



# **Business Select**

## (Accidental Damage) Silver Policy

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We welcome you as a Policyholder of Argus Insurance Company (Europe) Limited, Malta Branch. We are a locally incorporated Branch associated with the Argus Insurance Group offering you an extensive insurance service. Please read this Policy Booklet together with your Schedule. These set out the cover you have chosen, plus any limits that apply. If you are not satisfied with the details or the policy does not cover your needs, please return the Schedule to your insurance adviser.

Argus Insurance Company (Europe) Limited has its origins on the Rock of Gibraltar, dating back to 1841, and is fully licensed to act as an Insurance Company by the Gibraltar Financial Services Commission (GFSC), Number FSC00027B. Argus Insurance Company (Europe) Limited, is a registered company in Gibraltar bearing Company number 01862 and holds its registered office at Regal House, Queensway, Gibraltar.

### **Argus Insurance Company (Europe) Limited**

may be contacted at:

Unit G.04 West One,  
Europort Road, Gibraltar  
Telephone: (+350) 200 79520  
Fax: (+350) 200 70942

**The Malta Branch of Argus Insurance Company (Europe) Limited No. OC 1216 is registered in Malta and licensed by the Malta Financial Services Authority (MFSA) to act as a third country branch of Argus Insurance Company (Europe) Limited, registered in Gibraltar No. 01862, licensed by the Gibraltar Financial Services Commission.**

### **On receipt of your Policy**

To ensure that your Policy gives you the protection you need we recommend that you read it carefully and return it immediately if not in accordance with your requirements. The Policy Schedule specifies the Sections and sums insured you have selected; it is your evidence of insurance and may be required in the event of a claim. Remember also that even adequate insurance does not compensate completely for the worry and inconvenience that usually follow loss or accident. Please therefore take reasonable precautions. If you decide within 14 days of receipt that you do not wish to accept this Policy, return it and provided no claims have been made we will refund the premium.

### **Operation of Cover**

This Policy provides cover against loss, damage, injury and legal liability which will happen during the period of insurance for which we have accepted your premium. This Policy is a legally binding contract between you the Insured and Argus Insurance Company (Europe) Limited. The proposal made by you is the basis of and forms part of this contract. We will provide insurance within the terms of this Policy for those Sections specified in the Schedule in respect of events occurring during the period of insurance or any subsequent period for which you pay and we will agree to accept a renewal premium.



**Alex Bonavia - Managing Director P & C**

Argus Insurance Company (Europe) Limited

**IMPORTANT:** In the event of any occurrence likely to result in a claim under this insurance please contact Your local representative at the following address:

### **Argus Insurance Company (Europe) Limited**

Trident Park, 8B Level 5, Notabile Gardens,  
Mdina Road, Central Business District Zone 2,  
Birkirkara CBD 2010, Malta  
Tel: +356 2342 2000 Fax: +356 2342 2190  
claims@argus.mt www.argus.mt

## DATA PROTECTION AND HOW WE PROCESS DATA

Processing of personal data is regulated by the General Data Protection EU 2016/679 together with other laws which relate to privacy and electronic communications. In this clause, we refer to these laws as Data Protection Law"

During the course of our engagement with you it will be necessary for you to disclose certain personal data to us in order that we provide our services to you and to enable us to discharge the services agreed, to comply with related legal and regulatory obligations for other related purposes including updating and enhancing clients records and analysis for management purposes. This will require us to obtain, use, disclose and otherwise process personal data about you and, if applicable, your organisation, its shareholders members and/or officers and employees.

For clarity, Data Protection Law contemplates various grounds which may render processing of personal data lawful, including where it is necessary for a contract, mandate by law, it is in your legitimate interest (and does not override your policy, and/or if you give us your consent. Our Privacy Notice (which can also be accessed at [www.argus.com.mt](http://www.argus.com.mt)) or provide to you in hard copy upon request, explains how we process personal data. In providing our services we act as an independent data controller and are, therefore responsible for complying with Data Protection Law in respect of any personal data we process. You are responsible for complying with Data Protection Law in respect of the personal data you process and, accordingly, where you disclose personal data to us you confirm and warrant that such disclosure is fair and lawful, that where applicable and necessary you have obtained lawful consent from others for you to pass on their personal data to us, to the Argus Group and third-parties to whom we disclose personal data (and for the Argus Group and said third-parties to share the personal data with us), and otherwise it does not contravene Data Protection Law. Noting within this document relieves you of your own direct responsibilities and liabilities under Data Protection Law Terms used in this clause bear the same meanings as are described to them in Data Protection Law. This clause does not apply to the extent that we act as a data processor for you I which case specific data protection instructions are to be signed between us.

### Basis Data Protection information

**Controller:** Argus Insurance Company (Europe) Limited, Malta Branch

**Purpose:** Management of Insurance Agreement, creation of profiles for suitable enforcement of the insurance agreement, integral and centralised management of the relation with Argus Group and delivery of information and advertising on ARGUS Group, and delivery of information and advertising on Argus Group products and services.

**Recipients:** Data may be communicated to third parties and/or data transfers may be made to third-party countries in the terms stipulated in the Additional Information.

**Rights:** You can exercise your rights of access, rectification, removal, limitations, objection and transferability, specified in the Additional Data Protection Information.



**SECTION 1 - ACCIDENTAL DAMAGE (PROPERTY)**  
**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

**INSURANCE**

The Company agrees (subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon) that if after payment of the first premium any of the property insured be accidentally physically lost destroyed or damaged other than by an excluded cause 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.

The Company will pay to the Insured the value of the property at the time of the happening of its accidental physical loss or destruction or the amount of such accidental physical damage (accidental physical loss destruction or damage being hereinafter termed 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 loss 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 therefore by memorandum hereon or attached hereto signed by or on behalf of the Company

**EXCLUSIONS APPLYING TO SECTION 1**

**A. EXCLUDED CAUSES**

This Section does not cover;

1. Damage to the property insured caused by:-
  - (a) (i) faulty or defective design materials or workmanship, inherent vice, latent defect, gradual deterioration, deformation 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, insects, marring, scratching, denting or chipping;

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

- (c) (i) theft 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) disappearance, unexplained or inventory shortage, misfiling or misplacing of information, shortage in supply or delivery of materials or shortage due to clerical or accounting error;
- (iv) cracking, fracturing, collapse or overheating of boilers, economisers, turbines or other 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) faulty construction, vibration or the removal or weakening of support;
- (vii) bursting, overflowing, discharging or leaking of water tanks apparatus or pipes when the premises are empty or disused;

unless

- (a) Damage by a cause not excluded in the Policy ensues and then the Company be liable only for such ensuing Damage;
  - (b) 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 sided buildings or to fences and gates;

(v) the freezing, solidification or inadvertent escape of molten material.

(e) the process of manufacture, testing, repairing, restoring, alteration or renovation.

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.

## **B. EXCLUDED PROPERTY**

This Section does not cover:-

1. (a) stamps, bonds, cheques, money, credit cards, securities of any description, jewellery, precious stones, precious metals, bullion, furs, curiosities, rare books or works of art unless specifically mentioned as insured by this Section and then only in respect of the perils specified above.

(b) glass (other than fixed glass), china, earthenware, marble or other fragile or brittle objects.

(c) electronic installations, computers and data Processing equipment

but this shall not exclude Damage (not otherwise excluded) caused by fire, lightning, explosion, aircraft, riot, strikers, locked-out workers, persons, taking part in labour disturbances, malicious persons, impact by any road vehicle or animals, earthquake, windstorm, flood, bursting, overflowing, discharging or leaking of water tanks, apparatus or pipes.

2. Unless specifically mentioned as insured by this Section goods held in trust or on commission, documents, manuscripts, business books, computer systems, records, patterns, models, moulds, plans, designs, 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 unless specifically mentioned as insured by this Section;

(c) property or structures in course of demolition construction or erection and materials or supplies in connection therewith;

- (d) 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 underground off-shore property ;
  - (e) livestock, growing crops, plants or trees;
  - (f) property damaged as a result of its undergoing any process;
  - (g) machinery during installation, removal or resiting (including dismantling and re-erection) if directly attributable to such operations;
  - (h) property undergoing alteration, repair, testing, installation or servicing including materials and supplies therefore if directly attributable to the operations of work being performed thereon unless Damage by a cause not otherwise excluded ensues and then the Company will be liable only for such ensuing loss;
  - (i) property more specifically insured;
4. Damage to property which at the time of the happening of such Damage is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected.
5. 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.

## MEMORANDA

The following Memoranda shall apply to and form part of this Section

### **ARG - MEMO (PROP) 001 - Temporary Removal (Documents)**

The Insurance by this Section applying wholly or partly to deeds and other documents (including stamps thereon) manuscripts, plans and writings of every description and books (written and printed) extends to cover such property for an amount not exceeding 10% of the value thereof, whilst temporarily removed to other premises not in the Insured's occupation and whilst in transit by road, rail or inland waterway all in Malta.

### **ARG - MEMO (PROP) 002 - Temporary Removal**

The property insured by this Section (other than any stock in trade or merchandise) is covered in respect of the perils hereby insured whilst temporarily removed for cleaning, renovation, repair or other similar purposes elsewhere on the same premises or to any other premises in the Maltese Islands and in transit thereto and therefrom by road, rail or inland waterway.

Provided always that :

1. The amount recoverable under this extension in respect of each Item shall not exceed the amount which would have been recoverable had the loss occurred in the part of the premises from which the property is temporarily removed nor, in respect of any loss occurring elsewhere than at the said premises, 10% of the sum insured after deducting therefrom the value of any building (exclusive of fixtures & fittings), stock in trade or merchandise hereby insured.
2. This Extension does not apply to property if and so far as it is otherwise insured.
3. As regards losses occurring elsewhere other than at the premises from which the property is temporarily removed this extension does not apply to:-
  - a) motor vehicles and motor chassis licensed for normal road use;
  - b) property held by the Insured in trust, other than machinery and plant.

#### **ARG - MEMO (PROP) 003 - Workmen**

Workmen and or Tradesmen are allowed in or about the premises insured hereby for maintenance purposes and or effecting repairs and minor alterations without prejudice to this Insurance.

#### **ARG - MEMO (PROP) 004 - Architects', Surveyors' and Consulting Engineers' Fees**

The insurance by each Item on buildings, plants/machinery, stocks and all other contents includes an amount in respect of architects', surveyors', legal and consulting engineers' fees necessarily incurred in the reinstatement of the property insured consequent upon its destruction or damage by any peril hereby insured against, it being understood that the amount payable for such fees shall not exceed those authorised under the scale of the various institutions regulating such charges prevailing at the time of the destruction or damage.

#### **ARG - MEMO (PROP) 005 - Capital Additions**

The insurance by each Item on buildings and plant/machinery includes an amount in respect of additions and extensions to the property insured by the said Items (but not appreciation in value in excess of the sums insured), if the Insured undertakes to advise such additional insurance every six months and to pay the additional premium required from the date of inception thereof.

The limit of the Company's liability under this Memorandum (unless otherwise stated herein) shall be the lesser of either 10% of the sum insured by the Item concerned or € 250,000. Following advice to the Company of any such additional insurance the provisions of this Memorandum are fully reinstated.

**ARG - MEMO (PROP) 006 - Debris Removal**

The insurance by each item on buildings, plant/machinery, stocks and all other contents extends to include 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 the said items destroyed or damaged by any peril hereby insured against.

The liability of the Company in respect of any Item shall not be increased above the sum insured by the operation of this Memorandum.

**ARG - MEMO (PROP) 007 - Designation**

For the purpose of determining where necessary the Column Item or Heading under which any property is insured, it is agreed by the Company to accept the designation under which such property has been entered in the Insured's books.

**ARG - MEMO (PROP) 008 - Public Authorities**

The insurance by each item on buildings and plant/machinery extends to include such additional cost of reinstatement of the destroyed or damaged property thereby insured as may be incurred solely by reason of the necessity to comply with building or other regulations under of framed in pursuance of any Act of Parliament, provided that :-

- (i) the amount recoverable under this extension shall not include:-
  - a) the cost incurred in complying with any of the aforesaid regulations:-
    - (1) in respect of destruction or damage occurring prior to the granting of this Extension;
    - (2) in respect of destruction or damage not insured by this Section;
    - (3) under which notice has been served upon the insured prior to the happening of the destruction or damage;
    - (4) in respect of undamaged property or undamaged portions of property.

- b) the additional cost that would have been reduced to make good the property damaged or destroyed to a condition equal to its condition when new, had the necessity to comply with any of the aforesaid regulations 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 or by the owner thereof, by reason of compliance with any of the aforesaid regulations.
  - (ii) the work of reinstatement must be commenced and carried out with reasonable dispatch and in any case must be completed within twelve months after the destruction or damage, or within such further time as the Company may (during the said twelve months) in writing allow, and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Company under this extension not being thereby increased.
  - (iii) If the liability of the Company under any Item apart from this extension shall be reduced by the application of any of the terms and conditions of the Policy, then the liability of the Company under this Extension in respect of any such Item shall be reduced in like proportion.
  - (iv) the total amount recoverable under any Item after the application of this Clause shall not exceed the sum insured thereby.
  - (v) all the conditions of the Policy except in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

**ARG - MEMO (PROP) 009 - Public Utilities**

The insurance by this Section extends to cover telephone, gas, water and electric instruments, meters, piping, cabling and the like and accessories thereof, including similar property in adjoining yards or roadways or underground, all the property of the Insured or of others for which the Insured are responsible.

**ARG - MEMO (PROP) 010 - Purchasers' Interest**

If at the time of destruction or damage to any buildings hereby insured the Insured shall have contracted to sell his interest in such building and the purchase shall not have been but shall be thereafter completed the purchaser on the completion of the purchase if any so far as the property is not otherwise insured by or on behalf of the purchaser against such destruction or damage shall be entitled to the benefit of this Section so far as it relates to such destruction or damage without prejudice to the rights and liabilities of the Insured or the Company under this Section up to the date of completion.

**ARG - MEMO (PROP) 011 - Rent**

Any insurance on rent applies only if the building(s) or any part thereof is unfit for occupation in consequence of its destruction or damage and than 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.

**ARG - MEMO (PROP) 012 - Tenants Improvements**

The insurance by each item on buildings and machinery is understood to include tenants improvements, alterations and decorations for which the Insured is responsible.

**ARG - MEMO (PROP) 013 - Tenants Non-Invalidation**

This Section shall not be invalidated by reason of anything being done or omitted to be done in respect of any portion of the premises insured hereunder not occupied by the Insured, whether constituting an increase in risk or not, provided that the Insured immediately they become aware thereof, shall inform the Company thereof and pay such additional premium as the Company may reasonably require.

**ARG - MEMO (PROP) 014 - Contract Price**

In respect only of goods sold, but not delivered, for which the Insured is responsible and with regard to which under the conditions of the sale, the sale contract is by reason of the destruction or damage cancelled, either wholly or to the extent of the loss or damage, the liability of the Company shall be based on the contract price, and for the purpose of Average the value of all goods, to which the clause would in the event of loss or damage be applicable, shall be ascertained on the same basis.

**ARG - MEMO (PROP) 015 - Reinstatement Value - 85% Condition**

In the event of the property insured (when marked "R" )except as detailed below, (other than stock-in-trade or merchandise, motor vehicles, employee's personal effects or pedal cycles) being destroyed or damaged the basis upon which the amount payable under the item concerned is to be calculated, shall be the reinstatement of the property destroyed or damaged at the time of Reinstatement, subject to the following Special Provisions and subject also to the terms and conditions of the Policy except insofar as the same may be varied hereby.

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

The carrying out of the after mentioned work namely:-

- (a) Where property is destroyed the rebuilding 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.

This clause does not apply to the insurance of Stock nor to the insurance of motor vehicles or motor chassis or of employees', directors' or visitors' property, but shall apply to tools used on the Insured's behalf by the Insured's employees' at the premises.

### **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 Section if this memorandum has 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 Section if this memorandum had not been incorporated herein 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 eighty-five percent of 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 commencement of any loss or destruction of or damage to such property hereby insured against 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 and shall bear a rateable proportion of the loss accordingly.

5. No payment beyond the amount which would have been payable if this memorandum had not been incorporated herein shall be made if at the time of any loss or destruction of or damage to any property insured hereunder such property shall be covered by another 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 if this memorandum had not been incorporated herein the rights and liabilities of the Company and the Insured in respect of the loss 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 herein.

**ARG - MEMO (PROP) 016 - Automatic Reinstatement of Sum Insured Following a Loss**

In consideration of the Insured undertaking to pay an additional premium at the agreed rate on the amount of the loss calculated on pro-rata basis from the date of such loss to the expiry of the current period of insurance it is agreed that in the event of a indemnifiable loss the insurance hereunder shall be maintained in force for the full sum insured.

**ARG - MEMO (PROP) 017 - Drains**

The insurance under the Section extends to cover expenses necessarily incurred by the Insured in clearing, cleaning and/or repairing drains, gutters, sewers and the like in consequence of any of the Perils hereby insured against.

**ARG - MEMO (PROP) 018 - Tenants Liability**

The insurance under this Section extends to cover buildings and landlords fixtures and the like for which the insured may be legally liable as tenant but not as owner in consequence of any of the perils hereby insured against.

**ARG - MEMO (PROP) 019 - Extensions**

Except where specifically insured by the buildings and/or contents of :-

- (a) outside buildings, annexes, gangways and conveniences ;
- (b) extensions communicating with any of the building(s) described herein ;

are insured under the respective Column Heading and/or Item applying to the building(s) to which such property is attached or belongs.

**ARG - MEMO (PROP) 020 - Stock Declaration Clause**

Whenever a sum insured is marked (“D”) in the Schedule to Section 1, the item to which it relates is subject to the Stock Declaration Clause, and it is agreed that the premium paid thereon is only provisional and is subject to adjustment on expiry of the Period of Insurance.

The Insured undertakes to supply the Company with declarations of the total value at risk on the last day of each month or within thirty days thereafter and to pay premium on the average thereof at the rate per cent. per annum applicable. (If a declaration be not so given the Insured shall be deemed to have declared the maximum sum insured as the value). Such average shall be calculated by dividing the total of the sums declared by the number of declarations but shall in no case be deemed to be less than the sum of all losses payable under the said item.

The provisional premium shall be adjusted accordingly by the payment of an Additional Premium by the Insured or of a Return Premium by the Company as the case may be, subject to a minimum premium of 66% of the provisional premium.

## **ARG - MEMO (PROP) 021 - Electrical Clause**

The Company is expressly declared to be free from liability for loss of or damage to any electrical machine or apparatus, or part thereof, or to any portion of the electrical installation, arising from or occasioned by over running, excessive pressure, short-circuiting self-heating or leakage of electricity, including lightning from whatever cause arising.

Provided that this Extension shall only apply to such part of the particular electrical machine, apparatus or portion of the electrical installation as may be so affected, and not to other part or to other machines, apparatus or electrical installation destroyed or damaged by fire set up by such particular machine, apparatus, or other electrical installation.

## **EXTENSIONS**

The following Extensions apply to and form part of this Section.

### **ARG - PROP (EXT) 001 - Impact of Vehicles**

The cover granted by this Section is deemed to be extended to include loss damage or destruction arising from or occasioned by impact by vehicles, cranes, forklifters or other mechanical plant owned by the insured or in his care custody or control.

### **ARG - PROP (EXT) 002 - Walls Gates Fences etc**

The cover granted by this Section is extended to include loss or damage to immovable property in the open including but not limited to fences, gates, boundary walls, furniture, fixtures and fittings, aerials, satellite dishes, masts or antenna landscaping and other outdoor furniture arising from all contingencies covered under this Section but excluding theft unless accompanied by forcible or violent entry or exit.

### **ARG - PROP (EXT) 003 - Foundations Driveways etc**

it is hereby understood and agreed that the definition of Buildings is deemed to be extended to include foundations, driveways, pavements and roads within the confines of the insured's premises.

### **ARG - PROP (EXT) 004 - Maintenance, Repairs & Refurbishments**

The cover granted by this Section is extended to include loss damage or destruction to Buildings, Fixtures and Fittings arising from through or directly in consequence of any operations of maintenance, refurbishment and alterations excluding any electrical, plumbing and civil engineering works and any works including load bearing structures.

## **ARG - PROP (EXT) 005 - Refilling of Fire Extinguishers**

The cover granted by this Section is extended to include the cost of refilling fire extinguishing/suppression appliances/systems and other extinguishing expenses following accidental discharge or otherwise and subject to a maximum limit of € 2,500.

