute arising out of or in connection with this Policy, including any question regarding its existence, validity or termination, shall be referred to arbitration in accordance with Singapore arbitration laws. The seat of the arbitration shall be Singapore. The Tribunal shall consist of one arbitrator to be appointed by parties jointly, or, failing parties' agreement on the arbitrator, appointed by the Singapore International Arbitration

Centre. The language of the arbitration shall be English. The making of an Award by the Tribunal as herein before specified shall be a condition precedent to any right of action against the Company.

- 12) A person that is not a party to this Policy shall have no right under the Contracts (Rights of Third Party) Act to enforce any of its terms.

11. Data Governance

- 1) The Insured agrees and gives consent for the Company to verify the following information about the Insured with governmental or regulatory authorities, for the purposes of processing, underwriting, administering and managing the Policy with the Company:
 - (a) workforce size and aggregated payroll for all, or any class of employees;
 - (b) number of compensation cases and amount of work injury compensation paid or payable for all, or any class of employees.
- 2) The Insured also consents to the collection, use, disclosure and dissemination of all information (including but not limited to information provided by the Insured related to the Policy to the Insured's insurance intermediaries and the Company's authorised agents and service providers) for purposes relating to or incidental to the Insured's claims under the Policy or in accordance with the Legislation.

12. Premium Adjustment and Declaration of Earnings

- 1) The premium payable by the Insured shall be based on the total amount of earnings paid by the Insured (as well as other employers and known to the Insured) to every employee in the Insured's employment during the Period of Insurance.
- 2) If the total amount of earnings paid by the Insured (as well as other employers and known to the Insured) during the Period of Insurance differs from the total amount on which the premium was calculated at the commencement of this Policy, the difference in the premium shall be met by an additional payment or by a refund as the case may be, subject to a minimum premium payment of \$50* by the Insured.
- 3) For the purpose of the premium adjustment, the Insured shall keep and maintain a proper record of the name and full personal particulars of every employee in the Insured's employment together with the amount of earnings paid by the Insured (as well as other employers and known to the Insured) during the Period of Insurance and the Insured shall at all times allow the Company to inspect such records.
- 4) The Insured shall without demand and within a month after the end date or termination of this Policy, furnish the Company an account of all earnings paid by the Insured (as well as by other employers and known to the Insured) to every employee in the Insured's employment during the Period of Insurance.

13. Underinsurance and Average Condition

- 1) If the Estimated Annual Earnings declared by the Insured are less than the Past Annual Earnings, the Insured may not be indemnified for the full extent of the Insured's liability, as the Insured will be deemed to be his own insurer to the extent of the shortfall in the Estimated Annual Earnings declared and the Insured

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shall bear a rateable proportion of the liability accordingly.

- 2) In the event the Company is required to make any payment to the claimant by virtue of its obligations under the Legislation, the Company shall pay the claimant the compensation in full but reserves the right of recovery of the rateable proportion of the liability mentioned in clause 13(1).

14. Premium Payment Warranty

- 1) Despite anything in this Policy but subject to clause 14(2) of this Policy, it is hereby agreed and declared that if the period of insurance is 60 days or more, any premium due must be paid and actually received in full by the Company (or the intermediary through whom this Policy was effected) within 60 days of the Commencement Date of the Policy, Renewal Certificate or Cover Note.
- 2) In the event that any premium due is not paid and actually received in full by the Company (or the intermediary through whom this Policy was effected) within the 60 days period referred to above, then:
 - (a) the cover under the Policy, Renewal Certificate or Cover Note is automatically terminated immediately after the expiry of the said 60-day period;
 - (b) the automatic termination of the cover shall be without prejudice to any liability incurred within the said 60-day period; and
 - (c) the Company shall be entitled to a pro-rata time on risk premium subject to a minimum of \$50.
- 3) If the period of insurance is less than 60 days, any premium due must be paid and actually received in full by the Company (or the intermediary through whom this Policy was effected) within the period of insurance+.

