



合群保險有限公司

Concord Insurance Co., Ltd.

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ACCIDENTAL DAMAGE (PROPERTY) INSURANCE POLICY

Please read this Policy carefully upon receipt and promptly request the Company for any necessary amendments

THE COMPANY AGREES (subject to the terms, conditions provisions and exclusions contained herein or endorsed or otherwise expressed hereon which shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the right of the Insured to recover hereunder) that if after payment of the premium any of the property insured on the Premises be accidentally and physically lost, destroyed or damaged (such loss, destruction or damage being hereunder termed "Damage") other than by an excluded cause at any time during the Period of Insurance or any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the renewal of this Policy.

THEN THE COMPANY WILL PAY to the Insured the value of the property insured at the time of the happening of the Damage or the amount of such Damage or at its option reinstate or replace such property or any part thereof.

PROVIDED THAT the liability of the Company in respect of any one Damage or in the aggregate in any one Period of Insurance shall in no case exceed:

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

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

EXCLUSIONS

A) EXCLUDED CAUSES

Unless specifically mentioned as insured, this Policy does not cover

1. Damage caused by:

- (a) (i) faulty or defective design, materials or workmanship, inherent vice, latent defect, gradual deterioration, deformation or distortion, or wear and tear;
- (ii) interruption of the water supply, gas, electricity or fuel systems, or failure of the effluent disposal systems to and from the Premises
unless Damage by a cause not excluded in the policy ensues and then the Company 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 or insects, marring or scratching
unless such Damage is caused directly by Damage to the property insured or to Premises containing such property by a cause not excluded in the Policy.
- (c) (i) theft except from a building and then only if there is violent or forcible entry to or exit from such building;
- (ii) acts of fraud or dishonesty;
- (iii) unexplained disappearance or inventory shortage, misfiling or misplacing of information, shortage in supply or delivery of materials or shortage due to clerical or accounting error;
- (iv) cracking, fracturing, collapse or overheating of boilers, economizers, vessels, tubes or pipes nipple, leakage or the 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.
Unless:
(I) Damage by a cause not excluded in the Policy ensues and then the Company shall be liable only for such ensuing Damage;
(II) such Damage is caused directly by Damage to the property insured or to the 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 insured in the open or in open sided buildings or to fences and gates;
- (v) the freezing solidification or inadvertent escape of molten material.

2. 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.
3. Damage occasioned directly or indirectly by or through or in consequence of any of the following occurrences, namely:-
 - (a) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.
 - (b) mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power;
 - (c) acts of terrorism committed by a person or persons acting on behalf of or in connection with any organisation.
For the purpose of this Exclusion A.3 (c), "terrorism" means the use of violence for political ends and includes the use of violence for the purpose of putting the public or any section of the public in fear.
 - (d) (i) permanent or temporary dispossession resulting from confiscation, nationalisation, commandeering or requisition by any lawfully constituted authority;
(ii) permanent or temporary dispossession of any building resulting from the unlawful occupation of such building by any person.
Provided that the Company is not relieved of any liability to the Insured in respect of Damage to the property insured occurring before dispossession or during temporary dispossession which is otherwise insured by this Policy.
 - (e) order of any public authority.
In any action, suit or other proceedings where the Company alleges that by reason of the provisions of Exclusions A.3 (a), (b) and (c) above any Damage is not covered, by the burden of proving that such Damage is covered shall be upon the Insured.
 - (f) strike, riot, lock out, civil commotion or persons taking part in labour disturbances.
 - (g) malicious damage by any persons.
4. Damage directly or indirectly caused by or arising from or in consequence of or contributed to by:-
 - (a) nuclear weapons materials;
 - (b) ionising radiations 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 Exclusion A.4 (b) combustion shall include any self-sustaining process of nuclear fission.

