



中國太平洋保險(香港)有限公司
China Pacific Insurance Co., (H.K.) Ltd.
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BUSINESS COMBINED POLICY



WHEREAS

The Insured named in the Schedule hereto carrying on the Business described in the Schedule and no other for the purposes of this insurance by a Proposal and Declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to China Pacific Insurance Co., (H.K.) Ltd. (hereinafter referred to as "the Company") for this insurance and has paid or agreed to pay the premium as stated in The Policy Schedule hereto ("The Schedule") in consideration for such insurance.

The Company agrees to provide insurance cover on the basis of the Terms Exclusions and Conditions contained herein or enclosed hereon and in the manner and to the extent as hereinafter provided.

Section I Contents and Stock All Risks

Cover

The Company will subject to the Terms and Conditions hereunder indemnify the Insured at the Company's option by payment, replacement or repair against physical loss of or damage to Contents in the Premises as specified in the Schedule.

Sum Insured:	For Contents:	As stated in the Schedule
	For Stock:	As stated in the Schedule

Extensions to Section I

Extra cover includes:

	<u>Sub-Limit</u>
1. Loss of or damage to personal effects of Insured or employees of the Insured at Business Premise.	up to HK\$3,000 per Employee and up to HK\$3,000 in respect of any one occurrence of loss.
2. Loss of or damage to Contents whilst temporarily removed from Business Premises.	up to 15% of sum insured under Section I.
3. Cost of removal of debris from Business Premises following loss of or damage to the Contents and stock.	up to 10% of sum insured under Section I provided that the loss or damage necessitating the removal of such debris is covered under Section I.
4. Stock in Transit	up to HK\$50,000 in respect of each and every loss or damage.

Definitions

- "Contents" shall mean office appliances and equipment, furniture, interior decorations, fixtures and fittings fixed glass and mirrors at the Business Premises belonging to or for which the insured is legally responsible.
- "Stock" shall mean goods in trade, including finished & semi-finished goods and raw materials.
- "Personal Effects" shall mean articles of personal use designed to be worn or carried but excluding:
 - Money (as described under Section IV).
 - Contact lenses.
 - Photographic equipment, binoculars and telescopes.
 - Musical instruments, radio, television, video, audio and portable telecommunication equipment.
 - Jewellery and watches.
- "Replacement cost" shall mean the cost of replacing the property if stolen or beyond economic repair with an article substantially similar to the lost property.

Conditions

- The sum insured must represent the replacement cost of the property insured under this Section at the time of loss of or damage otherwise the claim will be subject to Conditions of Average, that is to say, the insured shall be considered as being his own insurer for the excess and shall bear a ratable proportion of the loss accordingly.
- for any insured item consisting of articles in a pair or set the Company will not pay more than the value of any particular part or parts which may be damaged or lost without reference to any special value which such article or articles may have as part of such pair or set; nor will the Company pay more than a proportionate part of the sum insured hereby on such pair or set.
- Loss of or damage to stock, whilst during the ordinary course of Transit within the geographical area of Hong Kong., only provided that the vehicle must be attended or left for storage in the open area.
- In the event of loss or damage, the amount payable for the loss or damage shall be automatically reinstated from the time to time of the happening of the loss or damage and the Insured shall pay an additional premium calculated on a pro-rata basis from the date of the loss to the expiration of the Policy.

Exclusions

- The Policy does not cover loss or damage contributed to or caused by:
 - Wear and tear, moths, vermin, insects, damp, rust, rot, corrosion, the action of light or atmosphere, or gradually operating causes.
 - Electrical or mechanical breakdown, failure or derangement.
 - Misuse or use contrary to manufacturers' instruction of office appliances and equipment, inherent defect or faculty design in materials, plan or specifications.
 - Denting, chipping or scratching.