## **ARG - PROP (EXT) 006 - Exhibitions, Seminars etc.**

The cover granted by this Section is extended to operate anywhere within the Maltese Islands in respect of any activities including but not limited to participation in fairs, exhibitions, seminars, courses and symposiums carried out by the Insured or otherwise in the course of the Business subject to a limit of € 2,500 any one loss.

The cover granted by this extension however excludes:

- loss or damage occurring whilst the items are in an unattended vehicle.
- loss or damage occurring whilst the items are unattended unless kept in a locked building or room.
- loss or damage from any cause whatsoever whilst the said items are installed or carried in or on aircraft or aerial devices or waterborne vessels or craft.

## **ARG - PROP (EXT) 007 - Fire and Police Department Charges**

The cover granted by this Section is extended to include expenses charged by the Police and Fire Department as a result of a loss covered by this Section up to a maximum limit of € 5,000.

## **ARG -PROP (EXT) 008 - Underground Property**

The cover granted by this Section is extended to include loss or damage to insured property held in basements and the like subject to this property being kept on shelving at least 12 inches off the ground.

## **ARG - PROP (EXT) 009 - Concealed Pipes - Traces Access and Repairs**

In the event of damage to the Premises caused by water or gas escaping from a pipe concealed in a wall floor or ceiling thereof or in the ground at the land belonging thereto this Section extends to cover the cost of work carried out in locating the point of escape, repairing or replacing the defective section of pipe and making good. The Company's liability in respect of this cover is limited to € 2,500 any one loss and in the aggregate in the period of insurance.

**ARG - PROP (EXT) 010 - Fire Extinguishing Costs**

The insurance by this Section is extended to include costs and expenses necessarily incurred by the Insured for the purpose of extinguishing fire at or in the vicinity of property insured by this Section or threatening to involve such property or for the purpose of preventing imminent damage to property insured by this Section, including damage to property insured by this Section including damage to gain access.

Limit of the Company's liability under this memorandum is € 1,000 each and every loss and in the aggregate in the period of insurance. Cover is provided subject to normal Deductible noted in the Schedule.

**ARG - PROP (EXT) 011 - Time Clause**

If the loss or damage insured by a single peril covered under this Section occurs during any continuous period up to 72 hours such loss or damage will be considered to have been caused by one occurrence in respect of each and every location.

**ARG - PROP (EXT) 012 - Salvage Clause**

Notwithstanding anything contained herein to the contrary, the Company agrees that they shall not sell or otherwise dispose of any property, which is the subject of a claim hereunder without the written consent of the Insured, provided:

- a) the Insured can establish to the satisfaction of the Company that to have done so would have been prejudicial to their interests. In such event the Insured agrees to allow the Company to deduct from the amount of any claim any amount equivalent to the intrinsic value of such property of the Insured.
- b) if a) is not satisfied, the Company agrees to give the Insured first option to repurchase such property at its fair intrinsic value.

**ARG - PROP (EXT) 013 - Definitions**

The term 'buildings' includes:

Landlord's interior and exterior fixtures and fittings piping, ducting, cables etc. outbuildings, annexes, gangways and conveniences extensions communicating with any of the buildings Walls (boundary or otherwise), gates and fences.

The term 'contents' includes:

Contents of outbuildings, annexes, gangways and conveniences contents of extensions contents in open yards.

**ARG - PROP (EXT) 014 - Sue and Labour**

In the case of actual or imminent Damage covered by this Section to the Property Insured, a claim may be made for the cost of safeguarding such property.

Provided that :-

- the Company's liability in any Period of Insurance under this Endorsement is limited to 25% of the relevant Limit of Liability noted in the Schedule to Section 1;
- claims under this Endorsement are subject to the relevant Excess as stated in the Schedule to Section 1.

**SUPPLEMENTARY EXTENSIONS**

In consideration of an additional premium paid hereon the following Extensions shall apply only if they are specifically noted on the Policy Schedule.

**ARG - PROP (SUP) 001 - All Other Contents**

It is agreed that the term "All Other Contents" is understood to include :-

- (a) Money and Stamps (other than National Insurance Stamps) for an amount not exceeding € 350.
- (b) National Insurance Stamps (including any liability for destruction or damage by fire and any other peril hereby insured against established upon the Insured for such stamps affixed to cards), unless more specifically insured, for an amount not exceeding € 350.
- (c) Documents, Manuscripts, Business Books and Computer System Records, but only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records and not for the value to the Insured of the information contained therein, and excluding any expenses in connection with the production of information to be recorded therein for an amount not exceeding € 350 in respect of any one Document, Manuscript, Business Book or Computer System Record.
- (d) Patterns, Models, Moulds, Plans and Designs, for an amount not exceeding € 350 in respect of any one Pattern, Model, Mould, Plan or Design or set of same.

and so far as the same are not otherwise insured.

- (e) Employees' Pedal Cycles and other Personal Effects for an amount not exceeding € 350 in respect of any one Pedal Cycle and € 350 in respect of the other Personal Effects of any one Employee.

## **ARG - PROP (SUP) 002 - Fluctuations in Electrical Supply**

The cover granted by this Section extends to indemnify the insured in respect of loss of or damage to equipment as a result of lightning or overvoltage if the electronic equipment is fitted with lightning or overvoltage protection devices and alarm systems and that these have been installed and maintained in accordance with the recommendations of the manufacturer of the equipment and the lightning and overvoltage protection devices.

This means that the lightning and overvoltage protection devices and alarm system

- are regularly serviced by a qualified personnel of the manufacturer or supplier.
- are kept under supervision by trained personnel.
- are provided with automatic switch off devices complying with the latest requirements for equipment and the manufacturer's recommendations.

## **ARG - PROP (SUP) 003 - Glass**

The cover granted by this Section is extended to include accidental loss of or damage to fixed glass, signs, mirrors and sanitary ware subject to a limit of € 1,000.

This extension includes cover for boarding or propping up broken glass subject to a limit of € 500. Cover includes damage to goods displayed or property damaged as a result of broken glass subject to a limit of € 500.

## **ARG - PROP (SUP) 004 - Internal Transit**

It is hereby understood and agreed that notwithstanding anything contained herein to the contrary the interpretation of transit within the premises shall also include yards, car parks and open spaces within the confines of the premises and in the immediate surroundings.

The cover granted by this extension is subject to a maximum limit of € 2,500.

## **ARG - PROP (SUP) 005 - Overtime, Express Freight etc.**

The cover granted by this Section is extended to cover extra charges for overtime, night work, work on public holidays and express freight (including airfreight) subject to a limit of € 2,500.

Provided always that such charges are incurred in connection with any loss of or damage to the insured items recoverable under the policy.

If the sum(s) insured of the damaged item(s) is (are) less than the amount(s) required to be insured, the amount payable for such extra charges shall be reduced in the same proportion.

## **ARG - PROP (SUP) 006 - Accidental Discharge of Fire Extinguishing Appliances**

The cover granted by this Section is extended to include loss damage or destruction due to the accidental discharge/leakage of fire extinguishing/suppression appliances. The cover also extends to cover any clean-up costs subject to a limit of € 3,500.

## **ARG - PROP (SUP) 007 - Moveable Property in the Open**

The cover granted by this Section is extended to include loss or damage to movable property in the open (subject to a limit of € 3,500) arising from all contingencies covered under this Section but excluding theft unless accompanied by forcible or violent entry or exit.

## **ARG - PROP (SUP) 008 - Replacement of Locks and Keys**

The indemnity granted under this Section is extended to cover replacement of locks and keys following Theft of keys up to € 2,500 each and every loss and in the aggregate in the period of insurance.

## **ARG - PROP (SUP) 009 - Loss of Metered Water**

This Extension is deemed to include loss of metered water for which the Insured is charged by the Water Authority following loss of or damage to the buildings and/or contents of the insured premises caused by all risks of physical loss or damage occurring during the insured period subject to a limit of € 1,000 each and every loss and in the aggregate in the period of insurance.

## **ARG - PROP (SUP) 010 - Property in Transit**

The indemnity granted under this Section is extended to cover the movement of Insured property within the Maltese Islands including towing, loading and unloading or otherwise and subject to a limit of € 1,000.

The cover granted by this extension however excludes:

- loss or damage occurring whilst the items are in an unattended vehicle.
- loss or damage occurring whilst the items are unattended unless kept in a locked building or room.
- loss or damage from any cause whatsoever whilst the said items are installed or carried in or on aircraft or aerial devices or waterborne vessels or craft.



**ARG - PROP (SUP) 011 - Additional Perils**

The indemnity granted under this Section is extended to cover loss or damage to fixtures and fittings in the open arising from loss of or damage caused by wind, rain, hail, frost, flood, sand or dust covered under the Section as long as such items are fit to withstand the elements.

**ARG - PROP (SUP) 012 - Theft Extension**

The indemnity granted under this Section is extended to cover loss of or damage to computers and data processing equipment caused by theft following forcible or violent entry to or exit from the insured premises or any attempt thereat.

**ARG - PROP (SUP) 013 - Terrorism Extension**

Notwithstanding anything contained herein to the contrary and subject otherwise to the terms conditions and limitations of this Policy this Section shall not exclude any act of Terrorism provided that such act is not directly or indirectly caused by, or contributed to by, resulting from or arising out of or in connection with biological, chemical, or nuclear pollution or contamination.

Provided that:-

- the Company shall not pay more than € 500,000 or the total sum insured whichever is the lower in respect of any one act in any one Period of Insurance.

**ARG - PROP (SUP) 014 - Payment on Account**

It is hereby understood and agreed that where liability under this Section is admitted the Insured shall be entitled to receive payment(s) as agreed between the Insured and the Company in advance of final settlement.

**ARG - PROP (SUP) 015 - Watchman**

It is hereby understood and agreed that the Company will reimburse the reasonable costs necessarily incurred by the Insured in employing watchmen to guard any property insured following an occurrence insured by this Section.

## **SECTION 2 - THEFT**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

### **INSURANCE**

If any of the Property Insured described in the Schedule suffers Damage at the premises by Theft the Company will in accordance with the provisions of the insurance pay to the Insured the amount of loss or at its option reinstate or replace such property provided that the Company's liability in any one Period of Insurance shall not exceed in the whole the total sum insured or in respect of any item its sum insured. For the purpose of this insurance Damage shall mean loss destruction or damage caused by:

**THEFT** (which shall be deemed to include attempted theft) excluding Damage

- 1) Which does not involve
  - Entry to or exit from that part of the building occupied by the Insured for the purpose of the business by forcible and violent means

or

- actual or threatened assault or violence
- 2) from any part of the building not occupied by the Insured for the purpose of the business.
- 3) from the open or from any outbuilding
- 4) to property in transit
- 5) to Money and securities of any description

## **SECTION 3 - MONEY**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

### **INSURANCE**

The Company will indemnify the Insured up to the Limit of Liability for any loss of or damage to the Money and property described in the Schedule occurring during the Period of Insurance within Malta and Gozo

provided that :-

- A) as regards damage to clothing and personal effects belonging to the Insured or any of the Insured's directors partners employees while engaged in the Business is due to robbery or attempt thereat.

- B) as regards to loss or damage to any postal franking machine safe strongroom or any container or waistcoat used for the carriage of Money belonging to the Insured or for which the Insured is responsible is due to theft or attempt thereat.
- C) the Company's liability in respect of any one occurrence or number of occurrences arising directly or indirectly from any one source or original cause shall not exceed the relevant Limit of Liability.

## **INTERPRETATIONS**

### **1. Money shall mean:**

- A) cash bank notes currency notes uncrossed cheques (including uncrossed giro cheques giro cash cheques and travellers cheques but excluding pre-signed blank cheques) uncrossed bankers' drafts uncrossed postal orders uncrossed money orders current postage stamps intended for the Insured's own use current revenue stamps telephone cards intended for the Insured's own use National Insurance stamps (not fixed to cards).
- B) crossed cheques (including crossed giro cheques and drafts but excluding presigned blank cheques) crossed bankers' drafts crossed postal orders crossed money orders unused units in franking machines credit company sales vouchers VAT purchase invoices belonging to the Insured or for which the Insured is responsible and pertaining to the Business.

### **2. Working Hours shall mean:**

the period during which the Business Premises are actually occupied for Business purposes and during which the Insured or those of the Insured's employees who are entrusted with Money are in the Business Premises or on the Insured's contract sites.

## **EXCLUSIONS**

The Company shall not be liable for

- 1) loss by theft by any director partner or employee of the Insured not discovered within seven working days of the occurrence ;
- 2) shortage due to error or omission or depreciation ;
- 3) loss from an unattended vehicle ;
- 4) loss due to the use of counterfeit Money ;
- 5) contents of machines operated by coins tokens or currency notes ;
- 6) Money in the custody or control of a professional carrier ;

- 7) Money (other than crossed cheques crossed postal orders and crossed money order) from any room left unattended and unlocked unless contained in a locked safe cupboard or desk of which the key has been removed from such room ;
- 8) Money belonging to guest or visitors.

## **SPECIAL CONDITIONS**

### **Security Precautions**

It is a condition of the Policy that

- A) whenever the Premises are left unattended
  - 1) all locks bolts and other protective devices are in full operation
  - 2) all keys (including those relating to any part of the Intruder Alarm System) other than keys to Safes or strongrooms containing money are
    - i) removed from the Business Premises ; or
    - ii) placed within a locked safe or strongroom the keys to which are themselves removed from the Business Premises.
- B) out of Working Hours all keys and notes of combination lock letters and numbers of safes and strongrooms containing Money are removed from the Business Premises.
- C) in respect of any Intruder Alarm System installed at the Business Premises
  - 1) a maintenance contract is maintained in force during the currency of the Policy with the installing contractor or such other contractor as is agreed in writing by the Company
  - 2) the Business Premises are not left unattended unless
    - i) the Intruder Alarm System is tested and set in its entirety and where the equipment permits any Central Station to which the Intruder Alarm System is connected has acknowledged the setting signal and
    - ii) as far as the Insured or his representative is aware the Intruder Alarm System is in full and efficient working order
  - 3) the agreement of the Company is obtained in writing before replacing extending or otherwise altering the Intruder Alarm System
  - 4) the Company is notified immediately and in writing if the Insured receives written notification from a Police Authority that they may be withdrawing response to alarm calls or

Failure to comply with the above conditions may result in a claim under Money Insurance not being paid or payment reduced

## **ADJUSTMENT**

Unless otherwise specified to the contrary in the Policy part of the Premium for this Section is based on the total amount of Money in Transit during the Period of Insurance. At the commencement of any Period of Insurance the Insured shall declare to the Company an estimate for the total amount of Money in Transit for the forthcoming Period of Insurance and the Company will collect a provisional Premium based thereon. The Premium will be adjusted at the end of the said Period of Insurance in accordance with General Condition - Adjustment.

## **SUPPLEMENTARY EXTENSIONS**

In consideration of an additional premium paid hereon the following Extensions shall apply only if they are specifically noted on the Policy Schedule.

### **ARG - MON (SUP) 001 - Personal Accident Assault Extension:**

In the event of the Insured or any director partner or employee of the Insured (hereinafter called the Insured Person) sustaining accidental Bodily Injury during the Period of Insurance which

A) is sustained solely and directly as a result of robbery or attempt thereof while such Insured Person is engaged in the Business

and

B) within two years is the sole cause of Death Disablement or incurring Medical Expenses for which the Benefit is claimed the Company will pay the appropriate Benefit to the Insured in accordance with the number of Units of cover as shown in the Schedule Bodily Injury does not include sickness or disease or any naturally occurring condition or degenerative process or the result of a gradually operating cause

## **EXCLUSIONS**

The Company will not pay the Benefit if

1. Bodily Injury is sustained by any person before such person attains the age of sixteen years or after the expiry of the Period of Insurance during which such person attains the age of seventy years
2. Bodily Injury Death Disablement or Medical Expenses is the result of or is contributed to by the Insured Person having a physical or mental defect of any sort which was known either to the Insured or the Insured Person when the Policy was issued or at renewal

However this exclusion shall not apply if the defect has been notified to the Company and accepted in writing

**This extension also excludes:**

1. Pregnancy, childbirth, miscarriage or abortion or any consequence thereof

**Interpretations**

1. Benefits shall mean
  1. Death  
Disablement
  2. Loss of one or more Limbs or Eyes
  3. Permanent Total Disablement other than by Loss of Limb or Eye from gainful employment of any and every kind
  4. Temporary Total Disablement from usual occupation
  5. Medical Expenses necessarily incurred in the treatment of the Insured Person

**2. The amount payable for each Unit of cover shall be:**

Benefit

1. € 5,000
2. € 5,000
3. € 5,000
4. € 50 per week for a maximum of 104 weeks in all and not necessarily consecutive
5. Reimbursement up to 15% of the amount payable under Benefit 4

**3. Loss of Limb shall mean**

- A) in the case of a leg loss by physical severance at or above the ankle or permanent total loss of use of a complete foot or leg
- B) in the case of an arm loss by physical severance of the entire four fingers through or above the metacarpophalangeal joints or permanent total loss of use of a complete arm or hand

**4. Loss of Eye shall mean permanent and total loss of sight which will be considered as having occurred**

- A) in both eyes if the Insured Person's name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist
- B) in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the Insured Person should see at 60 feet).

- 5. Medical Expenses shall mean the cost of medical surgical or other remedial attention treatment or appliances given or prescribed by a qualified member of the medical profession and all hospital nursing home and ambulance charges**

**Special Condition**

Benefits

- A) Benefit shall not be payable for any one Insured Person under more than one of the Benefits 1 to 3 in connection with the same occurrence of Bodily Injury
- B) On the happening of any occurrence giving rise to a claim under any of Benefits 1 to 3 this Section shall thereafter cease to apply to that Insured Person
- C) Total Disablement shall have lasted for 104 weeks and have been proved to the Company's satisfaction to be permanent and without expectation of recovery before Benefit 3 becomes payable
- D) The amount payable per week under Benefit 4 shall not exceed the Insured Person's preinjury weekly earnings from the Business
- E) No sum payable shall carry interest
- F) No Benefit shall be payable due solely to inability to take part in sports or pastimes

## **SECTION 4 - EMPLOYERS' LIABILITY**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

### **INSURANCE**

The Company will indemnify the Insured against liability at law for damages and claimant's costs and expenses in respect of Injury to any Employee caused within the Geographical Limits during any Period of Insurance and arising out of and in the course of employment by the Insured in the Business specified in the Schedule.

The Company will in addition pay all other costs and expenses incurred with its written consent.

### **LIMITS OF INDEMNITY**

The total amount payable by the Company for damages and all costs and expenses in respect of

- a) any and all claims arising out of one sudden occurrence or series of sudden occurrences consequent on or attributable to one source or original cause shall not exceed the Limit of Indemnity shown in the Schedule, irrespective of the number of Employees who may sustain Injury consequent on or attributable to the same source or original cause.
- b) all Injury caused during any one Period of Insurance, irrespective of the number of Employees who may sustain Injury, shall not exceed the Aggregate Limit of Indemnity corresponding to the Period of Insurance.

For the purpose of establishing the total amount payable by the Company in respect of one Period of Insurance, it is understood that for any claim where Injury is caused during a period which extends outside such Period of Insurance, the amount of damages, costs and expenses indemnifiable arising out of such a claim shall be limited to not more than the proportion of the total amount of damages, costs and expenses for the claim as the length of such Period of Insurance (or part thereof as applicable) bears to the total length of the period during which such Injury is caused.

### **DEFINITIONS**

1. Employee shall mean any individual under a contract of service or apprenticeship with the Insured in regard to whom the Insured has given notice of such employment to the competent public authorities, including such notice as is required to be given by fiscal and employment legislation.
2. Geographical Limits shall mean
  - a) The Territory defined in the Schedule
  - b) elsewhere in the world but only in respect of Employees away temporarily from the Territory in connection with the Business of the Insured



3. Injury shall mean bodily injury, disease, illness or any other physical or mental impairment or disorder
4. Proposal shall mean any signed proposal form and declaration and any information supplied by or on behalf of the Insured in addition thereto or in substitution therefor.

### **EXCEPTIONS**

The Company shall not be liable in respect of

1. the Insured's liability to Employees of contractors of the Insured.
2. any liability of the Insured which attaches by virtue of an agreement but which would not have attached in the absence of such agreement.
3. any sum which the Insured would have been entitled to recover from any party but for an agreement between the Insured and such party.
4. penalty clauses or fines or punitive or exemplary or aggravated damages resulting from the multiplication or compensatory damages.
5. any liability of the Insured to pay compensation to an Employee or to the legal personal representatives or dependants of an Employee by virtue of any legislation providing for workmen's compensation.
6. any injury by accident or disease sustained outside Malta.
7. This Policy does not indemnify the Insured in respect of liability within the terms of any collective agreement or of any legal notice issued under the Employment and Industrial Relations Act 2002 for payment of wages during the actual discharge of their duty.
8. It is hereby understood and agreed that this insurance shall not apply to and does not cover any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

### **EXTENSIONS**

The following Extensions apply to and form part of this Section:-

**ARG - EL (EXT) 001 - Insured's Representatives**

In the event of the death of the Insured and subject to the Limits of Indemnity in this Policy, the Company will indemnify the legal personal representatives of the Insured in respect of liability incurred by the Insured, provided that such personal representatives shall as though the Insured be subject to the terms of this Policy so far as they can apply.