15. Policy Owners' Protection Scheme

This Policy is protected under the Policy Owners' Protection Scheme, which is administered by the Singapore Deposit Insurance Corporation (SDIC). Coverage for this Policy under the Policy Owners' Protection Scheme is automatic and requires no further action from the Insured. For more information on the types of benefits that are covered under the scheme as well as the limits of coverage, where applicable, please contact the Company or visit SDIC website (<https://www.sdic.org.sg/>).

16. No Avoidance of Compulsory Terms

Nothing in this Policy (including the Schedule and the Proposal) or any memorandum or endorsement affects the compulsory terms under section 26 of the Act.

MEMORANDUM

CONDITION PRECEDENT

The validity of this Policy is subject to the condition precedent that:

- (a) for the risk insured, the named insured has never had any insurance terminated in the last twelve (12) months due solely or in part to a breach of any premium payment condition; or
- (b) if the named insured has declared that it has breached any premium payment condition in respect of a previous policy taken up with another insurer in the last twelve (12) months:
 - (i) the named insured has fully paid all outstanding premium for time on risk calculated by the previous insurer based on the customary short period rate in respect of the previous policy; and
 - (ii) a copy of the written confirmation from the previous insurer to this effect is first provided by the named insured to the Company before cover incepts.

SANCTIONS, EMBARGO AND PROHIBITED TRANSACTIONS

If, by virtue of any law or regulation which is applicable to the Company, its parent company or its ultimate controlling entity, at the inception of this Policy or at any time thereafter, providing coverage to the Insured is or would be unlawful because it breaches an applicable embargo or sanction, that the Company shall provide no coverage and have no liability whatsoever nor provide any defense to the Insured or make any payment of defense costs or provide any form of security on behalf of the Insured, to the extent that it would be in breach of such embargo or sanction.

EXCLUSION - CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 2001

It is hereby declared and agreed that a person who is not a party to this Policy contract shall have no right under the Contracts (Rights of Third Parties) Act 2001 to enforce any of its terms.

LEAD EXCLUSION

This insurance does not apply to any liability in respect of any claim, loss, cost or expense caused by, arising out of or in any way connected with the presence, ingestion, inhalation or absorption of or exposure to lead in any form or products containing lead.

ASBESTOS AND SILICA EXCLUSION

All liability is excluded for:

ASBESTOS

Directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the manufacture of, mining of, use of, sales of, installation of, survey or investigation of, management of, removal of, distribution of, existence of or exposure to asbestos products, asbestos fibers or asbestos dust, or property or materials containing any of the foregoing, including without limitation all liability to pay claimants' or the Insured's legal costs and expenses or any other costs and expenses, howsoever incurred in the investigation, defense and/or settlement of any claim or Legal Proceeding against the Insured.

SILICA

Directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the

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presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form, or to any obligation of the insured to indemnify any party because of Bodily Injury or Property Damage arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form.

TERRORISM EXCLUSION

This policy does not indemnify the Insured in respect of any claim arising in connection with "Terrorism".

"Terrorism" means the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in connection with any organization, government, power, authority or military force, when the effect is to intimidate or coerce a government, the civilian population or any segment thereof, or to disrupt any segment of the economy.

Terrorism shall also include any act which is verified or recognized by the United States Government or any government of any country in which the insured operates or exports product into, as an act of terrorism.

OVERSEAS BUSINESS TRIPS

It is hereby declared and agreed that this Policy is extended to cover the Insured's employees while on overseas business trips involving non-manual works in connection with the Insured's business anywhere in the World excluding US State Department Sanctioned Countries.

SOCIAL/RECREATIONAL ACTIVITIES

It is hereby declared and agreed that this Policy is extended to cover injuries sustained by employee(s) whilst engaged in any social recreational and/or sports activities formally organised by the Insured and/or the Insured's sports and/or social club(s) for the benefit of employees anywhere within Singapore.

Provided that such activities shall not include hunting, motor cycling, mountaineering necessitating the use of pitons or ropes, racing of any kind other than on foot, ice or winter sports, water ski-jumping & tricks, wind-surfing, underwater activities involving the use of underwater apparatus, martial arts, parachuting, parasailing, bungee jumping, flying other than as a passenger on a scheduled commercial flight, soccer, squash & rugby.