- e) Breakage of China porcelain or other fragile, brittle articles (other than fixed glass and mirror) unless due to fire and theft.
 - f) The infidelity or dishonesty of employees.
 - g) Any disappearance or shortage of stock revealed only at time of stock taking or the making of an inventory and is not identifiable with a specific occurrence insured against under the terms of Section I.
 - h) Any process of cleaning, repair or renovation maintenance or dyeing.
 - i) Any shortage arising from error or omission on the part of the Insured and/or Employees of the Insured.
 - j) Breakage of glass not fully or properly secured or fixed prior to loss or damage.
2. The Company will not be liable for loss of Money as defined under Section IV.
 3. The Company will not pay for the first HK\$<As stated in the Schedule> of any claim.

Section II Business Interruption

Cover

In the event that the Business of the Insured at the Premises specified in The Schedule is interrupted as a result of loss of or damage to the Contents which is indemnified under Section I the Company will indemnify the Insured in respect of the Increase in Cost of Working caused by the interruption up to the amount specified in the limits of liability hereunder.

Extensions to Section II

Extra Cover includes:

1. Accountants' fees – notwithstanding the provision of paragraph 3(f) of General Conditions, the Company shall pay for the charges of professional accountants necessarily and reasonably incurred for producing information required by the Company for the purpose of dealing with a claim under Section II. The Limit of liability is up to HK\$5,000 in respect of any one occurrence.
2. Denial of Access – the Company will pay for the Increase in Cost of Working resulting from the interruption of Business caused by the loss of or damage to property in the vicinity of the Business Premises or providing access thereto as stated in The Schedule. The limit of liability shall not exceed the amount specified under Section II.

Definitions

1. "Increase in Cost of Working" shall mean the additional expenditure necessarily and reasonably incurred by the Insured during the Indemnity Period with the aim of maintaining in that period a turnover of Business not exceeding that of the corresponding period in the twelve months immediately prior to the interruption.
2. "Indemnity Period" shall mean the period beginning with the loss or damage causing the interruption and ending not later than twelve months thereafter during which the Increase in Cost of Working shall be incurred in consequence of the interruption.

Conditions

1. The Policy shall lapse and The Company shall not be liable should the Business of the Insured be wound up or carried on by a liquidator or receiver or permanently discontinued at time after the commencement of this Policy.

Limits of Liability

The Company's maximum total liability under this Section and its Extensions shall not exceed HK\$500,000.

Section III Public Liability

The Company will indemnify The Insured against:

1. Legal liability for accidental bodily injury caused to any person other than an Employee of the Insured; and
2. Legal liability for accidental loss of or damage to property not owned or held in trust by the Insured or any Employee of the Insured, or in The Insured's care, custody or control; caused by negligence of The Insured or his Employees occurring within Hong Kong in connection with The Insured's Business provided that the liability of the Company for all compensation payable in respect of or arising out of any one occurrence or in respect to or arising out of all occurrences or a series consequent on or attributable to one source or original cause shall not exceed as stated hereunder.
In addition, in respect of a claim to which the indemnity expressed in this Section applies the Company will pay:
 - a) all costs and expenses recovered by any claimant from the Insured; and
 - b) all costs and expenses incurred by the Insured with the written consent of the Company.

The limit of liability of as stated hereunder is inclusive of such costs and expenses.

Limit of Indemnity : The Company's maximum total liability under this Section and its Extensions shall not exceed HK\$5,000,000.00 Any one Accident/ Any one Period.