**ARG - EL (EXT) 002 - Compensation for Court Awards**

In the event of any director, partner or employee of the Insured attending court as a witness at the request of the Company in connection with a claim in respect of which the Insured is entitled to Indemnity under this Policy the Company will provide compensation at the following rates for each day on which attendance is required:

1. any director or partner € 200 per day
2. any employee € 100 per day

Subject to a maximum aggregate limit in the Policy period of € 2,000

**ARG - EL (EXT) 003 - Employee to Employee Liability**

It is hereby understood and agreed that in the event of a claim being made by an Employee against any fellow-employee in respect of injury arising out of and in the course of the employment of such employee and fellow-employee in the business, resulting from the fault or negligence of such fellow-employee, the Company will in so far as concerns such claim, at the request of the Insured, treat such fellow-employee under this Section - Employers Liability as though he or she were "the Insured" provided that:

- such fellow-employee shall observe, fulfill and be subject to the terms of the policy, in so far as they can apply
- if at the time of an accident or claim there is (or but for the existence of this policy would be) any other insurance in force in favour of or on behalf of such fellow-employee to such accident or claim, the Company shall not be liable under this policy to indemnify such fellow-employee except in so far as concerns any excess beyond the amount which would have been payable under such policy had this policy not been effected.

**ARG - EL (EXT) 004 - Definition of Business Restated**

It is hereby understood and agreed that the term "the business" in the general Schedule shall include;

- (a) the provision and management of canteen, sports, social or welfare organizations for the benefit of employees and fire security, first aid and medical ambulance services
- (b) private work undertaken with the prior consent of the Insured by Employees for any director or senior official of the Insured
- (c) the ownership, maintenance and repair of such premises

#### **ARG - EL (EXT) 005 - Working Directors**

It is hereby understood and agreed that in respect of any bodily injury by any working director proprietor arising out of and in the course of his employment whilst working in the business of the Insured and caused by negligence of another director or employee (hereinafter call "the other part") the Company will subject to the terms, exceptions and conditions of the Policy indemnify the other part against all liabilities at law arising out of bodily injury to the working director.

#### **ARG - EL (EXT) 006 - Employees Travelling Abroad**

It is hereby understood and agreed that the Indemnity under this Section extends to indemnify the insured for Injury sustained by Employees of the Insured engaged in overseas business trips including those attending study courses and work training courses.

#### **ARG - EL (EXT) 007 - Employees Personal Effects**

It is hereby understood and agreed that this Section is extended to cover employees' personal effects up to a limit of € 2,500 any one accident and in the aggregate.

#### **ARG - EL (EXT) 008 - Waiver and Indemnity Clause in favour of Landlord**

It is agreed and understood that the Company shall waive all rights of subrogation arising out of any liability indemnifiable under this Section which the Company may have against the landlord including their Officers, Directors, Agents, Servants and Employees.

#### **ARG - EL (EXT) 009 - Indemnity to Principals, Directors, Partners, Officers, Agents and Employees.**

It is hereby understood and agreed that where any contract or agreement entered into by the Insured for the performance of work so requires the Company will indemnify the Principal, Directors, Partners, Officers and Employees in like manner to the Insured in respect of their liability arising in performance of the work by the Insured.

**ARG - EL (EXT) 010 - Indemnity to First Aid and Medical Teams**

It is hereby understood and agreed that notwithstanding anything contained to the contrary this Section - Employers' Liability is extended to indemnify any person under a contract a service or apprenticeship with the Insured whilst acting as a member of the Insured's first aid or medical arrangements (but excluding medical practitioners) in respect of liability for damages and legal costs to any other person under a contract of service or apprenticeship with the Insured resulting from treatments given in connection with any bodily injury or disease sustained by such person and arising out of and in the course of the employment of such person by the Insured.

**SUPPLEMENTARY EXTENSIONS**

In consideration of an additional premium paid hereon the following extensions shall apply only if they are specifically noted on the Policy Schedule.

**ARG - EL (SUP) 001 - EIRA Extension**

It is hereby understood and agreed that notwithstanding anything contained in this Policy to the contrary this Section is extended to indemnify the Insured in respect of liability within the terms of the Employment and Industrial Relations Act 2002 for payment of wages during injury leave to Employees in respect of Injury caused during the Period of Insurance during the actual discharge of their duty.

Provided that:

- (a) The full amount of any injury benefit entitlement under the terms of the Social Security Act 1987 (or any subsequent replacement act) shall be deducted from any such payment.
- (b) Payments shall not be made in respect of the number of days of incapacity stated on the Schedule of the Policy.
- (c) Payments shall not apply beyond the first twelve calendar months of incapacity.
- (d) For the purposes of this extension, 'recognised conditions of employment' as defined under The Employment and Industrial Relations Act 2002 shall only include those conditions prescribed in a national standard order as defined in the said law.

The Injury is not due to contributory negligence on the part of the Employee or contravention by him of any safety rules laid down by the management.

**ARG - EL (SUP) 002 - Sub-Contracted / Seconded Employees Extension**

It is hereby understood and agreed that Definition No. 1 as outlined under this Section is deemed to

be cancelled and replaced by the following:

Employee shall mean any individual under a contract of or for service or apprenticeship with the Insured in regard to whom the Insured has given notice of such employment to the competent public authorities, including such notice as is required to be given by fiscal and employment legislation. It shall include:

- Self-employed persons when working for the Insured in connection with the Insured's Business. The registration of such self-employed persons with the competent public authority satisfies the requirement of notification of employment by the Insured to the competent public authority
- Persons working for the Insured in connection with the Insured's Business and who have been seconded from other companies or entities which have themselves given the relative notice of employment to the competent public authority.

## **SECTION 5 - PUBLIC LIABILITY**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

### **INSURANCE**

The Company will indemnify the Insured against liability at law for damages and claimant's cost and expenses in respect of

- a) accidental injury to persons
- b) accidental damage to tangible property

happening within the Geographical Limits during any Period of Insurance in connection with the Business / Occupation of the Insured.

### **LIMIT OF INDEMNITY**

The total amount payable by the Company for damages and claimant's costs and expenses in respect of

- a) one claim or all claims of a series ( whether arising in one Period of Insurance or not) consequent on or attributable to one source or original cause
- b) any one Period of Insurance for all claims in respect of releases ( including discharge dispersal seepage migration and escape) of Pollutants which commenced during such Period of Insurance shall not exceed the Limit of Indemnity irrespective of the number of parties entitled to Indemnity under this Section.

For the purpose of establishing the total amount payable by the Company in respect of one Period of Insurance it is understood that any releases of Pollutants consequent on or attributable to one source or original cause (irrespective as to whether the release is continuous or intermittent) shall be considered as one release.

The Company will in addition pay all costs and expenses incurred with its written consent.

### **DEFINITIONS**

- 1. Business shall include
  - a) the ownership repair and maintenance of the Insured's own property
  - b) the provision and management of canteen social sports and welfare organisations for the benefit of the Insured's employees and first aid fire and ambulance services

2. Damage shall mean physical loss or damage and shall include all resultant loss of use of anything physically lost or damaged. All such loss of use shall be deemed to occur at the time of the loss or damage giving rise thereto
3. Employee shall mean any
  - a) person under contract of service or apprenticeship with the Insured
  - b) person hired to or borrowed by the Insured
  - c) self-employed person
  - d) person employed by labour only sub-contractors

whilst working for the Insured in connection with the business

4. Geographical Limits shall mean
  - a) the Territory defined in the Schedule
  - b) elsewhere in the world but only in respect of Injury or Damage which arises out of the activities of a person whose normal place of residence is in Territory but is away for a short time in connection with the business /occupation of the Insured
5. Injury shall mean bodily injury disease or illness including death resulting therefrom
6. Pollutant's shall mean any solid liquid gaseous or thermal irritant or contaminant including but not limited to smoke vapour soot fumes acids alkalis bacteria chemicals sewage and waste. Waste includes materials to be recycled reconditioned or reclaimed
7. Products shall mean all goods or products supplied (including those supplied as part of any service rendered or contract work executed) by the Insured together with containers packaging and instructions supplied therewith.
8. Proposal shall mean any signed proposal form and declaration and any information supplied by or on behalf of the Insured in addition thereto or in substitution therefore.

## **EXCLUSIONS**

This Company shall not be liable in respect of

1. Injury or damage caused by or arising in connection with the ownership possession or use by or on behalf of the Insured of mechanically propelled vehicles locomotives aircraft aerial devices hovercraft or water-borne craft.

2. Injury to any Employee or any claim arising under any Workmen's Compensation law.
3. Damage to
  - a) any structure or land due or alleged to be due to vibration or to the withdrawal or weakening of or removal of support .
  - b) property owned leased rented or occupied by the Insured
  - c) property held in trust by or in the custody or control of the Insured other than premises at which the Insured is undertaking work in connection with the Business / Occupation
  - d) that part of any property worked upon by the Insured or any person acting on behalf of the Insured which arises out of such work
4. claims arising out of liability assumed by the Insured under agreement unless such liability would have attached in the absence of such agreement
5. claims arising out of a breach of the duty owed in a professional capacity by the Insured
6. claims arising out of advice design formula or specification provided for a fee
7. Injury or Damage directly or indirectly caused by or arising out of pollutants unless caused by or arising out of an identifiable unexpected and accidental release (including discharge dispersal seepage migration and escape) of pollutants which commences during any period of Insurance and is
  - a) detected within 7 days of its commencementand
  - b) reported to the Company within 7 days of its being detected

For the purposes of this Section the commencement of any intermittent release shall be deemed to be at the start of the first release of the series

8. claims damages costs and expenses arising out of any obligation on the Insured or others to test for monitor clean up remove contain treat detoxify or neutralise or in any way respond to or assess the effects of pollutants on structures premises sites or land currently or previously owned occupied used by or under the control of the Insured where the obligation arises out of such ownership occupancy use or control by the Insured



9. claims arising out of Products supplied except for food and drink supplied by the Insured in canteens and sports and social clubs provided by the Insured for the use of Employees
10. the cost of recalling any defective or potentially defective Product supplied
11. Fines Penalties and Punitive exemplary Aggravated or Liquidated Damages
12. Any claims occurring within the confines of an Airport and shall also exclude any airside risks.
13. For mental injury or fear of suffering bodily injury death disease or illness arising out of actual or suspected exposure to Asbestos, Asbestos Dust or Asbestos Containing Material.
14. For the costs of management (including those of any persons under any statutory duty to manage) removal repair alteration recall replacement or reinstatement of any property or part thereof arising out of the presence of Asbestos, Asbestos, Dust or Asbestos Containing Material.

## **EXTENSIONS**

The following Extensions apply to and form part of this Section.

### **ARG - PL (EXT) 001 - Representation**

The following shall be indemnified subject to the Limit of Indemnity in this Section as if as separate Policy has been issued to each

1. the personal representatives of the Insured in respect of liability incurred by the Insured
2. if the Insured so requests
  - a) any Principal for whom the Insured is carrying out work in connection with the business /occupation
  - b) any director or employee of the Insured in respect of liability for which the Insured would have been entitled to indemnity under this Section if the claim had been made against the Insured
  - c) the officers committees and members of the Insured's canteen social sports and welfare organisations and first air fire and ambulance services in their respective capacities as such each of which shall as though the Insured be subject to the terms of this Policy so far as they can apply.

### **ARG - PL (EXT) 002 - Cross Liability Clause**

Each of the parties named as an Insured shall be indemnified subject to the Limit of Indemnity in this Section as if a separate Policy had been issued to each other.

## **ARG - PL (EXT) 003 - Loading and Unloading of Motor Vehicles**

This Section is extended to cover legal liability in connection with injury or damage as within defined arising during the act of loading and / or unloading a motor vehicle/s or the bringing to or taking away of a load from such vehicle/s.

Provided that the liability of the Company by this extension shall not exceed the Limit of Indemnity described in the Schedule of this Policy, or as may be amended by subsequent endorsement.

## **ARG - PL (EXT) 004 - Indemnity to Principal**

If any claim shall be made against the Principal with whom the Insured shall have entered into a contract, for injury, disease, loss or damage as within defined and the claim is one in respect of which if it were made against the Insured direct, he would be entitled to indemnity under this Section, then and in such case the Company will subject to the limits, terms and conditions of this policy indemnify the Principal against his legal liability for the claim, provided that:

- (a) the Company shall retain the sole conduct and control of the claim and
- (b) the Company shall not be liable to grant indemnity hereunder where the Principal has himself or by his Employees or agents been guilty of any negligence or other default.

Principal: Any party (other than a director or Employee of the Insured) on whose behalf the Insured in the course of the Business is undertaking work but excluding the sale or supply of Products.

## **ARG - PL (EXT) 005 - Fairs, Exhibitions, Promotional Activities, Conferences, Seminars and the like**

It is hereby understood and agreed that this Section is deemed to be extended to cover the Insured's legal liability arising out of the Insured's participation in fairs, exhibitions, promotional activities, conferences, seminars and the like within the Maltese Islands including transits, loading and unloading activities.

## **ARG - PL (EXT) 006 - Signs and Billboards**

It is hereby understood and agreed that this Section is deemed to be extended to cover the Insured's legal liability arising in connection with advertising or promotional property (e.g. billboards) located anywhere within the Maltese Islands.

## **ARG - PL (EXT) 007 - Employees Clothing and Personal Effects**

Notwithstanding anything contained to the contrary it is hereby noted and agreed that the Indemnity granted under this Section extends to include Employees Clothing and Personal Effects limited to € 2,500 in respect of any one occurrence or number of occurrences during any one Period of Insurance.

## **ARG - PL (EXT) 008 - Compensation for Court Attendance**

In the event of any director, partner or employee of the Insured attending court as a witness at the request of the Company in connection with a claim in respect of which the Insured is entitled to Indemnity under this Section the Company will provide compensation at the following rates for each day on which attendance is required:

1. any director or partner € 200 per day
2. any employee € 100 per day

Subject to a maximum aggregate limit in the Policy period of € 2,000

## **SUPPLEMENTARY EXTENSIONS**

In consideration of an additional premium paid hereon the following Extensions shall apply only if they are specifically noted on the Policy Schedule.

### **ARG - PL (SUP) 001 - Tool of Trade**

It is hereby understood and agreed that Exception No 1.so far as mechanically propelled vehicles are concerned shall not apply to the use of the plant owned, leased or rented by or in the custody of the Insured or for which the Insured is responsible and specified in the Schedule of this policy whilst on site, or at the Premises of the Insured except where indemnity is provided by any contract of motor insurance or where Insurance or security is required by law

### **ARG - PL (SUP) 002 - Extended Motor Liability**

It is hereby understood and agreed that Exception No 1.so far as mechanically propelled vehicles are concerned shall not apply to the use of the plant specified in the Schedule on site, at the Premises of the Insured or up to a maximum 100 metres from these premises except where indemnity is provided by any contract of motor insurance or where insurance or security is required by law

### **ARG - PL (SUP) 003 - Full Food and Drink**

This Section is extended to include liability for injury as within defined caused by food or beverages sold or supplied by the Insured at or from the premises. Provided that the liability of the Company by this Extension shall not exceed the limit of indemnity described in the schedule of this policy, or as may be amended by subsequent endorsements.

**ARG - PL (SUP) 004 - Work Away - No Fire Risk**

It is hereby declared and agreed that this Section is extended to cover the liability at law of the Insured in respect of work connected with the business being carried out by the Insured away from the Premises described in the Schedule within the Maltese Islands. It is also hereby declared and agreed that notwithstanding anything contained in this Section to the contrary, this Section covers the legal liability of the insured for claims arising out of the destruction, loss or damage to premises (or the contents thereof) temporarily occupied by the Insured for work therein, or other property temporarily in the Insured's possession for work thereon.

**ARG - PL (SUP) 005 - Work Away - Fire Risk**

It is a condition precedent to liability that in respect of the application of heat away from the Insured's own premises and involving a naked flame or an open heat source the undernoted precautions will be complied with on each occasion.

- (a) The area of the work will be cleared of combustible material for a safe distance from or beneath the placewhere such work is being carried out. A safe distance shall be not less than fifteen metres when welding or cutting operations are carried out.

Where such precautions are impracticable such material will be covered with non-combustible blankets or screens or similar protective equipment. Combustible parts of premises will be similarly protected

- (b) A ten litre (two-gallon) capacity fire extinguisher of a type suitable for the combustible material and the premises will be kept immediately adjacent to the area of work and available for immediate use
- (c) Equipment will be lit or switched on as short a time as possible before use and extinguished immediately after Use
- (d) Equipment which is lit or switched-on will not be left unattended
- (e) A thorough examination for any signs of combustion will be made within or below the area in which worked has been undertaken half an hour after the termination of each period of work

**ARG - PL (SUP) 006 - Property in the Care, Custody and Control**

Notwithstanding anything contained in this Section to the contrary it is hereby declared and agreed that the Section is extended to cover the Insured's legal liability arising from loss of or damage to property in the care, custody or control of the Insured consisting of:

- (a) Property belonging to or in the care, custody or control of employees of the Insured

- (b) Property belonging to or in the care, custody or control of guests, customers or visitors of the Insured whilst in or about the premises
- (c) Premises (and fixtures and fittings thereof) temporarily occupied by the Insured for the purposes of work therein and thereon
- (d) Premises (and fixture and fittings thereof) leased or rented to the Insured provided that the Company shall not be liable for liabilities assumed by the Insured under a tenancy or other agreement and which would not have attached in the absence of such agreement.

**ARG - PL (SUP) 007 - Motor Contingency**

Notwithstanding Exclusion 1A the Company will provide indemnity to the Insured against legal liability arising out of the use in the course of the business/occupation by any Employee of any mechanically propelled vehicle not the property of nor provided by the Insured.

The Indemnity will not apply to legal liability

- (a) in respect of loss of or damage to any such vehicle or to property conveyed therein or thereon
- (b) any liability while such vehicle is being
  - (i) driven by the Insured ;
  - (ii) driven with the general consent of the Insured or the Insured's representatives by any person who to the knowledge of the Insured or such representatives does not hold a licence to drive such a vehicle unless such person has held and is not disqualified from holding or obtaining such licence;
  - (iii) in respect of which the Insured is entitled to indemnity under any other Insurance
  - (iv) used elsewhere than in the Maltese Islands.

**ARG - PL (SUP) 008 - Inclusion of Products Liability**

It is hereby noted that notwithstanding Exception 9 this Section is extended as follows  
The Company will indemnify the Insured against liability at law for damages and claimant's costs and expenses in respect of

- (a) accidental Injury to persons
- (b) accidental Damage to property happening during any Period of Insurance anywhere in the world due or alleged to be due to Products supplies by the Insured

The liability of the Company under this Extension for damages and claimant's costs and expenses in respect of

- (a) one claim or all claims of a series (whether arising in one Period of Insurance or not) consequent on or attributable to one source or original cause shall not exceed the Limit of Indemnity specified on the Schedule
- (b) any one Period of Insurance for all claims where the accidental Injury and/or accidental Damage happens during such Period of Insurance shall not exceed the Limit of Indemnity specified on the Schedule

Provided that the Company shall not be liable under this Memorandum in respect of

- (a) the loss of use of or the cost of repairing reconditioning or replacing ( including demolition breaking out dismantling delivery rebuilding supply and installation in connection therewith) any Product giving rise to a claim
- (b) Damage to any Product supplied by the Insured where such Damage is due to any defect therein or the unsuitability thereof
- (c) the cost of recalling any defective or potentially defective Product supplied
- (d) any claim arising out of advice, design, specification or provided for a fee
- (e) any judgment delivered by or obtained from a court in any country outside Malta in which the Insured is represented by or through any branch or subsidiary or associated company or companies or by an employee domiciled in such country or by a company or individual holding the Insured power of attorney.

Furthermore the Company shall not be liable in respect of judgment or order obtained in Malta for the enforcement of a judgment obtained in such other country.

## **INTERPRETATION**

For the purpose of this Extension Products shall be deemed to mean all products or range of products supplied by the Insured as notified to and accepted in writing by the Company for the purposes of this insurance together with containers packaging and instructions therewith.