It is further provided that the Insured benefits shall be assessed in accordance with the Act but always limited to S\$20,000 per employee / S\$250,000 aggregate of all employees injured in event of any one period.

Nothing herein provided shall operate the increase the Company's liabilities as set forth in the schedule beyond the amount or amounts for which the Company would be liable if the Policy were not so extended.

TRAVELLING TO AND FROM WORK INCLUDING MEALBREAK

It is hereby declared and agreed that accidents arising out of and in the course of employees travelling to and from work and during meal breaks, including travelling on any portable mobility devices (PMD) and power-assisted bicycles (PAB) approved by

the Land Transport Authority, are deemed as accidents arising out of and in the course of employment within Singapore.

It is further provided that the Insured benefits shall be assessed in accordance with the Act but always limited to S\$20,000 per employee / S\$250,000 aggregate of all employees injured in event of any one period.

Nothing herein provided shall operate the increase the Company's liabilities as set forth in the schedule beyond the amount or amounts for which the Company would be liable if the Policy were not so extended.

NON CONTRIBUTION CLAUSE

It is hereby declared and agreed that this Policy does not indemnify the Insured against all sums for which the Insured shall be liable to pay compensation either under the Legislation or at Common Law, which at the time of the happening of such injury or accident is insured by any valid and collectible insurance or would, but for the existence of this Policy, be insured by any other existing valid and collectible Policy or Policies.

OVERSEAS MEDICAL EXPENSES/LOSS OF WAGES

It is hereby declared that this Policy is extended to cover employee's overseas medical treatment fees and/or loss of wages anywhere within the Territorial Limit stated in the Policy. The insured benefits shall be assessed in accordance with the Singapore Work Injury Compensation Act.

Further declared and agreed that notwithstanding anything contained herein to the contrary, any overseas medical treatment fees will be inclusive and within the Medical Expenses limit of this Policy.

All other terms, conditions and exceptions remain unchanged.

TCM ENDORSEMENT

It is hereby declared and agreed that this policy is extended to cover Traditional Chinese Medical treatment fees up to a maximum limit of S\$250 per accident per employee but in any event not to exceed S\$5,000 in the aggregate but only in respect of a practitioner who is registered with the Traditional Chinese Medicine Practitioners Board Of Singapore under the Traditional Chinese Medicine Practitioners Act (Cap. 333A).

It is further declared and agreed that the above treatment fees will be in addition to the Medical Expenses limit of this policy.

COMPENSATION FOR TEMPORARY INCAPACITY ENDORSEMENT

It is hereby declared and agreed that for the purposes of clause 4(1) of the Third Schedule of the Legislation, where Temporary Incapacity whether total or partial results from an Injury, the Company shall indemnify the Insured for payments of compensation made to the injured Employee as follows:

- (a) full earnings for a period of 120 days if the injured Employee is hospitalized; and
- (b) 30 days if the injured Employee is not hospitalized; and
- (c) thereafter, for a further periodical payment of an amount equal to two-thirds of the injured Employee's earnings during the incapacity or during a period of one year, whichever period of shorter.

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Nothing herein provided shall increase the Company's Liabilities beyond what is provided under this extension.

ADDITIONAL INSURED CLAUSE

It is hereby declared and agreed that the following is added as an Additional Insured:-

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but only with respect to liability arising out of operations performed for such Insureds by or on behalf of the Named Insured, where such liability is not the result of the sole negligence of the Additional Insured

WAIVER OF SUBROGATION CLAUSE

It is hereby declared and agreed that the Company waives all rights of subrogation against the following Principal:-

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only in respect of work being carried out by the Named Insured for such Principal.

Further declared and agreed that the waiver of subrogation against the Principal will not apply in respect of any claim or claims arising out of their sole negligence.

COMMON LAW LIMIT

It is hereby declared and agreed that if at any time during the Period of Insurance any employee in the Insured's immediate service shall sustain personal injury by accident or disease arising out of and in the course of his employment by the Insured in the business and if the Insured shall be liable to pay compensation for such injury under Common Law, the Company's liability shall not exceed the limit stated in the Policy Schedule per occurrence.