Exclusions

The Company will not cover:

1. Liability in respect of injury to any person under a contract of service or apprenticeship with The Insured where the injury arises out of and in the course of such persons employment or service with The Insured or for compensation or claim from the Insured by an injured person or dependent under any Employees Compensation Legislation or amendments thereto.
2. Liability assumed by the Insured by agreement unless such liability would have attached to the Insured in the absence of such agreement.
3. Liability in respect of or arising from damage to any land or property or building caused by vibration or the removal or weakening of support.
4. Liability in respect of injury or damage caused by or in connection with or arising from:
 - a) fumes or pollution of any kind.
 - b) defective sanitary installation or poisoning of any kind or foreign or deleterious matter in food or drink.
5. Fines, penalties, or punitive or exemplary damages.
6. Liability arising directly or indirectly from faulty or inferior workmanship.
7. The Excess stated in the Schedule of any claim under this Section and its Extensions, if any, with the exception of third party bodily injury claims.
8. Liability in respect of loss of or damage to property:
 - a) (I) Belonging to or in the charge or under the control of The Insured or of any servant or agent of The Insured.
 - (ii) Being that part of any goods or land or building or structure on which The Insured or any servant or agent of The Insured is or has been working.
 - b) Caused by or through or in connection with the bursting of any economiser used in conjunction with a steam boiler or any boiler vessel or their apparatus which is intended to operate under internal pressure due to steam and belonging to or in the charge or under the control of The Insured.
9. Liability in respect of injury, loss or damage caused by or through or in connection with:
 - a) any passenger lift, passenger elevator or passenger escalator owned by or in the possession of The Insured. This exception shall not apply in respect of the occasional carriage of passengers in any goods lifts, goods elevators, or goods escalators.
 - b) the ownership or possession or use by or on behalf of The Insured of:
 - (i) any vehicle (or machine) which is capable of self propulsion or attached to a self-propelled vehicle and used in circumstances to which the Road Traffic Ordinance apply;
 - (ii) any vehicle (or machine) which is insured for the benefit of the Insured under any form of Motor insurance policy or;
 - (iii) any vessel and/or cycle, vehicle, locomotive, craft, crane hoist, or other lifting machinery not specified in The Schedule under the heading of "Plant".
10. Liability arising directly or indirectly from libel and/or slander on the part of The Insured or any Employee of The Insured.

Section IV Cash

The Company shall subject to the Terms Exclusions and Conditions hereunder indemnify the Insured against the loss of Cash up to the limits of liability specified.

Cover includes:

	<u>Limits of Liability/Sum Insured</u>
1. Loss of Cash (other than crossed cheques, and crossed postal orders, crossed money orders and crossed bankers (drafts) whilst:	
a) in transit between Insured Premises and any Bank or Customer Office	HK\$ 25,000
b) at Insured Premise during Office Hours	HK\$ 25,000
c) at Insured Premises out of Office Hours warranty that the Cash have to be kept in a locked safe or strongroom	HK\$ 25,000
d) at Insured Premises out of Office Hours not in a locked safe or strongroom	HK\$ 5,000

Exclusions

The Company will not cover:

1. Any loss caused by depreciation in value, currency fluctuation, dishonoured cheques or the use of counterfeit money.
2. Shortage due to clerical or accounting error or omission and not identifiable with a specific occurrence insured against under the terms of this Section.

3. Any loss from an unlocked and/or unattended vehicle.
4. Any loss or damage occurring outside Hong Kong.
5. Any loss of Money entrusted to any person other than the Insured or an Employee of the Insured.
6. Any loss due to transit by post.
7. Any loss arising from fraud or dishonesty of any member of your household or any of your directors, partners or Employees.

Warranties

It is warranted by that:

1. After Business Hours, the keys of safe or strongroom should be removed from the Insured Premises.
2. The Insured shall keep a proper written record of all Money insured and shall allow the Company at any reasonable time to inspect such record.

Section V Employees' Compensation

Insuring Clause

WHEREAS the Insured carrying on the Business by a Proposal and Declaration which shall be basis of this contract and is deemed to be incorporated herein has applied to the Company for the insurance herein contained and has paid or agreed to pay the Premium specified herein as consideration for such insurance.

NOW THIS POLICY WITNESSETH that if any Employee in the Insured's immediate employ shall sustain bodily injury or death by Accident occurring or Disease contracted during the Period of Insurance within the Geographical Area and arising out of and in the course of his employment by the Insured in the Business.