**ARG - PL (SUP) 009 - Tenants Liability**

It is hereby declared and agreed that notwithstanding anything contained herein to the contrary, cover under Section 5 - Public Liability of this Policy is deemed to be extended to cover the legal liability of the Insured to pay for compensation in respect of loss of or damage to premises including landlord's contents, fixtures and fittings not owned by the Insured but leased or rented by them in the course of Business excluding

- (a) liability for which indemnity to the Insured is provided under any other insurance or in any other way,
- (b) the Excess stated under the Schedule (or such larger sum that has been agreed overall) of any amount otherwise payable hereunder in respect of each claim other than as the result of fire or explosion,
- (c) liability which attaches by way of any contract or agreement that would not have attached in the absence of such contract or agreement.

Policy extends to cover buildings and landlord's fixtures and fittings and the like for which the Insured may be legally liable as tenant but not as owner in consequence of any of the perils hereby insured against.

**SPECIAL CONDITIONS**

The following shall apply only if they are specifically noted on the Policy Schedule.

**ARG - PL (SC) 001 - LIFTING APPLIANCES AND TOWER CRANES**

It is hereby noted and agreed that all Lifting Appliances and Tower Cranes shall;

- (1) be certified annually by a mechanical engineer having a warrant to practice his profession and approved by the Company, the certificate giving due regard to;
  - the maximum safe working load;
  - safe working loads at different radii if applicable;
  - the conditions of use under which the maximum or variable safe working load can be lifted or lowered
- (2) be clearly marked at a conspicuous place with the maximum safe working load;
- (3) be fitted with a load radius indicator and an automatic safe load indicator or other effective means to indicate clearly to the driver each maximum safe working load and the conditions under which it is applicable;

- (4) be adequately and securely supported; the weight - bearing characteristics of the ground on which the lifting appliances are to operate shall be surveyed in advance of use by Company approved Architect and account should be taken of seasonal variations in ground conditions;
- (5) to be erected by competent persons, if applicable;
- (6) be examined by a Company approved mechanical engineer;
  - before erection on site;
  - one week, after erection on site;
  - after any substantial alteration or repair.
- (7) be equipped with devices that prevent the load from over-running and from moving if the power fails;
- (8) be operated by workers who;
  - are over 21 years of age;
  - have been medically examined and certified fit to operate a lifting appliance and / or tower crane; have received appropriate and adequate training which shall be repeated periodically.
- (9) not to be loaded beyond its safe working load or loads;
- (10) be removed of their loads and their telescopic jibs drawn and brought to a horizontal position whenever unattended;
- (11) be operated on gradients within limits specified by the manufacturers and should only be erected at a safe distance from excavations and ditches;
- (12) be sited where there is clear space available for erection, operation and dismantling.
- (13) as far as practicable, be sited so that loads do not have to be handled over occupied premises, over public thoroughfares, other construction works or near power cables.

**ARG - PL (SC) 002 - Consequential Loss Exclusion**

It is hereby noted and agreed that the Indemnity granted under this Section excludes any consequential loss however arising.



**ARG - PL (SC) 003 - Liability arising from Maintenance**

Notwithstanding anything contained to the contrary under this Section - Public Liability the indemnity granted by this Section extends to cover liability arising in connection with any operations of maintenance, refurbishment, alterations and extensions but excluding any civil work and structural alterations of any kind being carried out at the premises as noted in the general Schedule.

**ARG - PL (SC) 004 - Contractors and Sub-Contractors**

Notwithstanding anything contained to the contrary under this Section - Public Liability the indemnity granted by this Section extends to cover liability towards and arising out of the use of contractors, sub-contractors and their employees contracted as outsourced services providers and for which the Insured is found responsible.

**ARG - PL (SC) 005 - Car Parks**

It is hereby noted and agreed that Vehicles (including spare parts and accessories thereon) left in any garage or parking place belonging to or under the control of the Insured shall not be deemed to be Property held in trust by or in the custody or control of the Insured.

Provided that such garage or parking area is not used by the Insured for any motor trade purpose. Provided further that the maximum limit any one claim or a series of claims during any one Period of Insurance shall be limited to € 10,000 and an Excess of € 500 shall apply in respect of Damage caused to such vehicles.

**ARG - PL (SC) 006 - Cloakrooms**

It is hereby noted and agreed that Property in any cloakroom provided by the Insured shall not be deemed to be Property held in trust by or in the custody or control of the Insured

Provided that

- (a) the liability of the Company in respect of any one article shall not exceed € 250
- (b) such cloakroom shall be securely locked when unattended and the key thereof kept in the custody of a trustworthy person appointed by the Insured.
- (c) the maximum limit any one claim or a series of claims during any one Period of Insurance shall not exceed € 2,500 and an Excess of € 250 shall apply in respect of Damage to the Property of any one guest or customer.

**ARG - PL (SC) 007 - Underground Services**

The Company shall not be liable in respect of Damage to underground services (such as water, gas or sewage pipes or electricity or telephone cables) unless the Insured immediately prior to each day's excavation work has established the exact position of such services.

The liability of the Company shall in any case be limited to the cost of repair replacement or reinstatement of the property damaged and shall exclude any consequential loss suffered by any third party as a result of loss or damage to underground services.

The maximum limit under this extension shall be limited to € 50,000 and one accident and excess of 10% of the loss minimum € 2,500 is applicable in respect of each and every loss.

**ARG - PL (SC) 008 - Extended Jurisdiction - European Union**

The indemnity provided under this Section shall apply to judgments, orders or awards that are delivered by or obtained from a court or in arbitration anywhere with the European Union.

**ARG - PL (SC) 009 - Extended Jurisdiction - European**

The indemnity provided under this Section shall apply to judgments, orders or awards that are delivered by or obtained from a court or in arbitration anywhere within Europe.

**ARG - PL (SC) 010 - Extended Jurisdiction - World-Wide excluding USA and/or Canada**

The indemnity provided under this Section shall apply to judgments, orders or awards that are delivered by or obtained from a court or in arbitration worldwide excluding USA and/or Canada.

**ARG - PL (SC) 011 - Extended Jurisdiction - World-Wide**

The indemnity provided under this Section shall apply to judgments, orders or awards that are delivered by or obtained from a court or in arbitration world-wide.

## **SECTION 6 - CONSEQUENTIAL LOSS**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

### **INSURANCE**

The Company agrees (subject to the Conditions contained herein or endorsed or otherwise expressed hereon which Conditions 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 the Business carried on by the Insured at the Premises be interrupted or interfered with in direct consequence of loss destruction or damage indemnifiable under Section 1 then the Company will pay to the Insured in respect of each item in the Schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provisions therein contained.

Provided that

- 1) 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 payment shall have been made or liability admitted therefor under such insurance but it shall not be a condition precedent to liability hereunder that no such payment shall have been made or liability admitted solely owing to the operation of a proviso in such insurance excluding liability below a specified amount.
- 2) The liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured or in the whole the Total Sum Insured hereby or such other sum or sums as may be substituted therefor by memorandum signed by or on behalf of the Company.

## **THE INSURANCE PROVIDED**

### **ITEM NO 1**

The Insurance under item Number 1 is limited to loss of Gross Profit due to (a) Reduction in Turnover and

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

**Notwithstanding anything contained to the contrary in this Section**

- (i) The liability of the Company shall in no case exceed in respect of Gross Profit 133.3% of the Estimated Gross Profit stated herein, in respect of each other item 100% of the sum Insured stated herein, nor in the whole the sum of 133.3% of the Estimated Gross Profit and 100 % of the sums Insured by other items, or such other amounts as may be substituted therefor by memorandum signed by or on behalf of the Company
- (ii) In the absence of written notice by the Insured or the Company to the contrary the Company's liability shall not stand reduced by the amount of any loss, the Insured undertaking to pay the appropriate additional premium for such automatic reinstatement of cover

**ITEM NO 2**

The insurance under Item Number 2 is limited to the loss incurred by the Insured by the payment of Wages for a period beginning with the occurrence of the Damage and ending not later the Indemnity Period.

The amount payable as indemnity under this Item shall be the actual amount which the Insured shall pay as Wages for such period to employees whose services cannot, in consequence of the Damage, be utilized by the Insured at all and an equitable part of the Wages paid for such period to employees whose services cannot, in consequence of the Damage, be utilized by the Insured to the full.

Provided that if the Sum Insured by this Item be less than the aggregate amount of the Wages that would have been paid during the 52 weeks immediately following the Damage, had the Damage not occurred, the amount payable shall be proportionately reduced.

**ITEM NO 3**

The insurance under Item Number 3 is limited to the reasonable fees payable by the Insured to their Auditors for producing and certifying 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 Company under the terms of the Claims Condition of this Policy.

**DEFINITIONS**

Notes: (1) To the extent that the Insured is accountable to the tax authorities for Value Added Tax all items in this section shall be exclusive of such tax.

(2) For the purpose of these definitions any adjustment implemented in current cost accounting shall be disregarded.

## GROSS PROFIT

The amount by which :-

- (a) the sum of the amount of the turnover and the amounts of the closing stock and work in progress; shall exceed
- (b) the sum of the amounts of the opening stock and work in progress and the amount of the specified working expenses.

**NOTE:** The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods due provision being made for depreciation.

## SPECIFIED WORKING EXPENSES - (unless otherwise stated)

- (a) purchases and discounts relative thereto ;
- (b) bad debts ;
- (c) packaging and freight.

The words and expressions used in the definition of Specified Working Expenses shall have the meaning usually attached to them in the books and accounts of the Insured.

## TURNOVER

The money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the Business at the Premises.

## INDEMNITY PERIOD

The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the Business shall be affected in consequence of the Damage.

## WAGES

The remuneration (including National Insurance, Bonuses, Holiday pay, and the like) of all employees other than those whose remuneration is treated as salaries in the Insured's books of account.

## INCIDENT

Loss or destruction of or damage to property used by the Insured at the Premises for the purposes of the Business.

**Rate of Gross Profit**

The rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the damage.

**Annual Turnover**

The turnover during the twelve months circumstances affecting the Business either immediately before the date of the Damage.

**Standard Turnover**

The Turnover during that period in twelve months immediately before the date of the damage which corresponds with the Indemnity Period damage.

To which such adjustments shall be made as may be necessary to provide for the trend of Business and for variations in or special circumstances affecting the Business either before or after the damage or which would have affected Business had the damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the Period damage.

**SHORTAGE IN TURNOVER**

The amount by which the Turnover during a period shall, in consequence of the Damage, fall short of the part of the Standard Turnover which relates to that period.

**NOTE:** For the purpose of these Definitions any adjustments implemented in current cost accounting shall be disregarded

**Memorandum 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 his 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.

**Memorandum 2.**

If any Standing Charges of the business be not Insured by this Section (having been deducted in arriving at the Gross Profit as defined herein) than in computing the amount recoverable hereunder as Increase in Cost of Working that proportion only of the additional expenditure shall be brought into account which the sum of the Net profit and the Insured Standing Charges bears to the sum of the Net Profit and all the Standing Charges.

**Memorandum 3.**

In the event of 100% of Gross Profit earned or 100% of the wages paid during the financial year most nearly concurrent with any Period of Insurance, as certified by the Insured's Auditors, being less than the respective sum Insured thereon, a pro-rata return premium not exceeding 50% 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 Section, such return shall be made in respect only of so much of the said difference as is not due to such damage.

**Memorandum 4.**

It is agreed and declared that the Insurance under the within Section does not cover loss directly due to damage to electrical plant and apparatus caused by its own over running excessive pressure short circuiting or self-heating whether resulting from lightning or otherwise.

**EXTENSIONS**

The following Extensions apply to and form part of this Section.

**ARG - CL (EXT) 001 - Payments on account**

In the event of loss, payments on account will be made monthly to the Insured, if desired

**ARG - CL (EXT) 002 - Alternative Trading**

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

**ARG - CL (EXT) 003 - Automatic Reinstatement of Sum Insured following a loss**

In the absence of written notice by the Insured or the Company to the contrary the Company's liability shall not stand reduced by the amount of any Indemnifiable loss, the Insured undertaking to pay the appropriate additional premium for such automatic Reinstatement of cover.

**ARG - CL (EXT) 004 - Accumulated Stocks**

In adjusting any loss account shall be taken and an equitable amount made if a shortage of turnover due to the damage is postponed by reason of the Turnover being temporarily maintained from accumulated stocks of finished goods on the Insured premises

## **SUPPLEMENTARY EXTENSIONS**

In consideration of an additional premium paid hereon the following Extensions shall apply only if they are specifically noted on the Policy Schedule.

### **ARG - CL (SUP) 001 - Denial of Access**

Loss as Insured by this Section resulting from interruption or interference with the business in consequence of damage (as within defined) to property in the vicinity of the premises which shall prevent or hinder the use thereof or excess thereto whether the premises or property of the Insured therein shall be damaged or not shall be deemed to be loss resulting from damage to property used by the Insured at the premises. :-

**Maximum Indemnity Period 8 weeks and limited to 10% of Sum Insured**

### **ARG - CL (SUP) 002 - Infectious Diseases - Murder and Defective Sanitation**

Loss as Insured by this Section resulting from interruption or interference with the business in consequence of :

- (a) Infectious or contagious disease occurring in the Premises
- (b) Murder or suicide occurring in the Premises
- (c) Closing of the whole or part of the Premises on the order or advice of any Local or Government Authority consequent upon vermin or pests or defects in the drains or other sanitary arrangements at the Premises

**Maximum Indemnity Period 8 weeks and limited to 10% of Sum Insured**

### **ARG - CL (SUP) 003 - Suppliers' or Customers'**

Damage as insured to any suppliers' or customers' premises within the Maltese Islands or anywhere in the World up to a limit of 10% of the sum insured by this insurance as stated in the Schedule or € 25,000 whichever is the less

### **ARG - CL (SUP) 004 - Outside Storage**

Damage as insured at any premises not occupied by the Insured but used by them solely for storage purposes within the Maltese Islands

### **ARG - CL (SUP) 005 - Food and Drink**

Loss as insured in consequence of injury or illness sustained by any customer or employee arising from a traceable to foreign or injurious matter in food or drink sold from the Premises



**ARG - CL (SUP) 006 - Failure of Public Supply**

Interruption of or interruption with the Business in consequence of loss or damage to or failure of property at the electricity station or sub-station, telephone exchange, gasworks, water-works or the public supply excluding the deliberate act of any electricity or gas supply authority or their employees or the exercise by any such authority of its power to withhold or restrict supply or failure of the electricity or gas supply due to strikes by or any withdrawal of labour by employees of any electricity or gas authority including property between the said Premises and insured property from which the Insured obtained electric current gas or water provided such failure lasts for at least 24 (twenty four) hours.

## **SECTION 6 - CONSEQUENTIAL LOSS**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

### **INSURANCE**

The Company agrees (subject to the Conditions contained herein or endorsed or otherwise expressed hereon which Conditions 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 the Business carried on by the Insured at the Premises be interrupted or interfered with in direct consequence of loss destruction or damage indemnifiable under Section 1 then the Company will pay to the Insured in respect of each item in the Schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provisions therein contained.

Provided that

- 1) 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 payment shall have been made or liability admitted therefor under such insurance but it shall not be a condition precedent to liability hereunder that no such payment shall have been made or liability admitted solely owing to the operation of a proviso in such insurance excluding liability below a specified amount
  
- 2) The liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured or in the whole the Total Sum Insured hereby or such other sum or sums as may be substituted therefor by memorandum signed by or on behalf of the Company.

### **The Insurance Provided**

Item 1. The Insurance under item Number 1 is limited to (a) LOSS OF GROSS REVENUE and (b) ADDITIONAL COST OF WORKING and the amount payable as indemnity thereunder shall be:

- (a) In respect of LOSS OF GROSS REVENUE: amount by which the Gross Revenue during the Indemnity Period under Item 1 shall, in consequence of the Damage, fall short of the Standard Gross Revenue ;

(b) In respect of ADDITIONAL COST OF WORKING: The additional expenditure (including cost of moving to and from, and the additional Rent of, temporary premises, and compensation or premium necessary to obtain use of same, additional Rates and Taxes thereon and expenses incurred in installing and/or hiring such furniture, fixtures and fittings as may be required to render said premises suitable for occupation by the Insured for the business; additional cost in respect of lighting, heating and water; additional cost in respect of telephone, stationery, advertising, printing and travelling expenses; additional cost in respect of additional staff and overtime and allowances for meals to existing staff; additional cost of obtaining, owing to the Damage, the necessary information for the replacement of all documents, plans, drawings, specifications, valuations, card indices and books of account) reasonably incurred in order to minimise and interruption of or interference as aforesaid with the Business during the Indemnity Period under Item 1, but not exceeding the amount of the reduction in Gross Revenue thereby avoided during such Indemnity Period;

less any sum saved during the Indemnity Period under Item 1 in respect of such of the 3 Working Expenses and Standing Charges of the Business as may cease or be reduced in consequence of the Damage,

provided that if the Sum Insured by this Item be less than 100% of the Annual Gross Revenue, the amount payable shall be proportionately reduced.

**Item 2.** The insurance under Item 2 is limited to Extra Additional Cost of Working as specified below and the amount payable as indemnity thereunder shall be:-

The additional expenditure as aforesaid reasonably incurred beyond the amount payable under Clause (b) of Item 1 in order to minimise any interruption of or interference as aforesaid with the Business during the Indemnity Period under Item 2.

## **DEFINITIONS**

**Indemnity Period under Item 1:** The period beginning with the occurrence of the Damage and ending not later than 12 months thereafter during which the results of the Business shall be affected in consequence of the Damage

**Indemnity Period under Item 2:** The period beginning with the occurrence of the Damage and ending not later than 12 months thereafter during which the results of the Business shall be affected in consequence of the Damage.

**Gross Revenue:** The money paid or payable to the Insured for work done and services rendered

**Standard Gross Revenue:**

The Gross Revenue to during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period under Item 1.

**Annual Gross Revenue:**

The Gross Revenue During the twelve months immediately before the date of the 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 Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the the relative period after the Damage.

**Memorandum 1.**

The Company shall not liable hereunder for more than € 2,500 in respect of any set of deeds or documents or any one plan, drawing, specification, valuation, card index or book of account.

**Memorandum 2.**

In the event of the Net Revenue in respect of the Financial Year most nearly concurrent with any period of insurance being less than the sum insured thereon a pro rata return of premium not exceeding 50 per cent 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 Section such return shall be made in respect only of so much of the said difference as is not due to such Damage.

## **SECTION 7 - BUSINESS MACHINES 'ALL RISKS'**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

### **INSURANCE**

The Company will indemnify the Insured in respect of accidental loss, destruction or damage to the Equipment as described in the Schedule occurring during the Period of Insurance whilst at the Premises and within the territorial limits as stated in the policy schedule.

### **LIMITS**

The amount payable in any one Period of Insurance shall not exceed the sum insured stated in the schedule.

### **DEFINITIONS**

**Equipment:** Items of electronic nature and which are specified in the schedule.

**Basis of Settlement:** The amount payable in the event of accidental loss or destruction of or damage to the Equipment shall be the cost of replacement no deduction being made for wear and tear or depreciation provided that the sum insured on Equipment represents not less than the cost of replacement of the Equipment at the time of loss or damage by similar property, in either case in a condition equal to but not better or more extensive than its condition when new.

### **SPECIAL PROVISIONS**

#### **1. Surge Protection**

It is a condition precedent to liability in respect of accidental loss, destruction or damage of Equipment due to lightning and/or fluctuations in the public supply of electricity that such Equipment is fitted with lightning and over voltage protection devices and these have been installed and maintained in accordance with the recommendations of the manufacturers of such Equipment and the lightning and over voltage protection devices.

This means that the lightning and over voltage protection devices are kept under supervision by trained personnel and are regularly serviced.

### **EXCLUSIONS**

This Section does not cover:

1. faulty or defective design, materials or workmanship inherent vice, latent defect, gradual deterioration, deformation, distortion or wear and tear.