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1 Cover

1.1 The Insurer will indemnify the Insured against accidental loss of or damage to the Property Insured (as described in this Section in the Schedule) whilst in transit by registered inland vehicles until delivered as addressed during the Period of Insurance including the risk of loading, unloading, lifting, hoisting, temporary housing provided incidental to the transit but shall in no case cover loss, damage or expense proximately due to or caused by wear and tear, delay, inherent vice or nature of the Property Insured or any of the other exclusions stated. Provided always that the Property Insured is brand new.

1.2 Basis of Indemnity

The indemnity provided by the Insurer under this Insurance shall be based on the sales price of the Property Insured in respect of goods sold but not delivered, or its purchase price or market value prevailing at the time of the loss or damage, whichever is lesser, plus any additional freight or forwarding charges incurred, where applicable.

1.3 Attachment of Cover

The Insurance attaches from the time the Property Insured commences to be loaded on board the conveying vehicle at the loading point at the place of dispatch and continues throughout the normal course of transit until it is delivered from the conveying vehicle at the consignee's or other final premises at the destination, within the territorial limits based on the voyage stated in this Section, provided always that the land conveyance is not left unattended whilst the goods are loaded in the land conveyance.

If owing to circumstances beyond the control of the Insured, the contract of carriage is terminated at a place other than the destination named herein, then this Insurance shall also terminate unless prompt notice is given to the Insurer and continuation of cover is requested when the Insurance shall remain in force, subject to an additional premium if required by the Insurer.

When after this Insurance attaches, the destination may be changed by the Insured, subject to prompt notice being given to the Insurer and provided always that the Insurer may adjust premium and arrange conditions as necessary.

1.4 Voyage

1. From the Insured Premises within Singapore to anywhere within Singapore.
2. From the supplier's warehouse within Singapore to anywhere within Singapore.

2 Exclusions

2.1 The Insurer shall not be liable for:

- (i) loss of or damage to Property Insured left on unattended vehicles.
- (ii) loss, damage or expense attributable to willful misconduct of the Insured.

- (iii) the excess stated in the Schedule unless the claim arose in respect of loss, destruction or damage caused by fire, lightning or explosion or collision, overturning or derailment of land conveyance.
- (iv) mechanical or electrical derangement.
- (v) rust, oxidation and discolouration.
- (vi) loss or damage caused by inherent vice or nature of the subject matter, atmospheric or climatic conditions, wear and tear, gradual deterioration or depreciation by moth or vermin, mildew, defective packing, delay (even though the delay is caused by a risk insured against), loss of market.
- (vii) loss of use of the Property Insured or consequential loss howsoever caused.
- (viii) loss or destruction of or damage to livestock, explosives, goods of a dangerous nature.
- (ix) losses directly or indirectly traceable to infidelity of the Insured's employees.
- (x) any movement and/or transit of the Property Insured within the Insured Premises.
- (xi) loss or destruction of or damage to the Property Insured being carried in a controlled atmosphere or in refrigerated, frozen, chilled or insulated conditions due to loss of refrigerant or controlled atmosphere or variation in temperature unless caused directly by fire, lightning, storm or by the collision, derailment or overturning of the conveying vehicle.
- (xii) Breakage of glass, earthenware, china, marble or other brittle articles.
- (xiii) Scratching, chipping, denting or cracking.
- (xiv) loss, damage or expense caused by insufficiency, unsuitability or unfitness of packing, preparation of the Property Insured or conveyance or container for the safe carriage of the Property Insured.
- (xv) ordinary leakage or ordinary loss in weight or volume of the subject matter insured.
- (xvi) loss, damage or expense caused by:
 - (a) war, civil war, revolution, rebellion or insurrection or civil strife arising therefrom or by any hostile act by or against a belligerent power.
 - (b) capture, seizure, arrest, restraint, detainment (hijacking excepted), and the consequences thereof or any attempt thereat.
- (xvii) derelict mines, torpedos, bombs or other derelict weapons of war.

2.2 Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons.