THE COMPANY WILL subject to Policy Limit of Indemnity and to the terms exceptions and condition contained in or endorsed on the Policy (all of which are hereinafter collectively referred to as "the Terms of this Policy") indemnify the Insured against his legal liability in respect of such bodily injury or death under the Ordinance and independently of the Ordinance to pay compensation and damages and claimant's costs and expenses and also indemnify the Insured against costs and expenses incurred by or on behalf of the Insured with the Company's written consent in connection therewith.

PROVIDED THAT in the event of any change to the Ordinance during or subsequent to the Period of Insurance altering the legal liability of the Insured under the Ordinance the liability of the Company under the Policy shall be limited to such sums as the Company would have been liable to pay if the Ordinance had remained unaltered.

FURTHER PROVIDED THAT:

- (a) the due observance and fulfilment of the Terms of the Policy in so far as they relate to anything to be done or not to be done or to be complied with by the Insured; and
 - (b) the truth of the statements and answers in the Proposal and Declaration and the Estimated Earnings Declaration and the Actual Earnings Declaration
- shall be conditions precedent to any liability of the Company to make payment or to provide indemnity under this Policy.

THE COMPANY WILL ALSO in the event of the death of the Insured indemnify the Insured's legal personal representatives in the Terms of this Policy in respect of liability incurred by the Insured provided that such legal personal representatives shall as though they were the Insured observe fulfill and be subject to the Terms of this Policy in as far as they can apply.

Definitions

For the purposes of the Policy:

- (a) "Accident" means an accident or a series of accidents arising out of one event.
- (b) "The Business" means the usual work and activities carried on by the Insured pertaining to his business as specified in the Schedule and no others.
- (c) "The Company" means China Pacific Insurance Co., (H.K.) Ltd.
- (d) "The Company's Indemnity" means indemnity provided under this Policy including costs and expenses incurred by or on behalf of the Insured with the Company's written consent.
- (e) "Disease" means a disease contracted by an Employee of the Insured as a result of his exposure to the nature of his employment with the Insured. Such exposure may extend over a period of time and part of which period may fall outside the Period of Insurance under this Policy.
- (f) "Earnings" means all gross wages salaries remunerations commissions bonuses overtime termination payments allowances and the like directors' fees or other benefits whether at piecework rates or otherwise and whether paid in cash or in kind by the Insured to his Employees.
- (g) "Employee" has the same meaning as assigned to that expression in the Ordinance.

- (h) "The Insured" means only the person or persons specified as such in the Schedule and no others.
- (i) "Noise-Induced Deafness" has the same meaning as assigned to that expression in the Occupational Deafness (Compensation) Ordinance (Chapter 469 of the laws of Hong Kong).
- (j) "The Ordinance" means the Employees Compensation Ordinance (Chapter 282 of the laws of Hong Kong).
- (k) "Pneumoconiosis" and "Mesothelioma" have the same meaning as assigned to those expressions in the Pneumoconiosis and Mesothelioma (Compensation) Ordinance (Chapter 360 of the laws of Hong Kong).
- (l) "The Policy" means this Employees Compensation Insurance Policy the Schedule and any memoranda and endorsements contained herein or endorsed hereon which shall be read together as one document and any word or expression to which a specific meaning has been assigned shall bear such meaning throughout.
- (m) "The Proposal and Declaration" means any signed proposal form and declaration and any information supplied by or on behalf of the Insured in addition thereto or in substitution therefor.
- (n) "Unless the context otherwise requires, words and expressions importing the masculine gender also include the feminine and neuter genders and words and expressions in the singular include the plural and words and expressions in the plural include the singular.