2. loss, damage or destruction caused by faulty or defective workmanship, operational error or omission on the part of the Insured or any of their employees.
3. loss, damage or destruction caused by corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects.
4. loss, damage or destruction caused by change in temperature, colour, flavour, texture or finish.
5. loss, damage or destruction caused by its own mechanical, electronic or electrical breakdown or derangement or use contrary to the manufacturer's instructions.
6. loss, damage or destruction caused by disappearance, unexplained or inventory shortage, misfiling or misplacing of information or clerical error.
7. loss, damage or destruction caused by or resulting from the Equipment undergoing any process of production, packing, treatment, testing, commissioning, servicing, adjustment, cleaning, restoring, altering or repairing.
8. loss, destruction or damage caused by sudden escape of water by storm or flood and malicious persons while the Premises are disused other than during seasonal shutdowns.
9. consequential losses of any kind.
10. loss, damage or destruction occurring whilst mobile and/or portable Equipment is unattended unless locked inside a building.
11. loss, damage or destruction from any cause whatsoever whilst mobile and/or portable Equipment is installed or carried in or on aircraft or aerial devices or waterborne vessels or craft.
12. loss, destruction or damage provided for under the terms of any maintenance agreement effected by the Insured.
13. (a) theft or attempted theft while the Equipment is in an unattended vehicle unless
  - i. the doors of the vehicle are locked and all its windows and other openings are fully closed and properly fastened
  - ii. the vehicle is in a locked garage or compound overnight
  - iii. the Equipment is concealed from view

- iv. in a locked boot or covered luggage compartment in a motor car or in an enclosed luggage area of a van or lorry
  - v. any alarm system fitted to the vehicle is activated;
- (b) theft or attempted theft while the Equipment is left unattended unless:
- i. inside a locked building (including a locked hotel room) or;
  - ii. in an occupied place of Business or an occupied private residence.

**SECTION 8 - ACCIDENTAL BREAKAGE OF FIXED GLASS**  
**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

**INSURANCE**

The Company will indemnify the Insured in respect of:

- A. Accidental breakage of fixed Glass by fracture extending through its entire thickness
- B. Damage to neon and illuminated signs and electric light fittings
- C. Accidental breakage of Sanitary Earthenware
- D. Damage by impact or falling glass to
  - 1) the framework and fittings of the ground floor frontage
  - 2) goods on display in windows

**EXCLUDING**

- 1) breakage or Damage
  - A) consequent upon alterations to the framework or position of any of the Glass or to neon and illuminated signs and electric light fittings or to Sanitary Earthenware
  - B) consequent upon settlement or expansion or contraction of frames or fittings in buildings under construction and during a period of six months after the date of completion of the buildings
  - C) whilst the Premises are empty or disused unless specifically agreed
  - D) existing prior to the commencement of this insurance and not subsequently replaced
  - E) in respect of neon and illuminated signs and electric light fittings
    - 1) occasioned by or traceable to mechanical or electrical breakdown or removal from the fixed position other than by theft or attempt thereat
    - 2) of bulbs or tubes unless consequent upon Damage to signs or fittings



F) of

- 1) Glass which is bent tinted stained and fired or incorporated in multiple glazed units.
  - 2) lettering or decoration or protective film or alarm foil on Glass
- G) any scratching, chipping, cracking, wear and tear or other deterioration
- 2) any consequence of fire or explosion unless more specifically insured under Section 1
  - 3) consequential loss of any kind

**LIMITS**

The amount payable in any one Period of Insurance shall not exceed the sum insured stated in the Schedule under Section 8

## **SECTION 9 - GOODS IN TRANSIT**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

### **INSURANCE**

The Company will indemnify the Insured in respect of loss, destruction or damage to the Property occurring during the Period of Insurance by any cause whatsoever not hereinafter excluded whilst the Property is in transit in any Vehicle anywhere in Malta until delivery at their destination including loading and unloading from any Vehicle.

### **LIMITS**

The amount payable shall not exceed the sum insured stated in the Schedule under Section 9 - Goods in Transit

### **DEFINITIONS**

Property: Goods appertaining to the Insured's Business, the property of the Insured or for which the Insured is responsible.

Vehicle: Any mechanically propelled Vehicle (including any trailer or container) belonging to or in the care custody or control of the Insured as stated in the Schedule.

### **SPECIAL PROVISIONS**

1. The Insured shall only employ trustworthy, sober, reliable and competent drivers and shall take all reasonable precautions:
  - (i) in securing loads
  - (ii) to maintain in efficient condition all Vehicles and/or trailers
  - (iii) to protect the property insured from all loss or damage
  - (iv) to ensure that any Vehicle trailer or container is overhauled periodically and is suitable for the purpose for which it is to be used.

The Company shall at all reasonable times have free access to examine any Vehicle aforesaid.

### **EXCLUSIONS**

This Section does not cover:

1. the amount of the Insured's Contribution.
2. loss, destruction or damage from a Vehicle left unattended during business hours unless all doors and windows were left secured and locked.
3. loss, destruction or damage from a Vehicle left unattended after business hours unless the Vehicle is garaged in a securely locked building or left in a closed yard or compound secured by locked gates or in a vehicle park with security attendant(s) at all times.
4. loss of market loss of profits delay or consequential losses of any kind.
5. Loss of sheets ropes packing materials dunnage securing chains and toggles as a result of disappearance or shortage if such loss is not traceable to any event or is only revealed when an inventory is made.
6. loss, destruction or damage to:
  - a) livestock of any kind, Money as defined under Section 3 of this policy, furs, jewellery, precious stones, gold and silver articles, cameras, radios, televisions and other hifi equipment, computers and other electronic equipment unless specifically listed under the Schedule of this Section.
  - b) cigarettes, cigars, tobacco, wines and spirits in excess of € 1,000 any one occurrence unless specifically listed under the Schedule of this Section.
7. loss, due to theft by or with the connivance of the Insured or his employees.
8. Property carried by or despatched by the Insured for hire or reward.
9. unexplained shortages.
10. theft of or water damage to Property on a soft-topped, open-topped or open-sided vehicle.
11. breakage of china, glass and articles of a brittle nature unless caused by fire or theft or by collision or overturning of a Vehicle.
12. scratching of painted or polished surfaces.
13. faulty or defective design, materials or workmanship, inherent vice, latent defect, mechanical or electrical breakdown or derangement (unless external damage has occurred), gradual deterioration, deformation, distortion or wear and tear.
14. Damage to property arising as a result of packing which was inadequate to withstand normal handling during transit.

## **SECTION 10 - DETERIORATION OF STOCK**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

### **INSURANCE**

The Company will indemnify the Insured in respect of loss, destruction or damage to the Refrigerated Stock occurring during the Period of Insurance whilst in the Premises occasioned by a rise or fall in temperature resulting from:

1. breakdown of the refrigeration Plant
2. non-operation of any thermostatic or automatic controlling devices pertaining to the cold chamber or its refrigeration Plant
3. accidental failure of the public electricity supply
4. bursting or leaking of pipes forming part of the Plant
5. accidental external damage to the Plant
6. action of refrigerant fumes escaping from the Plant.

### **LIMITS**

The liability of the Company in respect of any one Cold Chamber shall not exceed in the aggregate in any one Period of Insurance the Limit of Indemnity set against such Cold Chamber in the Schedule under Section 10 - Deterioration of Stock.

The Limit of Indemnity shall be reduced by any indemnity paid under this Section for the remaining period unless it has been reinstated by payment of an additional premium on a pro-rata basis.

### **DEFINITIONS**

**Plant:** All integral parts of the refrigeration machinery described in the Schedule including switchgear control and starting equipment together with the wiring between these items.

**Breakdown:** The breakdown or burning out of any part of the Plant while in use arising from either mechanical or electrical defects or pressures within the Plant causing sudden stoppage of the Plant and necessitating repair or replacement before it can resume working.

**Refrigerated Stock:** The contents (the property of the Insured or for which they are responsible) of the refrigeration units served by the Plant.

## EXCLUSIONS

This Section does not cover:

1. loss, destruction or damage due to any of the perils described in Section 1 - Accidental Damage (Property)
2. loss, destruction or damage resulting from wear and tear, deterioration or gradually developing flaws or defects in the refrigeration plant or incorrect settings of thermostats and automatic controls.
3. loss destruction or damage resulting from failure of the public supply services due to any deliberate act of a public supply undertaking not performed for the sole purpose of safeguarding life or protecting any part of the public supply undertaking's system, or any scheme or rationing not necessitated solely by accidental damage to the public supply undertaking's generating or supply equipment.
4. loss of goodwill or consequential losses of any nature whatsoever.
5. loss, destruction or damage which does not result from any breakdown of the Plant or failure of the public electricity supply which does not last for at least 180 minutes.
6. loss, destruction or damage resulting from any inherent defect or disease in or faulty packing of stock in the Cold Chamber.
7. Loss, destruction or damage to any property occasioned by or happening through its own fermentation, natural heating or spontaneous combustion, or by its undergoing any heating or drying process.

## WARRANTIES

It is a condition precedent to liability that during the continuance of this Policy the Refrigeration plant shall be maintained in good working order and that it shall not be overloaded and that temperatures in the Cold Chamber shall be monitored at regular intervals.

### Special Conditions applicable to this Section

1. (a) the Limit of Indemnity of each item must be equal to the maximum cost price of the stock contained in the Cold Chamber at any time during the Period of Insurance. Such cost price to be calculated inclusive of transport costs to the Premises.

- (b) if at the time of any consequence giving rise to a loss, destruction or damage the total value of stock contained in the Cold Chamber shall exceed the Limit set against Cold Chamber in the Schedule then the Insured shall be considered to be his own insurer for the difference and shall bear a rateable share of the loss or damage accordingly
- 2. The Company's officials shall have the right to inspect and examine at all reasonable times any Cold Chamber and associated Refrigeration Plant.

## **SECTION 11 - ELECTRONIC EQUIPMENT**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

### **SUB-SECTION 1**

#### **INSURANCE**

**The Company will indemnify the Insured against:-**

Sudden physical loss or damage from any cause other than those specifically excluded in a manner necessitating repair and replacement the Company will indemnify the Insured in respect of such loss or damage, as hereinafter provided, by payment in cash, replacement or repair (at the Company's option) up to an amount not exceeding in any one year of insurance in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum expressed in the schedule as insured hereby.

#### **SPECIAL PROVISIONS**

##### **1. Sum Insured**

It shall be a requirement of this insurance that the sum insured is equal to the cost of replacement of the insured items by new items of the same kind and capacity, which means their replacement costs including, eg, freight, customs duties and dues, if any, and erection costs. If the sum insured is less than the amount required to be insured, the Company 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.

##### **2. Basis of Indemnity**

- a) In cases where damage to an insured item can be repaired - the Company shall pay expenses necessarily incurred to restore the damaged equipment 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 in the sum insured.

If the repairs are executed at a workshop owned by the Insured, the Company 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 herein above 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 Company 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 Company shall also pay any normal charges for the dismantling of the equipment destroyed, but the salvage shall be taken into account.

The destroyed item shall no longer be covered under this policy, and all necessary data on the relevant substitute item shall be indicated for its inclusion in the schedule.

(The Company may agree - by application of the relevant endorsement - to extend this insurance to cover reimbursement of the full replacement value.)

As from the date of an indemnifiable occurrence the sum insured shall be reduced for the remaining period of insurance by the amount of indemnity paid unless the sum insured is reinstated.

Any extra charges incurred for overtime, night work, work on public holidays, and express freight shall be covered by this Section only if especially 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 Company if such repairs constitute part of the final repairs and do not increase the total cost of repair.

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

## **SPECIAL EXCLUSIONS**

The Company shall not be liable for:-

- (a) Loss or damage recoverable under any guarantee or maintenance, rental, hire or lease agreement;
- (b) Loss of use of the Equipment described in the Schedule(s) or any other consequential loss, damage or liability of any nature whatsoever;



- (c) Damage to the Equipment described in the Schedule(s) due to its own breakdown unless at the time of the damage such Equipment is subject to a maintenance, rental, hire or lease agreement which provides a minimum service of on-call remedial and/or corrective maintenance at inclusive cost;
- (d) Loss or damage directly or indirectly caused by or arising out of earthquake, volcanic eruption, tsunami, hurricane, cyclone or typhoon;
- (e) Loss or damage directly or indirectly caused by theft;
- (f) Damage to the Equipment described in the Schedule(s) caused by faulty or defective design materials or workmanship, latent defect or any other gradually operating cause but this shall not exclude damage resulting from an ensuing cause which is not otherwise excluded;
- (g) Loss, damage or destruction caused by corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects;
- (h) Loss, damage or destruction caused by change in temperature, colour, flavour, texture or finish;
- (i) Loss, damage or destruction caused by disappearance, unexplained or inventory shortage, misfiling or misplacing of information or clerical error;
- (j) Loss destruction or damage caused by sudden escape of water by storm or flood and malicious persons while the Premises are disused other than during seasonal shutdowns;
- (k) Damage during transit due to insufficient or improper packing or packaging;
- (l) Scratching of painted or polished surfaces unless accompanied by other indemnifiable damage to the item;
- (m) Failure of the Insured to comply with the manufacturers' recommendations relating to the storage of Data Media;
- (n) Loss destruction or damage to any item of Insured Property caused by its own breakdown or derangement before the satisfactory completion of testing or commissioning.
- (o) Loss or damage to bulbs, valves, tubes, ribbons, fuses, seals, belts, wires, chains, rubber tyres, exchangeable tools, engraved cylinders, objects made of glass, porcelain or ceramics, sieves or fabrics or any operating media (eg lubrication oil, fuel, chemicals)
- (p) Loss or damage directly or indirectly caused by the failure or interruption of any gas, water or electricity service or supply.

**SPECIAL CONDITIONS**

**1. Portable or Mobile Equipment**

Where any item of Equipment shown in the Schedule(s) is described as “Portable” or “Mobile” the cover provided by this Section will extend to include loss of or damage to the Equipment described whilst at any situation Worldwide and whilst in transit from one situation to another.

Provided that

- i. the liability of the Company shall not exceed the Limit of Indemnity stated in the Schedule(s).
- ii. all such items be carried as hand luggage while on any means of public transport including an airplane/sea ferry or cruise ship/train or coach
- iii. all such items must be entrusted to an authorized responsible Employee or other authorized representative of the insured

**2. Obsolete Property**

In the event of loss of or damage to any item of Insured Property which is unobtainable or for which spares or parts are no longer manufactured or available at the manufacturers listed prices the liability of the Company shall be limited to the cost of the repair or replacement of an equivalent item of equipment which is in current production and for which spare parts are readily available.

**3. Reinstatement**

The amount payable under Sub-Section 1 shall be the cost of reinstatement of Insured Property lost or damaged.

Provided that

- i. reinstatement shall mean
  - a. replacement of any item lost or damaged beyond repair by new property of equal performance and/or capacity
  - b. repair of any item otherwise damaged to a condition equal in performance and/or capacity to its condition when new
- ii. reinstatement shall be carried out without delay and in the most economical manner
- iii. where any Insured Property is damaged or lost in part only the liability of the Company shall not exceed the cost of reinstatement had it been wholly lost

- iv. no payment shall be made until reinstatement has been carried out
- v. the amount payable under this clause shall not exceed the new replacement value of the Insured Property lost or damaged
- vi. if reinstatement is not carried out the amount payable shall be the cost of indemnifying the Insured provided that such cost does not exceed the cost of reinstatement
- vii. reinstatement is subject to Special Condition 2 Obsolete Property.

#### **4. Surge Protection**

It is a condition precedent to liability in respect of accidental loss, destruction or damage of Equipment due to lightning and/or fluctuations in the public supply of electricity that such Equipment is fitted with lightning and over voltage protection devices and these have been installed and maintained in accordance with the recommendations of the manufacturers of such Equipment and the lightning and over voltage protection devices.

This means that the lightning and over voltage protection devices are kept under supervision by trained personnel and are regularly serviced.

## **SUB-SECTION 2 - EXTERNAL DATA MEDIA**

### **INSURANCE**

The Company hereby agrees with the Insured that if material damage indemnifiable under Sub-Section 1 gives rise to a total or partial interruption of operation of the EDP equipment entered in the schedule, the Company will indemnify the Insured, as hereinafter provided, in respect of such loss or damage up to an amount not exceeding in any one year of insurance in respect of each of the data media specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum insured hereby, provided always that such loss or damage occurs during the period of insurance stated in the schedule or during any subsequent period for which the Insured pays and the Company may accept the premium for the renewal of this Policy. This cover applies while the insured data media are kept on the premises.

### **SPECIAL PROVISIONS**

#### **1. Sum Insured**

It shall be a requirement of this insurance that the sum insured is the amount required for restoring the insured external data media by replacing lost or damaged data media by new material and reproducing lost information.

#### **2. Basis of Indemnity**

The Company shall indemnify any expenses that can be proved to have been incurred by the Insured within a period of 12 months as from the date of the occurrence strictly for the purpose of restoring the insured external data media 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 carrying

If it is not necessary to reproduce lost data or information, or if such reproduction is not effected within 12 months after the occurrence the Company shall only be liable to indemnify the expenses incurred for replacing the lost or damaged data media themselves by new material.

### **SPECIAL EXCLUSIONS**

The Company shall not be liable for:-

- (a) the value to the Insured of the data thereon;
- (b) in connection with losses caused by malicious act the costs in recompiling or re-recording information arising more than twelve calendar months after the occurrence of such an act;
- (c) the costs and expenses incurred in connection with defects in design or content of any program.
- (d) consequential loss of any kind and description

- (e) the deductible stated in the schedule to be borne by the Insured in any one occurrence;
- (f) any costs arising from false programming, punching, labeling or inserting, inadvertent cancelling of information or discarding of data media, and from loss of information caused by magnetic fields;

**SPECIAL CONDITION**

**Duplicate Records**

**The Insured shall**

- a) back up data records and update the records no less frequently than once every seven days
- b) where possible maintain up to date duplicate copies of software programs
- c) store back up data records and up to date duplicate software programs away from the building where the original software programs and data is held
- d) observe the manufacturer's and/or suppliers recommendations for the storage verification and security of Data Media.

**SUB-SECTION 3 - INCREASED IN COST OF WORKING**

**INSURANCE**

The Company hereby agrees with the Insured that if material damage indemnifiable under Sub-Section 1 gives rise to a total or partial interruption of operation of the EDP equipment entered in the schedule, the Company will indemnify the Insured, as hereinafter provided, for any additional expenditure incurred for the use of substitute EDP equipment not covered under this Section up to an amount not exceeding in all the sum insured in any one year of insurance, provided always that such interruption occurs during the period of insurance stated in the schedule or during any subsequent period for which the Insured pays and the Company may accept the premium for the renewal of this Policy.

**SPECIAL EXCLUSIONS**

The Company shall, however, not be liable for any additional expenditure incurred as a result of not be liable for:-

- (a) restrictions imposed by public authorities concerning the reconstruction or operation of the EDP equipment insured;
- (b) the necessary funds not being available to the Insured in time for repairing or replacing damaged or destroyed equipment.

## **SPECIAL PROVISIONS**

### **1. Sum Insured**

It shall be a requirement of this insurance that the sum insured stated in the schedule is the amount which the Insured would have to pay as additional expenditure for 12 months' use of substitute EDP equipment of similar performance to the EDP equipment insured. The sum insured shall be based on the amounts agreed per day and per month as specified in the schedule.

The Company shall also reimburse the Insured for personal expenses and costs for transportation of materials following upon any event giving rise to a claim under this section, provided separate sums therefor have been entered in the schedule.

### **2. Basis of Indemnity**

In the event of failure of the EDP equipment insured the Company shall be liable for the additional expenditure that can be proved to have been incurred for the period during which the use of substitute EDP equipment is essential, but at the most for the indemnity period agreed.

The indemnity period shall commence as soon as the substitute equipment is put into use.

The Insured shall bear that proportion of each claim which corresponds to the time excess agreed.

If it is found following an interruption of the operation of the EDP equipment insured that the additional expenditure incurred during the period of interruption is higher than the proportionate share of the annual sum insured which is applicable to this period, the Company shall only be liable to indemnify the Insured in respect of that proportion of the agreed annual sum insured which is applicable to the period of interruption, duly taking into account the indemnity period agreed.

Any savings in cost shall be taken into account when calculating the indemnity amount to be paid by the Company.

As from the date of an indemnifiable occurrence the sum insured shall be reduced for the remaining period of insurance by the amount of indemnity paid, unless the sum insured is reinstated.

## **EXTENSIONS**

The following Extensions apply to and form part of this Section:-

### **ARG - EEI (EXT) 001 - Strike, Riot and Civil Commotion**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, and subject to the Insured having paid the agreed extra premium, this Section shall be extended to cover loss or damage due to strike, riot and civil commotion

which for the purpose of this Endorsement shall mean (subject always to the Special Conditions hereinafter contained) loss of or damage to the property insured directly caused by

1. 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) not being an occurrence mentioned in condition 2 of the Special Conditions hereof,
2. the action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of any such disturbance,
3. the wilful act of any striker or locked-out worker performed in furtherance of a strike or in resistance to a lock-out,
4. the action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

**Provided that it is hereby further expressly agreed and declared that**

1. all the terms, exclusions, provisions and conditions of the Policy shall apply in all respects to the insurance granted by this extension save in so far as the same are expressly varied by the following Special Conditions, and any reference to loss or damage in the wording of the Policy shall be deemed to include the perils hereby insured against,
2. the following Special Conditions shall apply only to the insurance granted by this extension, and the wording of the Policy shall apply in all respects to the insurance granted by this Section as if this Endorsement had not been made thereon.