B) EXCLUDED PROPERTY

Unless specifically mentioned as insured, this policy does not cover Damage in respect of :

1. (a) money, cheques, stamps, bonds, credit cards, securities of any description, jewellery, precious stones, precious metals, bullion, furs, curiosities, rare books or works of art;
- (b) fixed glass;
- (c) glass (other than fixed glass), china, earthenware, marble or other fragile or brittle objects;
but the provisions of Exclusions B.1. (b) and (c) above shall not be applied to Damage (not otherwise excluded) caused by fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, strikers, locked-out, persons taking part in labour disturbances, malicious persons, impact by any road vehicle or animals, earthquake, windstorm, flood and bursting overflowing, discharging or leaking of water tanks, apparatus or pipes.
2. goods held in trust or on commission, documents, manuscripts, business books, computer systems records, patterns, models, moulds, plans, designs or explosives.
3. (a) vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives or rolling stock, watercraft, aircraft, spacecraft or the like;
- (b) property in transit other than within the Premises specified in the Schedule.
- (c) property or structures in course of demolition, construction or erection and materials or supplies in connection therewith;
- (d) land (including topsoil, backfill, drainage or culverts), driveways, pavements, roads, runways, railway lines, dams, reservoirs, canals, rigs, wells, pipelines, tunnels, bridges, docks, piers, jetties, excavations, wharves, mining property underground off-shore property;
- (e) livestock, growing crops or trees;
- (f) property damaged as a result of its undergoing any process;
- (g) machinery during installation, removal or re-siting (including dismantling and re-erection) if directly attributable to such operations;
- (h) 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 excluded ensues and then the Company will be liable only for such ensuing Damage;
- (i) property more specifically insured.
4. property which, at the time of the happening of Damage, is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected.
5. boilers, economizers, turbines, or other vessels, machinery or apparatus in which pressure is used or their contents resulting from their explosion or rupture.

C) ENDORSEMENTS APPLY TO POLICY

1. War & Terrorism Exclusion (including Exclusion for Contamination & Explosives) LMA2919 (Amended)

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

- (1) 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
- (2) 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 organization(s) or government(s), committed for political, religious, ideological, ethnic or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

It is further agreed that, regardless of any contributory causes, this insurance does not cover any loss, damage, cost or expense directly or indirectly arising out of

- (a) biological or chemical contamination
- (b) missiles, bombs, grenades, explosives

due to any act of terrorism.

For the purpose of (a) "contamination" means the contamination, poisoning, or prevention and/or limitation of the use of objects due to the effects of chemical and/or biological substances.

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

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

2. Cyber Loss Exclusion Clause (LMA5411)

1. Notwithstanding any provision to the contrary within this insurance agreement or any endorsement thereto, this insurance agreement excludes any:
 - 1.1. Cyber Loss;
 - 1.2. loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data; regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. If the Company alleges that by reason of this exclusion any loss, damage, liability, claim, cost or expense sustained by the Insured is not covered by this insurance agreement, the burden of proving the contrary shall be upon the Insured.

Definitions

3. Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident, including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
 4. Cyber Act means an unauthorized, malicious or criminal act or series of related unauthorized, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
 5. Cyber Incident means:
 - 5.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System, or
 - 5.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
 6. Computer System means:
 - 6.1 any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.
 7. Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.
3. Sanction Limitation and Exclusion – LMA3100 (Amended)
- No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America or the People's Republic of China/Hong Kong SAR.
4. Contracts (Rights of Third Parties) Ordinance Exclusion Clause
- Any person or entity who is not a party to this Policy shall have no rights under the Contracts (Rights of Third Parties) Ordinance (Cap 623 of the Laws of Hong Kong) to enforce any terms of this Policy.

5. Radioactive Exclusion

Unless specifically agreed for an insured loss involving nuclear material under determined circumstances, this insurance does not cover loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with nuclear energy or radioactivity of any kind including but not limited to any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
3. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

6. Communicable Disease Exclusion - (LMA5393)

1. This policy, subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical damage occurring during the period of insurance. Consequently and 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 endorsement, 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 endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the policy remain the same.

DEDUCTIBLES

This Policy does not cover the amounts of the deductibles stated in the schedule in respect of each and every Damage and in respect of Damage resulting from windstorm, tempest, typhoon, flood and earthquake (including flood following), occurring within each and every separate period of 72 consecutive hours, as ascertained after the application of all other terms and conditions of the Policy including any condition of Average.

Warranted that during the currency of the Policy the Insured shall not effect insurance in respect of the amounts of the deductibles stated in the Schedule.

GENERAL CONDITIONS

1. IDENTIFICATION

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

2. MISREPRESENTATION

If there be any material misdescription by the Insured or anyone acting on his behalf of any of the property hereby insured, or of any building or place in which such property is contained, or of the business or the 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 Company shall not be liable under this Policy for the property insured affected by any such misdescription, misrepresentation or omission.