Policy Limit of Indemnity

- (a) In respect of any Accident or Disease giving rise to a claim or claims against the Insured for which indemnity is provided under this Policy the Company's indemnity to the Insured shall in the aggregate be limited to the amount specified in the Schedule as "Policy Limit of Indemnity" irrespective of the number of Employees who may sustain bodily injury or death consequent on or attributable to the same occurrence of Accident or Disease.
- (b) In relation to any liability of the Insured in respect of a Disease contracted by an Employee due to the nature of his employment with the Insured which nature of employment applies during a period that extends over more than one policy period of insurance:
 - (i) the aggregate of the Company's indemnity to the Insured under all insurance policies shall not exceed the limit of indemnity of the insurance policy that was in force at the time the nature of the Employee's employment to which such Disease was due first affected the Employee; and
 - (ii) subject to the limitation of paragraph (b)(i) hereof, the Company's indemnity to the Insured under this Policy shall be limited to such proportion of the Insured's liability in respect of such Disease as that part of the Employee's period of employment falling within the Period of Insurance of this Policy bears to the total period of his employment to the nature of which such Disease was due.
- (c) If the occurrence of any Accident or Disease results in indemnity hereunder to more than one Insured, the limitations of the Company's liability specified in paragraphs (a) and (b) hereof shall apply to the aggregate of indemnity to all Insureds.
- (d) At any time after the occurrence of any Accident or Disease giving rise to a claim or claims against the Insured for which indemnity is provided under this Policy the Company may pay to the Insured the full amount of the Company's liability specified in paragraph (a) or (b) hereof (after the deduction of any sums already paid) or any lesser amount for which such claim or claims can be settled and shall relinquish the conduct of any defence settlement or proceedings relating to such claim or claims and shall not thereafter be responsible for any compensation damages or costs in respect thereof or for any costs or expenses whatsoever incurred by the Insured after the Company shall have relinquished such conduct or for any loss damage or expenses caused to the Insured in consequence of any act or omission of the Company in connection therewith or of the Company relinquishing such conduct.
- (e) If there should be any shortfall in the actual Earnings declared in accordance with paragraph (b) of INSURANCE PREMIUM of this Policy from the respective actual Earnings, the extent of the Company's Indemnity shall be reduced proportionately by the extent of under-insurance; and the balance shall be borne by the Insured himself. If no declaration of the actual Earnings by the Insured is received by the Company as prescribed, for the purpose of this clause the Earnings estimated by the Insured as at the commencement of the Period of Insurance shall be used in lieu of the actual Earnings that should have been declared to determine the extent of the under-insurance if any.

Jurisdiction Clause

The Company shall not be liable under the Policy in respect of judgments against the Insured which are not in the first instance delivered by or obtained from a court of competent jurisdiction of Hong Kong.

Exceptions

The Company shall not be liable under this Policy in respect of:

- (a) the Insured's liability to employees of contractors to the Insured;
- (b) any liability of the Insured which attaches by virtue of an agreement but which would not have attached in the absence of such agreement;
- (c) any sum which the Insured would have been entitled to recover from any party but for an agreement between the Insured and such party;
- (d) any liability arising from Pneumoconiosis or Mesothelioma or Noise-Induced Deafness;
- (e) the Insured's liability to any person who is not an employee of the Insured within the meaning of the Ordinance;
- (f) any late payment surcharge fines penalties or punitive aggravated or exemplary damages for which the Insured may become liable under the Ordinance or independently of the Ordinance;
- (g) any injury by Accident or Disease attributable to war invasion act of foreign enemy hostilities or warlike operation (whether war be declared or not) civil war mutiny rebellion revolution insurrection or military or usurped power;
- (h) any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - (i) nuclear weapons material;
 - (ii) ionising 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;
- (i) any injury by Accident or Disease where the Company has not been given sufficient notice of the institution of proceedings in a court or tribunal to enable the Company to be added as a party to the proceedings.

Avoidance of Certain Terms and Right of Recovery

If the Company is obliged by the Ordinance to pay an amount for which the Company would not otherwise be liable under this Policy the Insured shall forthwith repay such amount to the Company.