**SPECIAL CONDITIONS**

1. This insurance shall not cover
  - a. loss or damage resulting from total or partial cessation of work or the retarding, interruption or cessation of any process or operation,
  - b. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority,
  - c. loss or damage occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building,
  - d. consequential loss or liability of any kind or description, any payments over and above the indemnity for the material damage as provided herein.

Provided nevertheless that the Company is not relieved under b or c above of any liability to the Insured in respect of physical damage to the property insured occurring before dispossession or during temporary dispossession.

2. This insurance shall not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, 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 proportion of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power,
  - c. any act of any person acting on behalf of or in connection with any organization with activities directed toward the overthrow by force of the government de jure or de facto or to the influencing of it by terrorism or violence.

In any action, suit or other proceeding, where the Company allege that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

3. This insurance may at any time be terminated by the Company on notice to that effect being given by registered post at the Insured's last known address, in which case the Company shall be liable to repay a rateable proportion of the premium for the unexpired term from the date of termination.
4. The limit of indemnity any one occurrence as stated below shall be understood to limit the indemnity for all loss or damage covered by this Endorsement during a consecutive period of 168 hours.

The aggregate liability of the Company during the period of cover of this Policy shall be limited to the sum insured

### **ARG - EEI (EXT) 002 - Extra Charges for Overtime, Night Work, Work on Public Holidays, Express Freight.**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, and subject to the Insured having paid the agreed extra premium, this insurance shall be extended to cover extra charges for overtime, night work, work on public holidays and express freight (excluding airfreight).

Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under this Section.

If the sum(s) insured of the damaged item(s) is (are) less than the amount(s) required to be insured,



the amount payable under this Endorsement for such extra charges shall be reduced in the same proportion.

### **ARG - EEI (EXT) 003 - Extra Charges for Airfreight**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, and subject to the Insured having paid the agreed extra premium, this insurance shall be extended to cover extra charges for airfreight.

Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under this Section.

Provided further that the amount payable under this Endorsement in respect of airfreight shall not exceed € 2,500 during the period of insurance.

Deductible: 20 % of the indemnifiable extra charges, minimum € 250 any one occurrence.

### **ARG - EEI (EXT) 004 - Cover for Theft**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, this insurance shall be extended to include the risk of theft of the Insured items whilst on the premises provided, however, the Insured informs the police authorities immediately after any loss or damage due to theft is discovered.

### **ARG - EEI (EXT) 005 - Cover for Hurricane, Cyclone and Typhoon**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium this insurance shall be extended to include the risk of hurricane, cyclone and typhoon.

### **ARG - EEI (EXT) 006 - Cover for Earthquake, Volcanic Eruption and Tsunami**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium this insurance shall be extended to include the risk earthquake, volcanic eruption and tsunami.

## **SUPPLEMENTARY EXTENSIONS**

In consideration of an additional premium paid hereon the following extensions shall apply only if they are specifically noted on the Policy Schedule.

**ARG - EEI (SUP) 001 - Cover for Mobile and Portable Equipment outside the premises**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, this insurance shall be extended to include loss of or damage to the mobile and/or portable equipment as specified under the schedule of this Section whilst stationary or in transit anywhere in the world.

The Company shall not be liable under this Extension for:

- (a) theft or attempted theft while the Equipment is in an unattended vehicle unless
  - i. the doors of the vehicle are locked and all its windows and other openings are fully closed and properly fastened
  - ii. the vehicle is in a locked garage or compound overnight
  - iii. the Equipment Property is concealed from view
  - iv. in a locked boot or covered luggage compartment in a motor car or in an enclosed luggage area of a van or lorry
  - v. any alarm system fitted to the vehicle is activated;
- (b) theft or attempted theft while the Equipment is left unattended unless:
  - i. inside a locked building (including a locked hotel room) or;
  - ii. in an occupied place of Business or an occupied private residence.

## **SECTION 12 - MACHINERY BREAKDOWN**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

### **INSURANCE**

The Company hereby agrees with the Insured that if at any time during the period of insurance stated in the Schedule or during any subsequent period for which the Insured pays and the Company may accept the premium for the renewal of this Policy, the items (or any part thereof) entered in the Schedule, whilst on the premises mentioned therein, suffer 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,

The Company will indemnify the Insured in respect of such loss or damage, as hereinafter provided, by payment in cash, replacement or repair (at the Company's option) up to an amount not exceeding in any one year of insurance in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum expressed in the Schedule as insured hereby.

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 aforesaid operations themselves, or when being shifted within the premises, or during subsequent re-erection.

### **EXCLUSIONS**

#### **The Company shall not be liable for**

1. 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 one occurrence, the Insured shall not, however, be called upon to bear more than the highest single deductible applicable to such items;
2. loss of or damage to exchangeable tools, e.g. dies, moulds, engraved cylinders, parts which by their use and/or nature suffer a high rate of wear or depreciation, e.g. refractory linings, crushing hammers, objects made of glass, belts, ropes, wires, rubber tyres, operating media, e.g. lubricants, fuels, catalysts;
3. 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;

4. loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;
5. loss or damage caused by any faults or defects existing at the time of commencement of this Policy within the knowledge of the Insured or his representatives, whether such faults or defects were known to the Company or not;
6. loss or damage arising out of the wilful act or gross negligence of the Insured or his representatives;
7. any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny, riot, strike, lock-out, civil commotion, military or usurped power, acts of a group of malicious persons or persons acting on behalf of or in connection with any political organization, conspiracy, confiscation, commandeering, requisition or destruction of or damage to property by order of any government de jure or de facto by any public authority;
8. any consequence of nuclear reaction, nuclear radiation or radioactive contamination;
9. loss or damage as a direct consequence of the continual influence of operation (eg wear and tear, cavitation, erosion, corrosion, rust, boiler scale);
10. 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 Company alleges that, by reason of the provision of Exclusion 7 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.

## **PROVISIONS**

### **Memo 1 - Sum 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 kind and capacity, which means its cost of replacement including, eg, freight, dues and customs duties, if any, and cost of erection.

If the sum insured is less than the amount required to be insured, the Company 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.

**Memo 2 - Basis of Indemnity**

A - In cases where damage to an insured item can be repaired - the Company 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 in the sum insured.

If the repairs are executed at a workshop owned by the Insured, the Company 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 Company 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 Company 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 especially 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 Company if such repairs constitute part of the final repairs and do not increase the total cost of repair. The Company 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.

**EXTENSIONS**

The following Extensions apply to and form part of this Section:-

**ARG -MB (EXT) 001 - Strike, Riot and Civil Commotion**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, and subject to the Insured having paid the agreed extra premium, this Section shall be extended to cover loss or damage due to strike, riot and civil commotion which for the purpose of this Endorsement shall mean (subject always to the Special Conditions hereinafter contained) loss of or damage to the property insured directly caused by

1. 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) not being an occurrence mentioned in condition 2 of the Special Conditions hereof,
2. the action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of any such disturbance,
3. the wilful act of any striker or locked-out worker performed in furtherance of a strike or in resistance to a lock-out,
4. the action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

Provided that it is hereby further expressly agreed and declared that

1. all the terms, exclusions, provisions and conditions of the Policy shall apply in all respects to the insurance granted by this extension save in so far as the same are expressly varied by the following Special Conditions, and any reference to loss or damage in the wording of the Section shall be deemed to include the perils hereby insured against,
2. the following Special Conditions shall apply only to the insurance granted by this extension, and the wording of the Policy shall apply in all respects to the insurance granted by the Section as if this Endorsement had not been made thereon.

**Special Conditions**

1. This insurance shall not cover
  - a. loss or damage resulting from total or partial cessation of work or the retarding, interruption or cessation of any process or operation,
  - b. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority,
  - c. loss or damage occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building,
  - d. consequential loss or liability of any kind or description, any payments over and above the indemnity for the material damage as provided herein. 78

Provided nevertheless that the Company is not relieved under b or c above of any liability to the Insured in respect of physical damage to the property insured occurring before dispossession or during temporary dispossession.

2. This insurance shall not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, 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 proportion of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power,
  - c. any act of any person acting on behalf of or in connection with any organization with activities directed toward the overthrow by force of the government de jure or de facto or to the influencing of it by terrorism or violence.

In any action, suit or other proceeding, where the Company allege that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

3. This insurance may at any time be terminated by the Company on notice to that effect being given by registered post at the Insured's last known address, in which case the Company shall be liable to repay a rateable proportion of the premium for the unexpired term from the date of termination.
4. The limit of indemnity any one occurrence as stated below shall be understood to limit the indemnity for all loss or damage covered by this Endorsement during a consecutive period of 168 hours.

The aggregate liability of the Company during the period of cover of this Policy shall be limited to the sum insured

**ARG - MB (EXT) 002 - Extra Charges for Overtime, Night Work, Work on Public Holidays, Express Freight**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, and subject to the Insured having paid the agreed extra premium, this insurance shall be extended to cover extra charges for overtime, night work, work on public holidays and express freight (excluding airfreight).

Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under this Section.

If the sum(s) insured of the damaged item(s) is (are) less than the amount(s) required to be insured, the amount payable under this Endorsement for such extra charges shall be reduced in the same proportion.

**ARG - MB (EXT) 003 - Extra Charges for Airfreight**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, and subject to the Insured having paid the agreed extra premium, this insurance shall be extended to cover extra charges for airfreight.

Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under this Section.

Provided further that the amount payable under this Endorsement in respect of airfreight shall not exceed € 2,500 during the period of insurance.

Deductible: 20 % of the indemnifiable extra charges, minimum € 250 any one occurrence.

**SUPPLEMENTARY EXTENSIONS**

In consideration of an additional premium paid hereon the following Extensions shall apply only if they are specifically noted on the Policy Schedule.

**ARG - MB (SUP) 001 - Conveyor Belts and Chains**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, and subject to the Insured having paid the agreed extra premium, this insurance shall be extended to cover loss of or damage to conveyor belts and chains (Exclusion 2 contained in this Section shall be deleted as far as applicable).

Provided always that such loss of or damage to conveyor belts and chains is caused by an accident indemnifiable under this Section.

Provided further that the amount indemnifiable in respect of the items thus affected is depreciated at an annual rate to be determined at the time of the loss, this rate being not less than 15 % per annum. However, the cover shall cease when the amount of depreciation exceeds 75 %.

**ARG - MB (SUP) 002 - Wires and Non-Electric Cables**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, and subject to the Insured having paid the agreed extra premium, this insurance shall be extended to cover loss of or damage to wires and non-electric cables (Exclusion 2 contained in this Section shall be deleted as far as applicable).

Provided always that such loss of or damage to wires and non-electric cables is caused by an accident indemnifiable under the Section.



Provided further that the amount indemnifiable in respect of the items thus affected is depreciated at an annual rate to be determined at the time of the loss, this rate being not less than 25% per annum, but not more than 75% in total.

However, non-electric cables of cargo cableways for industrial use shall remain excluded as per Exclusion 2 contained in this Section.

### **ENDORSEMENTS**

The following endorsements shall apply to and for part of this policy where the Machinery insured under the Schedule includes Steam, Water and Gas Turbines or Turbo -Generators or Boilers.

#### **ARG - MB (END) 001 - Overhaul of Steam, Water and Gas Turbines and Turbo-Generator Sets**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the following shall apply to this insurance:

The Insured shall arrange at his own expense an overhaul in a completely opened-up state of the whole turbo-set or parts thereof at the following intervals and shall inform the Company of such an overhaul at least two weeks in advance so that the Company's representatives may be present during the overhaul at the Company's expense:

- a. Steam turbines and turbo-generator sets that operate predominantly under continuous load conditions and are provided with comprehensive instrumentation in line with modern technological standards which allow full control of the operational state of the set to be overhauled at least every four years.

This refers to the respective item(s) contained in the Schedule of the Policy.

- b. Steam turbines and turbo-generator sets which do not fall into the above category to be overhauled at least every three years.

This refers to the respective item(s) contained in the Schedule of the Policy.

- c. Water turbines and turbo-generator sets to be overhauled in accordance with manufacturer's recommendations, however at least every two years.
- d. Gas turbines and gas turbo-generator sets to be overhauled in accordance with the manufacturer's recommendations.

These periods shall commence as from the first start of operation or last overhaul of the given turbo-generator set or part thereof irrespective of the commencement of this insurance cover.

The Insured shall advise the Company of any significant change in the running behavior of the turbo-generator set and both parties shall jointly decide on any action to be taken.

The Insured may apply for an extension of the period between overhauls. Such extension shall be granted if in the opinion of the Company the risk is not aggravated thereby.

If indemnifiable damage to a machine occurs after the respective period mentioned under a to d has been exceeded, the Company shall indemnify only for the extra costs of repair excluding the costs of dismantling, reassembly and similar costs because an overhaul has to be carried out at this stage in any case. The costs of dismantling, reassembly and similar regular overhaul-related work are to be considered as costs of overhauling.

If the Insured fails to comply with the requirements of this Endorsement, the Company shall be free of all liability for loss or damage caused by any circumstance that could have been detected had an overhaul taken place.

**ARG - MB (END) 002 - Overhaul of Steam, Water and Gas Turbines and Turbo-Generator Sets**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the following shall apply to this insurance in respect of Respective item(s) contained in the Schedule of the Policy.

The Insured shall arrange at his own expense an inspection of all boilers annually or at the intervals prescribed by law. The Insured shall also arrange at his own expense any overhaul required by the competent inspection authority or the manufacturer. The Insured shall inform the Company of such an inspection or overhaul at least two weeks in advance so that the Company's representatives may be present during the inspection or overhaul at the Company's expense.

These provisions shall apply regardless of the commencement date of the insurance cover.

The Insured may apply for an extension of the period between inspections and/or overhauls. Such extension shall be granted, provided the inspector or competent authority is in agreement and in the opinion of the Company the risk is not aggravated thereby.

If the Insured fails to comply with the requirements of this Endorsement, the Company shall be free of all liability for loss or damage caused by any circumstance that could have been detected had an inspection and/or overhaul taken place.

## **SECTION 13 - PERSONAL ACCIDENT**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

### **INSURANCE**

If during the Operative Time in any Period of Insurance the Insured Person shall within the Territorial Limits suffer accidental bodily injury which shall independently of any other cause result within two years in the Death Disablement or incurring of Medical Expenses for which the Benefit is claimed the Company will pay the appropriate Benefit to the Insured.

### **EXCLUSIONS**

The Company shall not be liable in respect of and will not pay any Benefit where bodily injury following an Accident is the result of or is contributed to by

1. bodily injury sustained by any person before such person attains the Lower Age Limit or after the expiry of the Period of Insurance during which such person attains the Upper Age Limit
2. bodily injury resulting from
  - (i) the insured person engaging in (or practising for or taking part in training peculiar to) any of the Excluded Activities
  - (ii) the Insured Person committing or attempting to commit suicide or wilfully exposing himself to needless peril except in an attempt to save human life
3. bodily injury or Death Disablement or Medical Expenses resulting from or contributed to by the Insured Person
  - (i) having taken a drug unless it is taken on proper medical advice and is not for the treatment of drug addiction
  - (ii) suffering from pre-existing physical or mental defect or infirmity which had not been declared to and accepted in writing by the Company
  - (iii) whilst under the influence of or due wholly or partly to the effects of intoxicating liquor
4. death Disablement or Medical Expenses resulting from or contributed to by
  - (i) the pregnancy (including childbirth) miscarriage or abortion of the Insured Person
  - (ii) the Insured Person sustaining bodily injury which is the result of a gradually operating cause
5. illness or disease (not resulting from bodily injury following an Accident)

6. any naturally occurring condition or degenerative process
7. any gradually operating cause
8. post traumatic stress disorder or any psychological or psychiatric condition (not resulting from bodily injury following an Accident)

**BENEFIT DEFINITIONS**

1. Loss of Limb shall mean
  - (a) in the case of a lower limb loss by physical severance at or above the ankle or permanent and total loss of use of a complete leg or foot
  - (b) in the case of an upper limb loss by physical severance of the four fingers at or above the meta carpo phalangeal joints (where the fingers join the palm of the hand) or permanent and total loss of use of a complete arm or hand
2. Loss of Eye shall include total and permanent loss of sight
3. Partial Disablement shall mean disablement from at least 50% of the Insured Person's usual Occupation
4. Medical Expenses shall mean the cost of medical surgical or other remedial attention treatment or appliances given or prescribed by a qualified member of the medical profession and all hospital nursing home and ambulance charges
5. Death Disablement or Medical Expenses as the direct result of exposure of the Insured Person to the elements shall be deemed to have been caused by accidental bodily injury

**BENEFITS**

1. Death
2. Permanent Disablement (as per Extended Scale)
3. Temporary Total Disablement from the Insured Person's usual occupation in the Business payable up to a maximum of 104 weeks not necessarily consecutive and subject to the Deferment Period specified under the Schedule
4. Temporary Partial Disablement from at least 50% of the Insured Person's usual occupation in the Business payable up to a maximum of 104 weeks not necessarily consecutive and subject to the Deferment Period specified under the Schedule
5. Medical Expenses necessarily incurred in the treatment of the Insured Person

**EXTENDED SCALE**

The Permanent Disablement Benefit shall be a percentage of the Benefit for Permanent Disablement equivalent to the degree of Disablement. The following scale states the percentages appropriate to the forms of Permanent Disablement specified therein. For Permanent Disablement not specified the degree of Disablement shall be assessed by comparison with the percentages shown in this scale without taking into account the occupation of the Insured Person.