3. CANCELLATION

This Policy may be cancelled at any time:

- (a) by the Insured on notice to that effect being given in writing to the Company, in which case the Company will retain the customary short period rate for the time of the Policy has been in force;
- (b) by the Company on 7 day's' advance notice to that effect being given in writing to the Insured's last known address, in which case the Company shall be liable to repay on demand a ratable proportion of the premium for the unexpired term from the date of the cancellation.

4. FORFEITURE

All benefit under this Policy shall be forfeited:

- (a) if any claim made under this Policy be in any respect fraudulent or if any false declaration be made or used in support thereof, or if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy;
- (b) if any Damage be caused by the willful act or with the connivance of the Insured or anyone acting on his behalf;
- (c) if the Insured or anyone acting on his behalf shall hinder or obstruct the Company in the exercise of its rights;
- (d) in respect of any claim after expiration of the Time Limit as stipulated in Condition 12 hereunder.

5. SUBROGATION

The Insured shall at the request and at the expense of the Company do and occur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from any other parties to which the Company shall be or would become entitled or subrogated upon its paying or making good any Damage under this Policy, whether such acts and things shall be or become necessary or required before or after indemnification by the Company.

6. CONTRIBUTION

If at the time of Damage, there be any other insurance effected by or on behalf of the Insured covering any of the property insured lost or damaged, the liability of the Company hereunder shall be limited to its ratable proportion of such Damage.

If any such other insurance is expressed to cover any of the property insured, but is subject to any provision whereby it is excluded from ranking concurrently with this Policy either in whole or in part or from contributing ratably to the Damage, the liability of the Company hereunder shall be limited to such proportion of the Damage as the sum hereby insured bears to the value of the property insured.

7. ARBITRATION

If any difference shall arise as to the amount to be paid under this Policy such difference shall be determined by arbitration in accordance with the prevailing Arbitration Ordinance. If the parties fail to agree upon the choice of Arbitration or Umpires, then the choice shall be referred to the Chairman for the time being of the Hong Kong International Arbitration Centre. It is hereby expressly stipulated that it shall be a condition precedent to any right of action or suit upon this Policy that an arbitration award shall first obtained.

If the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve months from the date of such disclaimer have been referred to arbitration under the provisions herein contained, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

8. ALTERATIONS AND REMOVALS

Under any of the following circumstances the insurance ceases to attach as regards the property insured affected unless the Insured, before the occurrence of any Damage, obtains the sanction of the Company signified by endorsement upon the Policy.

- (a) If the trade or manufacture carried on be altered, or if the nature of the occupation of or other circumstances affecting the building or containing the insured property be changed in such a way as to increase the risk of loss or damage.
- (b) If the building insured or containing the insured property becomes unoccupied and so remains for a period of more than 30 days
- (c) If the property insured be removed to any building or place other than that in which it is stated herein to be insured.
- (d) If the interest in the property insured passes from the Insured otherwise than by will or operation of law.

9. CLAIMS

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

- (a) immediately:
 - (i) take steps to minimize the Damage and recover any missing property;
 - (ii) give notice in writing to the Company;
 - (iii) give notice to the police if the event be theft or suspected theft, or wilful or malicious damage
- (b) within 30 days or such further time as the Company may in writing allow deliver to the Company:
 - (i) a claim in writing for the Damage containing as particular an account as may be reasonably practical of all the several articles or items of property insured lost or damaged and the amount of the Damage thereto respectively, having regard to their value at the time of the Damage;
 - (ii) particulars of all other insurances if any.
- (c) at all time at his own expense provide to the Company all such further information and available documents or proofs with respect to:
 - (i) the claim, the origin and cause of the Damage and the circumstances under which the Damage occurred;
 - (ii) any matter touching the liability or the amount of liability of the Company.as may be reasonably required by the Company together with a declaration on oath or in other legal form of the truth of the claim and any matters connected therewith.

No claim under this Policy shall be payable unless the terms of this Condition 9 have been complied with and in the event of non-compliance herewith in any respect, any payment on account of the claim already made shall be repaid to the Company forthwith.