Insurance Premium

- (a) Prior to the commencement of the Period of Insurance, the Insured shall supply the Company with a declaration estimating the Earnings of the Employees employed in the Business during the Period of Insurance (which declaration is referred to herein as "the Estimated Earnings Declaration") on the basis of which a deposit premium becomes payable to the Company.
- (b) The Insured shall within ninety (90) days after the expiry of the Period of Insurance or upon cancellation of the Policy supply the Company with a completed Premium Adjustment and Declaration of Earnings Form stating the actual Earnings of Employees during the Period of Insurance (which declaration is referred to herein as "the Actual Earnings Declaration"). If the actual Earnings shall differ from the estimated Earnings the difference in premium shall be met by a further proportionate adjustment premium to be paid to the Company or by a premium refund to the Insured as the case may be.
- (c) It is hereby declared that the Premium payable by the Insured in consideration of the indemnity provided under this Policy is the sum of the deposit premium and the adjustment premium calculated pursuant to paragraphs (a) and (b) hereof.
- (d) The name Hong Kong Identity Card number class of employment and Earnings of every Employee of the Insured employed in the Business from time to time during the Period of Insurance shall be properly recorded by the Insured and retained in a safe place so that a record exists of all persons who are Employees of the Insured for the purposes of this Policy and the Insured shall at all reasonable times allow the Company to inspect and obtain copies of such records.

Claims settlement conditions

- (a) **Claims Notification Demands etc.** In the event of any occurrence which may give rise to a claim under this Policy the Insured shall immediately give notice thereof in writing to the Company with full particulars.

The Insured shall also give the Company notice in writing immediately the Insured becomes aware of any intention to prosecute the Insured any impending prosecution inquest or fatal inquiry in connection with any occurrence which may give rise to a claim under this Policy. Every letter claim writ summons and process shall be forwarded to the Company immediately on receipt.

- (b) **Claims Control by the Company.** The Company shall be entitled upon notice to the Insured to take over and conduct in the Insured's name the defence or settlement of any claim demand or proceedings against the Insured. In that event:
- (i) the Insured shall provide all such information and assistance including the latest earnings of all employees duly certified as being correct by an independent auditor and forward all such documents and other records to the Company for the conduct of such claim demand or proceedings as the Company in its discretion may from time to time require; and
 - (ii) the Insured shall not without the written consent of the Company incur any expenditure in connection with any such claim demand or proceedings or make any payment admission offer or enter into any settlement whatsoever.
- (c) **Claims Payments by the Insured.** Where the Insured pays all or any part of a claim for which he is liable and for which indemnity is provided by this Policy the Insured shall obtain duly witnessed signed receipts for such payments and shall retain in a safe place all such signed receipts and records and documents relating to such payments and the Insured shall at all reasonable times allow the Company to inspect and obtain copies of such records and documents.
- (d) **Other Insurance.** If at the time a claim is made by the Insured under this Policy there is any other insurance covering the same liability the Company shall not be liable to pay or contribute more than its ratable proportion of any such claim and costs and expenses in connection therewith.
- (e) **Waiver of Claims.** The Insured shall not become a party to any agreement the effect of which is that the Insured waives any claim which the Insured would otherwise have against any person in respect of or arising out of any occurrence resulting in liability on the part of the Insured for which indemnity is provided by this Policy or whereby any such claim is limited or qualified in any way.
- (f) **Subrogation.** The Company shall be entitled at its sole discretion to prosecute in the name of the Insured any claim for damages costs indemnity contribution or otherwise against any person who may be liable to the Insured in respect of any liability on the part of the Insured for which indemnity is provided by this Policy and shall have full discretion in the conduct of any such proceedings and in the settlement of any such claim. The Insured shall give all such information and assistance as the Company may from time to time require and execute any necessary documents for the purpose of vesting such rights in the Company. Any moneys recovered pursuant to the exercise of such rights shall be applied firstly for the benefit of the Company to the extent of the amount paid by the Company in respect of any claim including any costs and expenses paid or incurred by the Company and costs and expenses incurred in prosecuting such recovery action.