If Benefit is payable in respect of the same Insured Person for more than one form of Permanent Disablement as the result of the same accident the total of the percentages so payable shall not exceed 100% of the Sum Insured for Permanent Disablement. If Benefit is payable for loss or loss of use of a whole member of the body the Benefits for parts of that member cannot also be claimed

|  |      |
|--|------|
| Loss of two or more Limbs or Eyes or both Eyes or one of each  | 100% |
| Loss of Limb or Eye  | 100% |
| Permanent Total Disablement other than by Loss of Limb or Eye<br>From gainful employment of any end every kind | 100% |
| Total incurable insanity   | 100% |
| Loss of both arms or both hands  | 100% |
| Complete deafness of both ears, of traumatic original  | 100% |
| Removal of lower jaw   | 100% |
| Loss of speech   | 100% |
| Loss of one arm and one leg  | 100% |
| Loss of one arm and one foot   | 100% |
| Loss of one hand and one foot  | 100% |
| Loss of one leg and one hand   | 100% |
| Loss of both legs  | 100% |
| Loss of both feet  | 100% |
| Loss of osseous substance of the skull in all its thickness surface of at least 6 sq cm                        | 40%  |
| Loss of osseous substance of the skull in all its thickness surface of 3 to 6 sq cm                            | 20%  |

|   |     |
|---|-----|
| Loss of osseous substance of the skull in all its thickness surface of less than 3 sq cm            | 10% |
| Partial removal of lower jaw, rising section in it's entirety or half of the maxillary bone         | 40% |
| Loss of one eye   | 40% |
| Complete deafness of one ear  | 30% |
| Loss of one arm or one hand   | 60% |
| Considerable loss of osseous substance of the arm (definite and incurable lesion)                   | 50% |
| Total paralysis of the upper limb (incurable lesion of nerves)                                      | 65% |
| Total paralysis of the circumflex nerve   | 20% |
| Shoulder ankylosis  | 40% |
| Elbow ankylosis (unfavourable position) 15 degrees round the right angle                            | 40% |
| In favourable position  | 25% |
| Extensive loss of osseous substance of the two bones of the forearm (definite and incurable lesion) | 40% |
| Total paralysis of the median nerve   | 45% |
| Total paralysis of the radial nerve at the torsion cradle   | 40% |
| Total paralysis of the forearm radial nerve   | 30% |
| Total paralysis of the hand radial nerve  | 20% |
| Total paralysis of the cubical nerve  | 30% |
| Ankylosis of the wrist in favourable position (straight and in pronation)                           | 20% |
| Ankylosis of the wrist in unfavourable position (flexion or strained extension of supine position)  | 30% |
| Total loss of thumb   | 20% |
| Partial loss of thumb (ungual phalanx)  | 10% |
| Total ankylosis of thumb  | 20% |

|   |     |
|---|-----|
| Total amputation of forefinger  | 15% |
| Amputation of two phalanges of forefinger                                     | 10% |
| Amputation of the unguual phalanx of forefinger                               | 5%  |
| Simultaneous amputation of thumb and forefinger                               | 35% |
| Amputation of thumb and a finger other than forefinger                        | 25% |
| Amputation of two fingers other than thumb and forefinger                     | 12% |
| Amputation of three fingers other than thumb and forefinger                   | 20% |
| Amputation of four fingers including thumb                                    | 45% |
| Amputation of four fingers excluding thumb                                    | 40% |
| Amputation of median finger   | 10% |
| Amputation of a finger other than thumb, forefinger and median                | 7%  |
| Amputation of thigh (upper half)  | 60% |
| Amputation of thigh (lower half) and leg                                      | 50% |
| Total loss of foot (tibia-tarsal disarticulation)                             | 45% |
| Partial loss of foot (sub-ankle-bone disarticulation)                         | 40% |
| Partial loss of foot (medio-tarsal disarticulation)                           | 35% |
| Partial loss of foot (tarso-metatarsal disarticulation)                       | 30% |
| Total paralysis of lower limb (incurable nerve lesion)                        | 60% |
| Complete paralysis of the external poplitic sciatic nerve                     | 30% |
| Complete paralysis of the internal poplitic sciatic nerve                     | 20% |
| Complete paralysis of the two nerves (poplitic sciatic external and internal) | 40% |
| Anchylosis of the hip   | 40% |
| Anchylosis of the knee  | 20% |

|   |     |
|---|-----|
| Loss of osseous substance from the thigh or both bones of the leg (incurable condition)   | 60% |
| Loss of osseous substance of the knee pan with considerable separation of the fragments and considerable difficulty of movements in stretching the leg  | 40% |
| Loss of osseous substance of the knee pan while the movements are preserved   | 20% |
| Shortening of the lower limb at least 5cm   | 30% |
| Shortening of the lower limb by 3 to 5cm  | 20% |
| Shortening of the lower limb by 1 to 3cm  | 10% |
| Total amputation of all toes  | 25% |
| Amputation of four toes including big toe   | 20% |
| Amputation of four toes   | 10% |
| Anchylolysis of the big toe   | 10% |
| Amputation of two toes  | 5%  |
| Amputation of one toe other than the big toe  | 3%  |
| Anchylolysis of the fingers (other than thumb and forefinger) and of the toes (other than the big toe) shall only entitle to 50% of the compensation which would be due for the loss of the said members. |     |

**Special Conditions applying to this Section**

1. Benefits

- A. The Company will not pay in respect of any one Insured Person more than one of Benefits 1 to 4 in connection with the same Accident
- B. Any Disablement under Benefits 2 must be proved to the reasonable satisfaction of the Company to be permanent and without expectation of recovery before the Company will pay the Benefit
- C. i) If Benefit 1 is not included for an Insured Person the Company will not pay for Loss of Limb or Eye or speech or hearing until at least thirteen weeks after the date of the Accident and the Company will only then pay if the Insured Person has not in the meantime died as a result of the Accident



- ii) If Benefit 1 is included but the amount payable thereunder is less than the amount for Loss of Limb or Eye or speech or hearing the Company will not pay more than the amount for Benefit 1 until at least thirteen weeks after the date of the Accident and the Company will only then pay the balance if the Insured Person has not died in the meantime as a result of the Accident
2. Written notice shall be given to the Company without unnecessary delay but in any event within one calendar month of the injury in respect of which a claim is to be made. All certificates information and evidence required by the Company shall be furnished at the expense of the Insured or his legal personal representatives and shall be in such form and of such nature as the Company may prescribe. The Insured as often as required shall submit to medical examination on behalf of the Company at its own expense in respect of any alleged bodily injury. The Company shall in the event of the death of the Insured be entitled to have a post-mortem examination at its own expense.
3. The Insured shall give immediate notice in writing to the Company of any change in profession occupation pursuits of residence and shall on tendering any premium for the renewal of this Policy give notice in writing to the Company of any physical defect infirmity or disease by which he has become affected or of which he has become aware since the payment of the last premium and of the effecting of other personal accident insurance.
4. The Company shall not be bound to notice or be affected by any notice of trust charge or alienation relating to this Policy but the receipt of the Insured or his legal representative shall in any case effectually discharge the Company.

#### **Excluded Activities**

- Diving necessitating the use of breathing equipment
- Flying or other aerial activity other than flying in a fully licensed passenger carrying aircraft but not
  - i) as a member of the crew nor
  - ii) for the purpose of engaging in any trade or technical operation therein
- Football other than association football (soccer) as an amateur. (Amateur shall mean a person who receives no financial gain from or payment for participation in that sport other than the reimbursement of reasonable travel and other out of pocket expenses)
- Hunting racing or any competition or sport on horseback
- Ice Hockey
- Motor Competitions

- Motorcycling as a rider or passenger except a machine not exceeding 125c.c.
- Mountaineering or rock or cliff climbing necessitating the use of ropes or guides
- Pot-holing
- Power-boating meaning the use of any combination of boat and engine capable of travelling faster than 30 knots
- Racing other than racing on foot or swimming or in dinghies
- Using Woodworking Machinery, but not including portable tools applied by hand and used solely for private purposes without reward
- Water ski-jumping and tricks, water skiing, jet skiing, paragliding or parachuting
- Winter sports other than curling or skating
- Wrestling boxing judo karate or any form of unarmed combat
- Yachting beyond 5 kilometres of a coastline
- The preparation manufacture transporting or letting off of fireworks and other related activities

## General Definition:

### Operative Time

The Operative Time shown in the Schedule shall have the following meaning:

Option:

- A) Anytime - 24 hour basis
- B) Occupational Accidents Only excluding Commuting
- C) Occupational Accidents Only including Commuting (Insurance operates from the departure of the Insured Person from residence or normal place of Business (whichever occurs first) until arrival back at such residence or normal place of Business (whichever occurs last) at the end of the journey including Commuting

**Accumulation Limit** The maximum amount the Company will pay under this Section and any other policy of Personal Accident Insurance issued by the Company in the Insured's name in respect of all losses and in respect of all Insured Persons arising out of one and the same Incident .

## EXTENSIONS

The following Extensions apply to and form part of this Section.

### **ARG - PA (EXT) 001 - Disappearance**

In the event of the disappearance of an Insured Person if after 90 days it is reasonable to believe that death has occurred as a result of bodily injury following an Accident Benefit 1 shall become payable subject to a signed undertaking by the Insured that if the belief is subsequently found to be wrong such amount shall be refunded to the Company

### **ARG - PA (EXT) 002 - Exposure**

If an Insured Person suffers Death or Disablement as a result of exposure to the elements the Company will consider that as having been caused by bodily injury following an Accident.

## SUPPLEMENTARY EXTENSIONS

In consideration of an additional premium paid hereon the following Extensions shall apply only if they are specifically noted on the Policy Schedule.

### **ARG - PA (SUP) 001 - Funeral Expenses**

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Death the Company will pay the necessary costs incurred with the Company's prior written consent for funeral expenses up to a maximum of € 1,000 any one Insured Person subject to this not being included or recoverable in any claim or any other Policy covering the same accident.

### **ARG - PA (SUP) 002 - Disability Assistance**

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Disablement for which Benefit 2 3 or 4 is paid the Company will pay necessary expenses incurred with the Company's prior written consent to make alterations to the Insured Person's home car or usual place of work as a direct and necessary result of the Disablement suffered up to a maximum of € 1,000

### **ARG - PA (SUP) 003 - Hospitalisation**

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within 2 years is the sole and independent cause of the Insured Person being admitted to Hospital on the recommendation of a Medical Practitioner the Company will pay € 25 per full 24 hours up to a maximum of 52 weeks any one Insured Person while they are a Hospital in-patient subject to this not being included or recoverable in any claim or any other Policy covering the same accident

**ARG - PA (SUP) 004 - Retraining**

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of the Insured Person suffering Permanent Total Disablement from the Insured Person's usual occupation in the Business for which the benefit is paid the Company will pay reasonable expenses incurred in retraining the Insured Person for an alternative occupation with the Insured up to a maximum of € 2,500

**ARG - PA (SUP) 005 - Dependents Benefit**

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Death for which Benefit 1 is paid the Company will pay an additional 2% per Child up to a maximum 10% of Benefit 1

**ARG - PA (SUP) 006 - Coma Benefit**

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within 90 days is the sole and independent cause of the Insured Person being in a continuous unconscious state the Company will pay € 50 per full 24 hours up to a maximum of 52 weeks any one Insured Person while they remain in a continuous unconscious state

**ARG - PA (SUP) 007 - Commuting Expenses**

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of the Insured Person sustaining disablement from at least 50% of the Insured Person's usual occupation in the Business the Company will pay necessary expenses for additional commuting costs necessitated to aid the Insured Person's return to work at the Insured's request up to € 50 per week up to a maximum € 250 any one Insured Person

## **SECTION 14 - FIDELITY**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

### **INSURANCE**

#### **The Company will indemnify the Insured**

1. against direct loss of money or goods belonging to them or for which they are legally responsible caused by any act of Theft committed during the Period of Insurance by any Employee described in the Schedule normally resident within the Territorial Limits and discovered not later than 12 months after the termination of

- A) this insurance
- B) the insurance in respect of any Employee specified by name or position whichever occurs first
  - 1. for auditor's fees incurred with the Company's written consent solely to substantiate the amount of the claim
  - 2. for the reasonable cost of re-writing or amending the software programs or systems where such writing or amending is necessary to correct the programs or amend the security codes following the fraudulent use of computer hardware or software programs or computer systems the subject of a claim for which liability is admitted under this Section

#### **Previous Insurance**

If this insurance immediately supersedes a Fidelity Insurance effected by the Insured (the 'Superseded Insurance') the Company will indemnify the Insured in respect of any loss discovered during the continuation of this insurance but committed during the continuation of the Superseded Insurance if the loss is not recoverable thereunder solely because the period allowed for discovery has expired

Provided that

- 1. such insurance has been continuously in force from the time of the loss until the commencement of this insurance
- 2. the loss would have been insured by this insurance had it been in force at the time of the loss
- 3. the liability of the Company shall not exceed whichever is the lesser of
  - A) the amount recoverable under the insurance in force at the time of the loss or
  - B) the Limit of Indemnity under this insurance

In any event the total liability of the Company in respect of any One Claim continuing through both the term of the Superseded Insurance and the continuation of this insurance shall not exceed the Limit of Indemnity applicable under this insurance

**Non-Contribution - Legal Liability**

If at the time of loss of money or goods for which the Insured is legally responsible or at the time a claim for such property arises the Insured is or would but for the existence of this insurance be entitled to indemnity under any other insurance or to recovery under any guarantee or indemnity fund the Company shall not be liable except in respect of any excess beyond the amount which would have been payable under such other insurance guarantee or fund had this insurance not been effected

**Application of Limitations**

Irrespective of the number of Periods of Insurance during which this insurance (and any insurance issued in substitution therefore) shall remain in force the total liability of the Company in respect of any One Claim shall not exceed the Limit of Indemnity

**Limitations**

The liability of the Company in respect of any One Claim caused by one employee shall not exceed the Limit of Indemnity applicable to that Employee The liability of the Company in respect of all claims during any one Period of Insurance shall not exceed the Aggregate Limit of Indemnity specified in the Schedule

**Exclusions**

The Company shall not be liable for

1. loss of interest or any other losses which are not directly covered by the terms and conditions of the Policy
2. the amount of the Insured's Contribution as shown in the Schedule
3. loss caused by any act of any Employee committed prior to the Commencement Date applicable to that Employee

**Interpretations**

**Theft**

shall include any act of fraud or dishonesty by any Employee committed with the clear intent of obtaining an improper financial gain for themselves or for any other person or organisation intended by the Employee to receive such gain other than salaries fees commission or other employee benefit earned in the normal course of employment

**Employee**

shall mean any person

- A) under a contract of service or apprenticeship with the Insured or
- B) undergoing training under any Government approved training scheme under the control of the Insured in connection with the Business whilst in the service of the Insured

The term Employee shall include

- A) any director of the Insured if such person
  - 1) is also employed by the Insured under a contract of service and
  - 2) controls no more than 5% of the issued share capital of the Insured company or of any subsidiary of the Insured company
- B) any person retired from full-time employment with the Insured who is working for the Insured as a consultant under the control or direction of the Insured

**Commencement Date**

shall mean the date from which insurance in respect of any Employee commenced

**Whilst in the service of the Insured**

shall include the period of 30 days immediately following the termination of service

**Territorial Limits**

shall mean The Maltese Islands

**Insured's Contribution**

the first part of any One Claim borne by the Insured as specified in the Schedule or as otherwise provided for by this Policy

**One Claim**

shall mean all acts of Theft throughout the continuation of this insurance (or any insurance issued in substitution therefore or for which this insurance is substituted) committed by one individual Employee or by two or more Employees Acting in Collusion

**Acting in Collusion**

shall mean all circumstances where two or more Employees are concerned or implicated together or materially assist each other in committing the acts of Theft

**Minimum Standards of Control**

**Auditors**

The accounts of the Insured including all subsidiary companies shall be examined by external auditors every twelve months

All recommendations or alternatives acceptable to the auditors shall be implemented without delay

**Cash receipts**

Employees receiving cash and cheques in the course of their duties shall be required to remit all monies received and bank in full on the day of receipt or next banking day

**Reconciliation**

Independently of Employees responsible bank statements receipts counterfoils and supporting documents are checked at least monthly against cash book entries and the balance tested with cash and unpresented cheques

**Cheque signing**

- A) all manually prepared cheques or other bank instruments drawn for more than € 2,500 shall require two manually applied signatures to be added after the amount has been inserted No cheque or instrument shall be signed until one signatory has examined the supporting documentation
- B) in the case of computer or machine prepared cheques or other bank instruments the supporting documentation shall be examined and authorised before the requisition for the cheque or instrument is input All such cheques or instruments drawn for an amount in excess of € 2,500 shall require one manually applied signature added after the cheque or instrument is prepared

The Insured's bankers shall be advised of the above requirements as to signatures

**Cash and petty cash**

Cash in hand and petty cash shall be checked independently of Employees responsible at least monthly and additionally without warning every six months



### **Payroll**

In respect of Employees not paid by crossed cheque or credit transfer the cast of the payroll will be subject to an independent check before payment to ensure that the total amount drawn is correct

At least quarterly and independently of persons responsible the payroll will be checked to minimise the possibility that fictitious names and enhanced payments have been included

### **Stocktaking**

There will be a physical check on all stock and materials held against verified stock records independent of Employees responsible at intervals of not more than twelve months except where otherwise stated herein

In respect of the following stock or goods a physical check shall be carried out against verified records independently of Employees responsible at intervals of not more than six months

- Non Ferrous Metals
- Wines and Spirits
- Cigarettes and Tobacco

### **Ordering goods**

Employees acting independently shall be responsible for the ordering of stock and materials the recording of receipt of such and the authorising of payment for them

### **Statements of account**

Statements of account for all amounts due will be issued at least monthly and direct to customers independently of Employees receiving or collecting monies Action by management shall be taken if an account becomes three months overdue

### **References Condition**

The Insured shall obtain satisfactory references to confirm the honesty of each Employee who will be responsible for money goods accounts computer operations or computer programming engaged after commencement of this Policy

Such references shall be obtained directly from former employers for the three years immediately preceding engagement and before the Employee is entrusted without supervision

References need not be obtained in respect of Employees who have satisfactorily and continuously served the Insured for at least one year in another capacity before being entrusted with the duties referred to above

In respect of Employees joining directly from school or government sponsored youth training schemes one character reference shall be obtained

A written record of any verbal reference shall be made at the time it is obtained the original copy of each written reference and the record of any verbal reference shall be retained by the Insured and shall be made available for inspection by the Company on request

**Minimum Standards of Control Condition**

The Insured shall operate or bring into force the Minimum Standard of Control and shall not make any change to any of the Minimum Standards of Control unless the Company is advised and its written approval obtained

All Employees shall be instructed as to their duties or responsibilities in respect of the Minimum Standards of Control and shall be expected to comply

Failure to comply with this condition may result in a claim under Fidelity Insurance not being paid

**Special Conditions**

1. Immediately following the discovery by the Insured of any act of Theft by an Employee all indemnity for further acts of Theft by that Employee shall cease
- A) Any money of the Employee in the Insured's hands upon discovery of any loss and any Money which but for the Employee's Theft would have been due to the Employee from the Insured shall be deducted from the amount of the loss before a claim is made under this insurance
- B) Any further monies which are recovered less any costs incurred in recovery shall accrue
  - 1) in the event that the Insured's claim has exceeded the Limit of Indemnity firstly to the Benefit of the Insured to reduce or extinguish the amount of the Insured's loss (but not the Insured's Contribution)
  - 2) thereafter to the benefit of the Company to the extent of the claim paid or payable
  - 3) and finally to the benefit of the Insured where the Insured's Contribution had been deducted from the claim
2. Upon the termination of service of any Employee the Insured shall take all reasonable security precautions to prevent Theft by that Employee

**Special Provision**

**Index Linking**

The Company will adjust the estimate of wages provided by the Insured and on which the premium for this Insurance is based in line with suitable indices of costs and the premium for renewal will be based on the adjusted amount

**SUPPLEMENTARY EXTENSIONS**

In consideration of an additional premium paid hereon the following Extensions shall apply only if they are specifically noted on the Policy Schedule.

**ARG - FID (SUP) 001 - 20/80 Extension**

In the event that any claim results from or is contributed to by the failure of any Employee or Employees to observe any part of the Minimum Standards of Control provided that the Insured can conclusively demonstrate

- A) that they had complied with the condition stated above and
- B) such failure was without their knowledge or consent or that of any Responsible Official

Then the Company will pay any claim resulting therefrom but subject to the Insured bearing

- A) in addition to the amount of the Insured's contribution 20% of the amount for which the Company would otherwise have been liable or
- B) € 2,500 in all

whichever shall be the greater

If the Minimum Standards of Control are evaded by the actual Employee or Employees committing the Theft without the knowledge of some other person who is a Responsible Official or of the Insured the claim will be payable without deduction subject otherwise to the terms of the Policy

**Responsible Official shall mean**

- A) any director or executive officer or accounting or audit manager of the Insured or of any subsidiary company whose employees are insured by this Section
- B) any internal auditor inspector accountant or other person responsible for overseeing compliance with standards of supervision accounting or security

**ARG - FID (SUP) 002 - Temporary Agency Staff Extension**

**The term Employee shall include**

any person furnished by a staff or employment agency who by arrangement with such agency is working for the Insured on a temporary or part-time basis in connection with the Business to perform the functions and duties of an Employee under the control or direction of the Insured but not including persons employed as drivers or in connection with warehouse duties or with computer operations or computer programming unless specifically stated as insured herein

**Provided that**

1. the Company shall not be liable for any loss caused by any such person if such loss is also covered for the benefit of the Insured by any insurance or guarantee held by the staff or employment agency furnishing the person concerned
2. the amount of wages and salaries declared shall include the total amount of fees paid to staff and employment agencies in respect of temporary agency staff described above
3. the References Condition shall not apply to the temporary agency staff described above

**ARG - FID (SUP) 003 - Pension Fund Trustees Extension**

At the request of the Insured the Company will indemnify the Trustees of any pension fund or other employee benefit scheme set up to provide benefit to the Insured's Employees in respect of any loss of money or goods which the Trust may incur as a result of any act of Theft as otherwise insured by this Section committed by any Employee of the Insured

For the purpose of this extension all persons nominated as Trustees shall be deemed Employees

**SECTION 15 - CONSEQUENTIAL LOSS FOLLOWING MACHINERY  
BREAKDOWN - GROSS PROFIT**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

**INSURANCE**

The Company hereby agree with the Insured that 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 Under Section 12 , then the Company 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

Provided that the liability of the Company in no case exceeds in respect of each subject matter insured in any one year of insurance the sum expressed in the schedule(s) to be insured thereon or in the whole the total sum insured hereby or such other sum or sums as may hereinafter be substituted therefor by endorsement signed by or on behalf of the Company

**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:

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, yclone, volcanic eruption or similar natural catastrophes;
2. loss or damage due to the imposition of abnormal conditions directly or indirectly resulting from testing, intentional overloading or experiments;
3. loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;
4. loss or damage caused by any faults or defects existing at the time of commencement of this Policy within the knowledge of the Insured or his representatives, whether such faults or defects were known to the Company or not;
5. loss or damage arising out of the wilful act or gross negligence of the Insured or his representatives;
6. loss of or damage to

- a) foundations and masonry, unless specifically included and described in the list of machinery and plant insured;
  - b) exchangeable and replaceable parts such as bits, drills, knives, saw blades:
  - c) dies, moulds, patterns, blocks, stamps, punches, coatings or engravings on cylinders and rolls:
  - d) parts which by their use and/or nature suffer a high rate of wear or depreciation such as crushing surfaces, balls, 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;
  - e) operating media such as fuels, chemicals, catalysts, filter substances, heat transfer media, cleansing agents, lubricants;
7. 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 Company shall be liable for any loss resulting from interruption or interference caused by damage arising from such causes and otherwise insured by this Section;
  8. 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:
  9. any restrictions on reconstruction or operation imposed by any public authority;
  10. the Insured not having at his disposal in good time sufficient capital for repairing or replacing destroyed or damaged machinery;
  11. 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;
  12. 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 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 Company alleges that by reason of the provisions of exclusions 3.-7. above any loss is not covered by this Section, the burden of proving that such loss is covered shall be upon the Insured.