10. POSSESSION RIGHTS

On the happening of any Damage in respect of which a claim is made:

- (a) the Company and any persons authorized by the Company may, without hereby incurring any liability or diminishing any of the Company's rights under this Policy,:
 - (i) enter and take and keep possession of the Premises where the Damage has occurred;
 - (ii) take possession of or require to be delivered to the Company any property insured and deal with such property insured for all reasonable purposes and in any reasonable manner.
- (b) no property may be abandoned to the Company whether taken possession of by the Company or not.

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

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

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

11. OPTION TO REINSTATE

The Company may at its option repair or replace the property insured lost or damaged or any part thereof, instead of paying the amount of the Damage, or may join with any other persons, companies or insurers in so doing, but the Company shall not be bound to repair exactly or completely, but only as circumstances permit and in reasonably sufficient manner, and in no case shall the Company be bound to expend more in repair than it would have cost to repair such property insured as it was at the time of the occurrence of such Damage, nor more than the sum insured thereon.

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

If in any case the Company shall be unable to repair or replace the property insured, because of any municipal or other regulations in force affecting the alignment of streets or the construction of buildings or otherwise, the Company shall, in every such case, only be liable to pay such sum as would be required to repair or replace such property insured if the same could lawfully be repaired to its former condition.

12. TIME LIMIT

In no case whatever shall the Company be liable under this Policy:

- (a) In respect of any claim made and rejected if an action or suit be not commenced within 3 months after such rejection;
- (b) In respect of any claim where arbitration takes place pursuant to Condition 7 of this Policy and an action or suit be not commenced within 3 months after the making of an arbitration award;
- (c) In respect of any claim after expiration of 12 months from the happening of the Damage unless such claim is the subject of pending action or arbitration

13. PRECAUTIONS

The Insured shall maintain the property insured in a proper state of repair and take all reasonable precautions to prevent Damage thereto and shall comply with all relevant statutory regulations and obligations.

14 AVERAGE (UNDERINSURANCE)

If, at the time of Damage, the property insured be of greater value than the sum insured thereon, the Insured shall bear a share of the Damage corresponding directly to the proportion of the underinsurance. Every item, if more than one, of the property insured shall be separately subject to this Condition.

The following Endorsements only apply to this Policy when specifically mentioned in the schedule.

EXTRA PERILS ENDORSEMENT (EP-B)

This Policy is extended, but only as specified in the Policy Schedule, to cover Damage caused by the Extra Perils described hereunder provided always that all the Conditions of this Policy (except insofar as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for this purpose any Damage by the specified Extra Perils shall be deemed to be Damage by fire within the meaning of this Policy.

(1) TYPHOON, WINDSTORM & FLOOD

Damage by fire or otherwise, directly caused by typhoon, windstorm or flood but excluding

- (i) in respect of Damage caused other than by fire
 - (a) metal smoke stacks, awnings, blinds, signs or other outdoor fixtures and fittings unless specifically insured
 - (b) premises in course of construction, alteration or repair except when all outside doors, windows and other openings are complete and protected against typhoon or windstorm unless specifically insured
- (ii) Damage caused by
 - (a) subsidence or landslip
 - (b) hail, whether wind driven or not
 - (c) rain entering the building other than through openings made in its fabric by the direct force of the typhoon or windstorm
- (iii) Damage caused by accumulation of water resulting from circumstances where the Insured could, but has failed to, take reasonable steps to prevent such accumulation.

(2) WATER TANKS, APPARATUS & PIPES

Damage directly caused by bursting or overflowing of water tanks, apparatus or pipes but excluding

- (i) Damage to water tanks apparatus or pipes
- (ii) Damage caused by water discharged or leaking from any installation of automatic sprinklers.