General Conditions

- (a) **Notices.** Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company and in the case of notice or communication to the Insured to his address specified in the Schedule.
- (b) **Precautions.** The Insured shall take all reasonable precautions to prevent Accidents and Diseases and shall comply with all relevant statutory requirements and obligations including but not limited to the provisions of the Factories and Industrial Undertakings Ordinance (Chapter 59 of the laws of Hong Kong) and any Regulations Rules or Notices issued made or promulgated thereunder.
- (c) **Changes in Risk.** The Insured shall immediately notify the Company in writing of any material change in the risk insured hereunder made by the Insured or any other person during the Period of Insurance including but not limited to:
- (i) any merger with or acquisition of another company or business;
 - (ii) the Insured or any subsidiary or holding company of the Insured being placed in voluntary liquidation receivership or liquidation or entering into a composition with its creditors or being unable to pay its debts from its own resources; or
 - (iii) any material change in the nature of the Business or in the number of the Insured's Employees.
- (d) **Right of Inspection.** The Company shall have the right and opportunity at all reasonable times to inspect the works machinery plant and appliances used in the Business.
- (e) **Assignment.** No assignment of interest under this Policy shall bind the Company unless the written consent of the Company is first obtained and endorsed hereon.

- (f) **Cancellation.** This Policy may be cancelled by the Company or the Insured by written notice of cancellation from one party to the other. Cancellation shall take effect seven (7) days after the date of posting the notice of cancellation and in such event the Premium shall be adjusted in accordance with the provisions of "Insurance Premium".
- (g) **Arbitration.** All differences arising out of this Policy shall be determined by arbitration in accordance with the Arbitration Ordinance as amended from time to time. If the parties fail to agree upon the choice of the arbitrator, then the choice shall be referred to the Chairman for the time being of the Hong Kong International Arbitration Centre. It is expressly stipulated that it shall be a condition precedent to any right of action or suit upon this Policy that an arbitration award shall be first obtained. If the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve calendar 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.
- (h) **Governing Law.** This Policy is subject to the exclusive jurisdiction of Hong Kong and is to be construed according to the laws of Hong Kong.

General Exclusions

(Applicable to all Sections)

The Company shall not be liable in respect of:

1. Any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - a) Nuclear weapons material;
 - b) Ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear and for the purposes of this exclusion combustion shall include any self-sustaining process of nuclear fission.
2. Any accident, loss, damage, expense, liability or bodily injury occasioned by or through in consequence directly or indirectly of:
 - a) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
 - b) mutiny; riot; military or popular uprising; insurrection; rebellion revolution; military or usurped power; martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege;
In any action suit or other proceeding where the Company alleges that by reason of the provisions of this General Exclusion 2 any accident; loss; damage; expense; liability or bodily injury is not covered by this Policy; the burden of proving that such accident; loss; damage; expense; liability or bodily injury is covered shall be upon the Insured.
3. Any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from pressure waves caused by aircraft and other aerial devices.
4. Any judgments which are not in the first instance delivered by or obtained from a court of competent jurisdiction within Hong Kong.
5. Any accident; loss; damage; expense; liability or bodily injury occasioned by or through in consequence directly or indirectly of confiscation; commandeering; requisition or destruction of or damage to the property insured by order of the Government de jure or area in which the Insured Premises is situated.
6. Consequential loss or damage of any kind except as provided in Section II.