This clause shall be paramount and shall override

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anything contained in this insurance inconsistent therewith. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:

- (i) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.
- (ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
- (iii) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- (iv) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.
- (v) any chemical, biological, bio-chemical, or electromagnetic weapon

2.3 Institute Cyber Attack

- (a) Subject only to clause 2.3(b) below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- (b) Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 2.3(a) shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

3 Definitions

No additional definitions apply to this section of the policy.

4 Conditions

In addition to the general terms and conditions, the following terms shall apply to the cover provided by this section of the policy only:

4.1 Institute Replacement Clause

In the event of loss of or damage to any part or parts of an insured machine caused by a peril covered by the Section the sum recoverable shall not exceed the cost of replacement or repair of such part or parts plus charges for forwarding and refitting, if incurred, but excluding duty unless the full duty is included in the amount insured, in which case loss, if any, sustained by payment of additional duty shall also be recoverable.

Provided always that in no case shall the liability of the Insurer exceed the insured value of the complete machine.

4.2 This Insurance shall not insure to the benefit of the carrier or other bailee.

4.3 The Insured shall act with reasonable dispatch in all circumstances within their control.

4.4 All vehicles must not be left unattended.

4.5 This Section is subject to a minimum and deposit earned premium as stated in the Schedule and is adjustable at the agreed rate, upon expiry for annual policies.

4.6 This Section may be cancelled by the Insurer or the Insured under the following conditions: Strike, Riot & Civil Commotion Risks : By 7 days' notice in writing.

4.7 It is the duty of the Insured and their servants and agents in respect of loss recoverable herein

(a) to take such measures as may be reasonable for the purpose of averting or minimising any loss, and

(b) to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurer will, in addition to any loss recoverable herein, reimburse the Insured for any charges properly and reasonably incurred in pursuance of these duties.

4.8 Measures taken by the Insured or the Insurer with the object of saving, protecting or recovering the Property Insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

5 Extensions

5.1 Automatic Reinstatement of Loss Clause

In consideration of the Insured undertaking to pay an additional premium at the agreed rate on the amount of loss calculated on a pro-rate basis from the date of such reinstatement to the expiry of the current Period of Insurance, in the event of loss, the Insurance herein shall be maintained in force for the full Sum Insured.

Provided that the amount reinstated shall not apply in respect of the same event or a series of events arising from the same cause which was the subject of the aforementioned loss.

5.2 Debris Removal Clause

Subject to the operation of an insured loss, the Insurer

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shall pay costs and expenses reasonably incurred by the Insured in connection with:

- (a) removal of debris and/or destruction of damaged goods.
- (b) the transfer of items covered herein from one conveyance to another in the event of an accident to the original conveyance which results in loss of or damage to such items which is recovered herein.

Coverage herein shall be in addition to the Indemnity provided elsewhere herein but shall be limited to ten per cent (10%) of the Sum Insured of the goods lost or damaged.

This Insurance does not cover additional expenses incurred for the prevention or clean up of damage to the environment, in particular pollution to air, water or ground.

The amount payable under this Clause shall form part of the Sum Insured as stated in the Schedule

5-3 Institute Strikes Clause

- (a) This Insurance covers loss of or damage to the Property Insured caused by:-
 - (i) strikers, locked-out workmen or persons taking part in labour disturbances, riots or civil commotion
 - (ii) any terrorist or any person acting from a political motive
- (b) This Insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/ or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from a risk covered under these clauses.

Special Conditions

The Insurer does not cover:

- (i) loss, damage or expense arising from the absence, shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot and civil commotion.
- (ii) any claim based upon loss of or frustration of the voyage or adventure.
- (iii) loss, damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- (c) If owing to circumstances beyond the control of the Insured, the contract of carriage is terminated at a place other than the destination named therein, then this Insurance shall also terminate unless prompt notice is given to the Insurer and continuation of cover is requested when the Insurance shall remain in force, subject to an additional premium if required by the Insurer.

- (d) Where after this Insurance attaches, the destination may be changed by the Insured subject to prompt notice being given to the Insurer and provided always that the Insurer may adjust premium and arrange conditions as necessary.



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