(3) SPRINKLER LEAKAGE

Damage directly caused by water discharged or leaking from the Automatic Sprinkler Installation installed in that part of the Situation insured which is occupied by the Insured but excluding Damage to the said Installation, provided that

- (i) such discharge or leakage of water shall be accidental and shall not be occasioned by or happen through
 - (a) heat caused by fire
 - (b) repairs or alterations to the buildings or premises
 - (c) repair, removal or extension of the said Installation
 - (d) the order of the Government or of any Authority
 - (e) explosion, the blowing-up of buildings or blasting
- (ii) the Insured shall at all times take all reasonable steps to prevent damage to the said Installation and, so far as his responsibility extends, to maintain the said Installation, including the automatic external alarm signal, in efficient condition, in the event of any discharge or leakage from the said Installation the Insured shall do and permit to be done all things practicable, whether by removal or otherwise, to save and protect the Property Insured
- (iii) whenever it is intended to make any changes, repairs or alterations to the said Installation, the Insured shall give written notice thereof to the Company
- (iv) the Company shall have access to the Situation insured at all reasonable times for purposes of inspection and if the Company shall notify the Insured of defects in the construction or condition of the said Installation requiring alteration or repairs the Company may also at their option by notice in writing suspend the insurance by this extension until such alteration or repairs shall be duly completed.

(4) EXPLOSION

Damage by fire or otherwise, directly caused by explosion, but excluding

- (i) Damage to boilers, economisers, or other vessels, machinery or apparatus in which pressure is used, or Damage to their contents resulting from their explosion
- (ii) Damage occasioned by or through or in consequence, directly or indirectly, of any act of terrorism committed by any person acting on behalf of, or in connection with, any organization (for the purposes of this exclusion 'terrorism' means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear).

(5) RIOT & STRIKE

Damage directly caused by

- (a) the act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not)
 - (b) the wilful act of any striker locked-out worker done in furtherance of a strike or in resistance to a lock-out
 - (c) the action of any lawfully constituted authority in suppressing or attempting to suppress or in minimising the consequences of any act mentioned in (a) and (b) above
- but excluding
- (i) Damage occasioned through or in consequence, directly or indirectly, of
 - (a) any act of terrorism committed by any person acting on behalf of, or in connection with, any organization (for the purposes of this exclusion 'terrorism' means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear)
 - (b) civil commotion assuming the proportions of or amounting to a popular rising
 - (c) the malicious act of any person (whether or not such act is committed in the course of disturbance of the public peace) not being the wilful act of any rioter striker or locked-out worker in furtherance of a riot or strike or in resistance to a lock-out
 - (ii) Damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
 - (iii) Damage occasioned by
 - (a) permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority
 - (b) permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building provided nevertheless that the Company is not relieved of any liability to the Insured in respect of physical damage to the Property Insured occurring before dispossession or during temporary dispossession.

(6) MALICIOUS DAMAGE

Damage directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace), but excluding

- (i) Damage by explosion
 - (ii) Damage arising out of or in the course of theft or any attempt thereat
- provided that cover under Extra Peril 5 (Riot & Strike) is in force and subject to the application of the exclusions under that Extra Peril extension wording other than (i) (c).

(7) AIRCRAFT

Damage directly caused by aircraft and other aerial devices or articles dropped therefrom excluding Damage caused by any aircraft for which permission to land has been extended by the Insured.

(8) VEHICLE IMPACT

Damage by fire or otherwise, caused by impact by any road vehicle, horses or cattle not belonging to or under the control of the Insured or any member of the Insured's household or any person employed by the Insured.

(9) EARTHQUAKE (FIRE SHOCK & FLOOD)

Damage by fire or otherwise, directly caused by earthquake or volcanic eruption including flood or overflow of the sea occasioned thereby, but excluding in respect of Damage caused other than by fire:
- metal smoke stacks, awning, blinds, signs or other outdoor fixtures and fittings unless specifically insured.

Provided that the maximum liability of the Company under Extra Perils (5) and (6) in respect of any one occurrence shall not exceed 5% of the Total Sum Insured.

The words of "occurrence" shall mean the total of payments made in settlement of claims arising from one and the same event in the duration of 504 consecutive hours.

MORTGAGEE/NON-OCCUPYING LANDLORD CLAUSE (A12)

It is hereby declared and agreed that this insurance shall not be invalidated by any change of occupancy or increase of risk taking place in the property without the knowledge of the Insured, provided that he shall immediately, on the same coming to his knowledge, give notice thereof to the Company and pay any additional premium which may be required from the date of such increase of risk.

REINSTATEMENT VALUE INSURANCE (A19)

It is hereby agreed that in the event of property insured under item 1 of the within policy being destroyed or damaged the basis upon which the amount payable under (each of the said items of) the policy is to be calculated shall be the reinstatement of the property destroyed or damaged, subject to the following special provisions and subject also to the terms and conditions of the policy except in so far as the same may be varied hereby.