General Conditions

(Applicable to all Sections)

1. This Policy and the Schedule hereto shall be read together and any word or expression to which a specific meaning has been attached in any part of the Policy or of The Schedule shall bear such meaning wherever it may appear.
2. The Insured shall exercise all reasonable precautions for maintenance and safety of the property insured.
3. In the event of any happening which may give rise to a claim under this Policy; the Insured or his personal representative;
 - a) shall give notice as soon as possible in writing to the Company;
 - b) if there has been theft or any attempt thereat; shall give notice to the Police as soon as possible;
 - c) shall at his own expense supply the Company with full particulars in writing as soon as possible and in any case not later than thirty days after the occurrence of the loss or damage;
 - d) shall if a claim may arise under Section III and /or V; send to the Company any writ; summons or

other legal process issued or commenced against and received by The Insured and shall give all necessary information and assistance to enable the Company to settle or defer any claim or to institute proceedings;

- e) shall not incur any expense in making good any loss or damage without the written consent of the Company and shall not negotiate; pay; settle; admit or repudiate any claim without the like consent;
 - f) shall at his own expense give the Company all such records; books of account or documents or other such information as the Company may reasonably require for investigating or verifying a claim.
4. The Company shall be entitled:
- a) on the happening of any loss or damage for which indemnity is provided under Section I; II and/or IV to by its representatives enter any building where the loss or damage has happened and to take and keep possession of the property insured and to deal with salvage in a reasonable manner and this Policy or any copy thereof certified by the Company shall be proof of leave and licence for such purpose but no property may be abandoned to the Company;
 - b) to undertake in the name and on behalf of The Insured the absolute conduct; control and settlement of any proceedings instituted by a third party against The Insured or The Insured's personal representative in respect of any liability covered by this Policy;
 - c) to take proceedings at its own expense and for its own benefit; but in the name of The Insured; to recover compensation or secure indemnity from any third party in respect of anything covered by this Policy;
 - d) to pay at anytime to The Insured the Limit of Liability under Section III or any lesser amount for which any claims or claims can be settled and upon such payment the Company shall relinquish conduct and control of and be under no further liability under that Section in connection with such claim or claims except for costs and expenses recoverable from The Insured or incurred with the written consent of the Company in respect of the conduct of such claim or claims before the date of such payment.
5. If at any time of any happening giving rise to any loss, damage, expense or liability for which indemnity is provided under this Policy, there shall be any other insurance against such loss, damage, expense, or liability or any part thereof the Company shall not be liable for more than its ratable proportion thereof.
6. If any claim under this Policy shall be in any 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, all benefits hereunder shall be forfeited.
7. Unless otherwise expressly stated nothing contained herein shall give any rights against the Company to any person other than the Insured. Further to the Company shall not be bound by any passing of the interest of The Insured otherwise than by the death or operation of law unless and until the Company shall by endorsement declare the Insurance to be continued. The extension of the Company's liability in respect of the property of any person other than The Insured shall give no right of claim hereunder to such person; the intention being that The Insured shall in all cases claim for and on behalf of such person and the receipt of The Insured shall in any case absolutely discharge the Company's liability hereunder in respect of such loss.
8. This Policy may be cancelled at the request of The Insured by giving seven days notice in writing to the Company and the Premium shall be adjusted on the basis of the Company receiving or retaining the customary short term premium or minimum premium. The Policy may also be cancelled by the Company giving seven days notice in writing to the Insured at his last known address on the Premium shall be adjusted on the basis of the Company Receiving or retaining pro rata premium.
9. All differences arising out of this Policy shall be referred to the decision of an Arbitrator to be appointed by the parties in difference or if they cannot agree upon a single Arbitrator to the decision of the event of disagreement between the Arbitrator the differences shall be referred to the decision of an Umpire who shall have been jointly appointed in writing by the Arbitrator before entering on the reference. An award made following these proceedings shall be a condition precedent to any right of action against the Company. In the event that the Company disclaims liability to The Insured for any claim made under The Policy and such claim is not referred to arbitration within 12 calendar months from the date of such disclaimer; then the claim shall for all purpose be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
10. This Policy shall be subject to the exclusive jurisdiction of Hong Kong and shall be construed in accordance with the laws of Hong Kong.