For the purposes of the insurance under this memorandum 'reinstatement' shall mean:

The carrying out of the aftermentioned work, namely:

- (a) Where property is destroyed, the re-building of the property, if a building, or, in the case of other property, its replacement by similar property, in either case in a condition equal to but not better or more extensive than its condition when new.
- (b) Where property is damaged, the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.

SPECIAL PROVISIONS

1. The work of 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 Company not being thereby increased) must be commenced and carried out with reasonable despatch; otherwise no payment beyond the amount which would have been payable under the policy if this memorandum had not been incorporated therein shall be made.
2. When any property insured under this memorandum is damaged or destroyed in part only the liability of the Company shall not exceed the sum representing the cost which the company could have been called upon to pay for reinstatement if such property had been wholly destroyed.
3. No payment beyond the amount which would have been payable under the policy if this memorandum had not been incorporated therein shall be made until the cost of reinstatement shall have been actually incurred.
4. Each item insured under this memorandum is declared to be separately subject to the following Condition of Average, namely:

If at the time of reinstatement the sum representing the cost which would have been incurred in reinstatement if the whole of the property covered by such item 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 peril hereby insured against then the Insured shall be considered as being his own insurer for the excess and shall bear a ratable proportion of the loss accordingly.
5. No payment beyond the amount which would have been payable under the policy if this memorandum had not been incorporated therein shall be made if at the time of any destruction or damage to any property insured hereunder such property shall be covered by any other insurance effected by or on behalf of the Insured which is not upon the identical basis of reinstatement set forth herein.
6. Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under the policy if this memorandum had not been incorporated therein the rights and liabilities of the Company and the Insured in respect of the destruction or damage shall be subject to the terms and conditions of the policy, including any Condition of Average therein, as if this memorandum had not been incorporated therein.

RENT CLAUSE (A22)

The insurance on rent applies only if (any of) the said building(s) or any part thereof is unfit for occupation in consequence of its destruction or damage and then the amount payable shall not exceed such proportion of the sum insured on Rent as the period necessary for reinstatement bears to the term of Rent insured.

ARCHITECTS', SURVEYORS' AND CONSULTING ENGINEERS' FEES CLAUSE (A23D)

Any insurance by this Policy in respect of Architects', Surveyors' and Consulting Engineers' fees necessarily incurred in the reinstatement of the property 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 those authorized under the Scale of Professional Charges of The Royal Institute of British Architects and/or of the Schedule of Professional Charges of The Royal Institution of Chartered Surveyors and/or of the Association of Consulting Engineers as the case may be, or of the respective equivalent local body.

REMOVAL OF DEBRIS CLAUSE (A24E)

Any insurance by this policy in respect of removal of debris shall be on costs and expenses necessarily incurred by the Insured with the consent of the Company in:-

- (a) removing debris,
- (b) dismantling and/or demolishing,
- (c) shoring up or propping,

of the portion or portions of the property insured by this policy destroyed or damaged by fire or by any other peril(s) hereby insured against.

LEGAL REQUIREMENTS WARRANTY (A33)

Warranted that the Insured shall duly comply with and observe all provisions, requirements and regulations of

- and/or (i) Fire Services Department
- and/or (ii) Labour Department
- and/or (iii) Dangerous Goods Ordinance
- and/or (iv) Factories and Industrial Undertakings Ordinance
- and/or (v) Any other Statutory Obligation

including any notice given requirements made pursuant to same the breach and disregard of which may affect or increase the risk hereby insured except only that this warranty shall not apply in respect of any Ordinance, Regulation Notice or Requirement expressly waived by the Company by endorsement on this Policy.

STORAGE WARRANTY (A34A)

Warranted no waste materials or goods of any description whatsoever whether belonging to the Insured or not shall be stored temporarily or otherwise on any staircase or landing or in any passageway within or in common use with the premises described in the policy.

Provided that the Company shall be deemed to have waived any breach of this Warranty not occasioned by or contributed to by the Insured of which the Company shall have received written notice from the Insured prior to the occurrence of loss destruction or damage.

Warranted also that all waste materials will be kept in receptacles and removed from the building daily.

STORAGE WARRANTY (SHOPS) (B54)

(a) Warranted no trade processing or manufacturing carried on in the premises which involves the use of

- (i) machinery with a motive power in excess of 5 H.P. in the aggregate
- (ii) heating or boiling apparatus other than of the small domestic type

(b) Warranted no storage or deposit for sale of:

1. Acids
2. Alcohols
3. Ammunition, Explosives, Fireworks and Fire crackers
4. Bamboo, Cane, Willow, Rattan and articles made therefrom
5. Benzene and Benzine
6. Calcium Carbide
7. Candles and Wax
8. Chlorates, Perchlorates and Chlorites
9. Compressed Gases
10. Cotton, Hemp, Jute and Kapok (except in fully machine pressed and metal bound bales)
11. Cotton quilts
12. Films (nitrocellulose base)
13. Firewood, Charcoal and Coal
14. Flammable substances having a flash point below 150°F (66°C)
15. Insecticides having a flash point below 150°F (66°C)
16. Joss Sticks and Paper
17. Kerosene
18. Liquefied petroleum gases
19. Matches, other than in tin-lined cases
20. Matting and Mat bags* (other than seagrass matting)
21. Naphtha
22. Nitrates and Nitrites
23. Oils having a flash point below 150°F (66°C)
24. Oily and greasy rags and waste
25. Paints, Enamels and Lacquers having a flash point below 150°F (66°C)
26. Paper flowers, lanterns and the like and Paper shavings
27. Peroxides
28. Petrol and Petroleum spirits
29. Phosphorus
30. Potable spirits in containers other than bottles and jars
31. Printing inks having a flash point below 150°F (66°C)
32. Resins having a flash point below 150°F (66°C)
33. Sodium hydroxide (Caustic Soda)
34. Wood wool and shavings

*Matting and Mat bags are permitted if used solely for packing or covering other goods on the premises

RAINSTORM (EP12A)

This Policy is extended to cover Damage by fire or otherwise, directly caused by Rainstorm but excluding:

- (i) in respect of Damage caused other than by fire
 - (a) refer to the excess clause of each and every loss as ascertained after the application of any condition of average and occurring within each and every separate period of 72 consecutive hours during the currency of this Policy
 - (b) metal smoke stacks, awnings, blinds, signs or other outdoor fixtures and fittings unless specifically insured
 - (c) premises in course of construction, alteration or repair except when all outside doors, windows and other openings are complete and protected against Rainstorm unless specifically insured
- (ii) Damage caused by
 - (a) subsidence or landslip
 - (b) hail, whether wind driven or not
 - (c) rain entering the building other than through openings made in its fabric by the direct force of Rainstorm
 - (d) seepage of water
- (iii) Damage caused by
 - (a) the escape of water from its normal confines whether natural or artificial
 - (b) inundation from the seaunless directly resulting from Rainstorm
- (iv) Damage caused by accumulation of water resulting from circumstances where the Insured could but has failed to take reasonable steps to prevent such accumulation.

For the purposes of this Endorsement, "Rainstorm" shall refer to rain falling in the weather conditions during which the Hong Kong Observatory of the Government of the Hong Kong Special Administrative Region issues a rainstorm signal under its Rainstorm Warning System.

Provided always that all the Conditions of this Policy (except insofar as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for this purpose any Damage by the specified Extra Peril shall be deemed to be Damage by fire within the meaning of this Policy.

ILLEGAL OR UNAUTHORIZED STRUCTURES EXCLUSION CLAUSE (EX22)

It is hereby agreed that the policy does not cover loss of or damage to

- (a) existing unauthorized structures and/or unauthorized building on or within the Insured Premises
- (b) erecting demolishing repairing installing and renovating unauthorized structures and/or building works on or within the Insured Premises

For the purposes of (a) the meaning of unauthorized structures and/or building shall be construed in accordance with the Building Ordinance of the Government of the Hong Kong Special Administrative Region.

TIME ADJUSTMENT CLAUSE (EX46C)

In the event of damage to the property caused by typhoon, windstorm, flood, earthquake, the amount of the excess in respect of such damage caused by these perils shall apply afresh and be deducted again in respect of any damage occurring after seventy-two (72) consecutive hours freedom from typhoon, windstorm, flood, earthquake.

Subject otherwise to the terms, conditions and exceptions of this Policy.