**Special Conditions**

1. The Insured shall be obliged to keep complete records. All records, e. g, inventories, production and balance sheets, for the three 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.
2. 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 Company by telephone or telegram and send them written confirmation thereof within forty-eight hours of the occurrence:
  - b) do and concur in doing and permit to be done all such things as may be reasonably practicable to minimize 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 Company authorizes otherwise, and the Company 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 said machinery has been repaired to the satisfaction of the Company.
3. In the event of a claim being made under this Section not later than thirty days after the expiry of the indemnity period or within such further times as the Company may allow in writing, the Insured shall at his own expense deliver to the Company 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 Company 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 Company 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. In the event of an accident to any insured machinery likely to give rise to a claim hereunder the Company shall have the right to take over and control all necessary repairs or replacements.
5. In the event of any occurrence in respect of which a claim is or may be made under this Section the Company and every person authorized by the Company may, without thereby incurring any liability and without diminishing the right of the Company to rely upon any condition of this Policy, enter any building where the loss has happened and may take possession of or require that any of the machinery be rendered 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 Company so to do. If the insured or anyone acting on his behalf does not comply with the requirements of the Company or hinders or obstructs the Company during any of the above mentioned acts, then all benefit under this Section shall be forfeited.

6. The Insured shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or required by the Company in the interest of any right or remedies or of obtaining relief or indemnity from parties (other than those insured under this Section) to which the Company are or would become entitled or which would be subrogated to them on paying for or making good any loss or damage under this Section, whether such acts and things are or become necessary or required before or after the Insured's indemnification by the Company.
7. The Company shall not be liable to pay for or contribute to any loss which but for the existence of this Policy is or would be insured by any Loss of Profits policy covering Marine risks or Fire and/or Explosion risks.
8. The indemnity shall fall due two weeks after its final determination. If after the expiry of one 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 Company is 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 installment of the total indemnity.

The Company 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 Company shall not be liable to pay interest other than interest for default.
9. Should at anytime after the commencement of this Policy
- 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 minimizing factors in existence when the insurance was effected be reduced or discontinued, or such standby or spare machinery be not maintained in an efficient working condition and available for immediate use, then this Policy shall be avoided unless its continuance is admitted by a special written statement signed by or on behalf of the Company.



### **Basis of Insurance**

The cover provided under this Section 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

- 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
- 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.

### **DEFINITIONS**

#### **Gross Profit**

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.

#### **Specified Working Expenses**

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

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

#### **Turnover**

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

**Indemnity Period and Time Excess**

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 Company 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.

**Rate of Gross Profit**

The rate of gross profit earned on the turnover during the financial year immediately before the date of the accident

**Standard Turnover**

The turnover during that period in the twelve 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 as may be reasonably practicable the results which but for the accident would have been obtained during the relative period after the accident

**Annual Turnover**

The turnover which the Insured would have been able to obtain but for the accident during the twelve months immediately before either the date when the business is no longer affected or when the indemnity period ends, whichever occurs first.

**Accident**

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.

**Memo 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.

**Memo 2 - Return of Premium**

If the Insured declares at the latest six months after the expiry of any policy year that the gross profit earned during the accounting period of twelve 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.

**Memo 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 minimizing measures. If in the event of an accident affecting an insured item of 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 Company 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.

**Memo 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.

**Memo 5 - Benefits after Recommissioning**

If during a period of six 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.

**Memo 6 - Reinstatement of Sum Insured**

For the period following the occurrence of an accident up to the end of the policy period 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.

**Memo 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 Policy.

**SECTION 15 - CONSEQUENTIAL LOSS FOLLOWING MACHINERY  
BREAKDOWN - GROSS REVENUE**

**THIS INSURANCE IS OPERATIVE ONLY IF SHOWN AS SUCH IN THE SCHEDULE**

**INSURANCE**

The Company hereby agree with the Insured that 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 Under Section 12 , then the Company 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

Provided that the liability of the Company in no case exceeds in respect of each subject matter insured in any one year of insurance the sum expressed in the schedule(s) to be insured thereon or in the whole the total sum insured hereby or such other sum or sums as may hereinafter be substituted therefor by endorsement signed by or on behalf of the Company

**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:

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. loss or damage due to the imposition of abnormal conditions directly or indirectly resulting from testing, intentional overloading or experiments;
3. loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;
4. loss or damage caused by any faults or defects existing at the time of commencement of this Policy within the knowledge of the Insured or his representatives, whether such faults or defects were known to the Company or not;
5. loss or damage arising out of the wilful act or gross negligence of the Insured or his representatives;
6. loss of or damage to

- a) foundations and masonry, unless specifically included and described in the list of machinery and plant insured;
  - b) exchangeable and replaceable parts such as bits, drills, knives, saw blades:
  - c) dies, moulds, patterns, blocks, stamps, punches, coatings or engravings on cylinders and rolls:
  - d) parts which by their use and/or nature suffer a high rate of wear or depreciation such as crushing surfaces, balls, 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;
  - e) operating media such as fuels, chemicals, catalysts, filter substances, heat transfer media, cleansing agents, lubricants;
7. 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 Company shall be liable for any loss resulting from interruption or interference caused by damage arising from such causes and otherwise insured by this Section;
  8. 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:
  9. any restrictions on reconstruction or operation imposed by any public authority;
  10. the Insured not having at his disposal in good time sufficient capital for repairing or replacing destroyed or damaged machinery;
  11. 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;
  12. 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 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 Company allege that by reason of the provisions of exclusions 3-7. above any loss is not covered by this Section, the burden of proving that such loss is covered shall be upon the Insured.

**Special Conditions**

1. The Insured shall be obliged to keep complete records. All records, e. g, inventories, production and balance sheets, for the three 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.
2. 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 Company by telephone or telegram and send them written confirmation there of within forty-eight hours of the occurrence:
  - b) do and concur in doing and permit to be done all such things as may be reasonably practicable to minimize 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 Company authorizes otherwise, and the Company 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 said machinery has been repaired to the satisfaction of the Company.
3. In the event of a claim being made under this Section not later than thirty days after the expiry of the indemnity period or within such further times as the Company may allow in writing, the Insured shall at his own expense deliver to the Company 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 Company 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 Company 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. In the event of an accident to any insured machinery likely to give rise to a claim hereunder the Company shall have the right to take over and control all necessary repairs or replacements.

5. In the event of any occurrence in respect of which a claim is or may be made under this Section the Company and every person authorized by the Company may, without thereby incurring any liability and without diminishing the right of the Company to rely upon any condition of this Policy, enter any building where the loss has happened and may take possession of or require that any of the machinery be rendered 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 Company so to do. If the insured or anyone acting on his behalf does not comply with the requirements of the Company or hinders or obstructs the Company during any of the above mentioned acts, then all benefit under this Section shall be forfeited.
6. The Insured shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or required by the Company in the interest of any right or remedies or of obtaining relief or indemnity from parties (other than those insured under this Section) to which the Company are or would become entitled or which would be subrogated to them on paying for or making good any loss or damage under this Section, whether such acts and things are or become necessary or required before or after the Insured's indemnification by the Company.
7. The Company shall not be liable to pay for or contribute to any loss which but for the existence of this Policy is or would be insured by any Loss of Profits policy covering Marine risks or Fire and/or Explosion risks.
8. The indemnity shall fall due two weeks after its final determination. If after the expiry of one 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 Company is 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 installment of the total indemnity.

The Company 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 Company shall not be liable to pay interest other than interest for default.
9. Should at anytime after the commencement of this Policy
- 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 minimizing factors in existence when the insurance was effected be reduced or discontinued, or such standby or spare machinery be not maintained in an efficient working condition and available for immediate use, then this Policy shall be avoided unless its continuance is admitted by a special written statement signed by or on behalf of the Company.

### **The Insurance Provided**

**Item 1.** The Insurance under item Number 1 is limited to (a) LOSS OF GROSS REVENUE and (b) ADDITIONAL COST OF WORKING and the amount payable as indemnity thereunder shall be:

- (a) In respect of **LOSS OF GROSS REVENUE:** amount by which the Gross Revenue during the Indemnity Period under Item 1 shall, in consequence of the Damage, fall short of the Standard Gross Revenue,
- (b) In respect of **ADDITIONAL COST OF WORKING:** The additional expenditure (including cost of moving to and from, and the additional Rent of, temporary premises, and compensation or premium necessary to obtain use of same, additional Rates and Taxes thereon and expenses incurred in installing and/or hiring such furniture, fixtures and fittings as may be required to render said premises suitable for occupation by the Insured for the business; additional cost in respect of lighting, heating and water; additional cost in respect of telephone, stationery, advertising, printing and travelling expenses; additional cost in respect of additional staff and overtime and allowances for meals to existing staff; additional cost of obtaining, owing to the Damage, the necessary information for the replacement of all documents, plans, drawings, specifications, valuations, card indices and books of account) reasonably incurred in order to minimise and interruption of or interference as aforesaid with the Business during the Indemnity Period under Item 1, but not exceeding the amount of the reduction in Gross Revenue thereby avoided during such Indemnity Period,

less any sum saved during the Indemnity Period under Item 1 in respect of such of the Working Expenses and Standing Charges of the Business as may cease or be reduced in consequence of the Damage provided that if the Sum Insured by this Item be less than 100% of the Annual Gross Revenue, the amount payable shall be proportionately reduced.

**Item 2.** The insurance under Item 2 is limited to Extra Additional Cost of Working as specified below and the amount payable as indemnity thereunder shall be:-

The additional expenditure as aforesaid reasonably incurred beyond the amount payable under Clause (b) of Item 1 in order to minimise any interruption of or interference as aforesaid with the Business during the Indemnity Period under Item 2.



## DEFINITIONS

**Indemnity Period under Item 1:** The period beginning with the occurrence of the Damage and ending not later than 12 months thereafter during which the results of the Business shall be affected in consequence of the Damage

**Indemnity Period under Item 2:** The period beginning with the occurrence of the Damage and ending not later than 12 months thereafter during which the results of the Business shall be affected in consequence of the Damage.

**Gross Revenue:** The money paid or payable to the Insured for work done and services rendered

**Standard Gross Revenue:**

The Gross Revenue during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period under Item 1

**Annual Gross Revenue:**

The Gross Revenue During the twelve months immediately before the date of the 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 Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the the relative period after the Damage.

**Memorandum 1.**

The Company shall not liable hereunder for more than € 2,500 in respect of any set of deeds or documents or any one plan, drawing, specification, valuation, card index or book of account.

**Memorandum 2.**

In the event of the Net Revenue in respect of the Financial Year most nearly concurrent with any period of insurance being less than the sum insured thereon a pro rata return of premium not exceeding 50 per cent 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 Section such return shall be made in respect only of so much of the said difference as is not due to such Damage.

## GENERAL MEMORANDA

The following Memoranda shall apply to and form part of this Policy.

**ARG - GEN (MEMO) 001 - Breach of Warranties.**

The Warranties and Special Memoranda attached to this Policy shall apply to the items concerned individually as if each were insured by a separate Policy. The breach of any Warranty or Special Memorandum shall void the Policy only in respect of the item or items to which the breach applies and not in respect of the remaining items.

Furthermore, the separate interests of the Lessor or other owner (if any) shall not be prejudiced by any act, neglect or non-disclosure or by any non-compliance with any Warranty or Condition by the Lessee or the Occupier of any Buildings. Provided they shall immediately on becoming aware thereof give notice in writing to the Company.

#### **ARG - GEN (MEMO) 002 - Claims Preparation**

The cover granted by this Policy extends to include the reasonable charges payable by the Insured for producing such particulars or details or any other proofs, information or evidence as may be required by the Company under the terms of this Policy provided that the amount payable under this Extension shall in no case exceed € 2,000.

#### **ARG - GEN (MEMO) 003 - Other Interested Parties**

The Policy is understood to include the interest where involved of other parties including those of Parent, Allied, Subsidiary Companies, The Nature and Extent of such Interest to be declared in the event of loss.

#### **ARG - GEN (MEMO) 004 - Waiver of Subrogation**

The Company hereby waives subrogation as to any right of recovery which the Insured may have against of the Insured Parties.

#### **ARG - GEN (MEMO) 005 - Long Term Agreement**

The discount off the premium stated under the Schedule has been allowed in arriving at the premium, in consideration of the Insured having undertaken to offer the renewal of this Insurance at the same terms and conditions for the period stated in the Schedule with effect from inception date and to pay the premium annually in advance, provided, however, that :-

1. The sum insured may be reduced proportionately at any time to correspond with any reduction in value.
2. The undertaking shall be held to apply to any Insurance or Insurances issued in substitution hereof.
3. The premium shall be subject to revision at any time following any alteration in physical hazard.
4. At any renewal date the Company may require revised terms or conditions and, if the Insured does not accept such terms or conditions, the agreement set out in this Extension shall lapse.
5. The Company shall be under no obligation to accept an offer made under this Agreement.

## 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. MISDESCRIPTION

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

### 3. CANCELLATION

#### **Insured's Cancellation Rights**

The Insured has a statutory right to cancel the policy within 14 days from the day of purchase of the contract or the day on which the policy documentation is received, whichever is later.

If the Insured wishes to cancel, and the insurance cover has not yet started, the Insured will be entitled to a full refund of the premium paid.

Or if the insurance cover has already started, the Insured will be entitled to a refund of the premium paid, with a deduction for the time for which the Insured has been covered.

After any statutory cooling-off period the Insured will continue to have the right to cancel the policy and will be entitled to return of the premium on a pro-rata basis, provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance. The amount of any premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

#### **Insurer's Cancellation Rights**

Argus may cancel this Policy by giving the Insured thirty (30) days' notice in writing sent to the Insured's last known address. Provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance the Insured may be entitled to a proportionate return of the premium in respect of the unexpired Period of Insurance. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

If the premium for the Policy is paid by instalments, please refer to the instalment agreement for details of the cancellation period that will apply.

#### **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 are used by the Insured or any one acting on his behalf to obtain any benefit under this Policy or
- (b) if any claim be made and rejected and an action or suit be not commenced within three months after such rejection, or (in the case of an arbitration taking place in pursuance of Condition No. 8 of this Policy) within three months after the arbitrator or arbitrators or umpire shall have made their award.

#### **5. SUBROGATION**

Any claimant under this Policy shall, at the expense of the Company do, and concur 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 other parties to which the Company shall be or would become entitled or subrogated, upon its paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

#### **6. CONTRIBUTION**

If at the time of any loss or damage happening to any property hereby insured, or other insurance covering the same liability or any other indemnity provided by this policy there be any other subsisting insurance or insurances whether effected by the Insured or by any other person or persons, covering either such loss or any part of it or the same property or any liability or other indemnity the Company shall not be liable to pay any amount beyond that which would have been payable under such other Insurance had this policy not been effected.

#### **7. TIME LIMIT**

In no case whatever shall the Company be liable for any loss or damage after the expiration of twelve months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration.

#### **8. ARBITRATION AND ABANDONMENT OF CLAIM**

If any difference shall arise as to the amount to be paid under this Policy such difference shall independently of all other questions be referred to the decision of an arbitrator, to be appointed in writing by the parties in difference, or, if they cannot agree upon a single arbitrator,

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

If the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within 12 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 indemnifiable hereunder

## **9. ALTERATIONS AND REMOVALS**

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

- (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.

## **10. REPAIR AND REPLACEMENT**

The Company may at its option, repair or replace the property damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or may join with any other Company or Companies in so doing, but the Company shall not be bound to repair exactly or completely,

but only as circumstances permit 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 as it was at the time of the occurrence of such loss or damage, nor more than the sum insured thereon. If the Company so elects to repair or replace any property 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, and 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 hereby 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 if the same could lawfully be repaired to its former condition.

## **11. 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) takes steps to minimise the loss or damage and recover any missing property
  - (ii) give notice in writing to the Company and
  - (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 loss or damage containing as particular an account as may be reasonably practical of all the several articles or items of property lost or damaged and the amount of loss or damage thereto respectively, having regard to their value at the time of the loss or damage
  - (ii) particulars of all other insurance if any.

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

## **12. COMPANY'S RIGHTS**

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

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

The powers conferred by this Condition shall be exercisable by the 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.

## **13. REASONABLE PRECAUTIONS**

The Insured shall take and cause to be taken all reasonable precautions:

- a) to safeguard any property insured under this Policy.
- b) to prevent injury and loss or destruction of or damage to the property of others and the provision of Products Supplied that are defective any way maintain the property in a proper state of repair and take all reasonable precautions to prevent Damage thereto.

The Insured shall also:

- c) comply with all statutory obligations and regulations imposed by any authority and with any relevant manufacturers' instructions;
- d) exercise reasonable care in the selection and supervision of Employees;
- e) keep all property insured by the Policy in efficient condition and in good state of repair.

#### **14. UNDER INSURANCE**

If the property hereby insured shall, at the commencement of any Damage, be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own insurer for the difference, and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of this Policy shall be separately subject to this Condition.

#### **15. DEDUCTIBLES**

This Policy does not cover the amounts of the deductibles stated in the schedule in respect of each and every loss as ascertained after the application of all other terms and conditions of the Policy including any condition of Average.

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.

#### **16. CONTRACT CLAUSE**

This Contract of Insurance shall for all effects and purposes be deemed to be a Maltese contract and shall be governed by and according to Maltese Law and subject to the exclusive jurisdiction of the Maltese Courts.

#### **17. JURISDICTION CLAUSE**

The Company's' indemnity provided by this Policy, shall apply only to judgements or orders that are delivered or obtained from a Court or in arbitration within the Maltese Islands. Furthermore, the aforesaid indemnity shall not apply to a judgement or order obtained in Malta for the enforcement of a judgement or arbitration award obtained elsewhere or to cost and expenses of litigation recovered by any claimant from the Insured, which costs and expenses of litigation are not incurred in the Maltese Islands.

#### **18. COMPLIANCE**

The Company's liability will be conditional upon the Insured complying with the terms of this Policy.

#### **19. OBLIGATIONS ON THE INSURED**

No admission, offer, promise or payment shall be made or given by or on behalf of the Insured without the written consent of the Company who shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute in the name of the Insured for their 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 shall give all such information and assistance as the Company may reasonably require.



## **20. MAXIMUM LIMIT OF INDEMNITY**

The Company may at any time pay to the Insured in connection with any claim or series of claims under this Policy to which an Indemnity applies the amount of such Limit (after deduction of any sums already paid) or any lesser amount for which such claims can be settled and upon such payment being made the Company shall relinquish the conduct and control of and be under no further liability in connection with such claims except for the payment of Defence costs incurred prior to the date of such payment (unless the Indemnity Limit is stated to be inclusive of Defence Costs).

Provided that if the Company exercise the above option and the amount required to dispose of any claim or series of claims exceeds the Indemnity Limit and such excess amount is insured either in whole or in part, with Defence Costs payable in addition to the Indemnity Limit under this Policy then the Company will also contribute their proportion of subsequent Defence Costs incurred with their consent

## **21. PREMIUM ADJUSTMENT**

The first premium and all renewal premiums that may be accepted will be adjusted by the amount of wages and salaries and other earnings paid by the Insured to Employees during each Period of Insurance. The name of every Employee together with the amount of wages, salary and other earnings shall be properly recorded and the Insured shall at all times allow the Company to inspect such records and shall supply the Company with the correct amount of all such wages, salaries and other earnings paid during any Period of Insurance within one month from the expiry date of such Period of Insurance. If the amount so paid shall differ from the amount on which the premium has been paid, the difference in premium shall be met by a further proportionate payment to the Company or, subject to the Minimum Premium specified in the Schedule, by a refund by the company as the case may be.

## **22. INSPECTION REPORTS**

The Insured shall cause all passenger lifts boilers and pressure vessels for which the Insured has responsibility to be inspected at his own expense at least once per year by as suitably qualified engineer. Any recommendations regarding overhaul repair or maintenance made during or following such inspection shall be implemented as soon as practicable by the Insured.

## **23. MAXIMUM LIABILITY - 1**

In connection with any claim or series of claims made against the Insured under Section 2 - Employers' Liability and Section 3 - Public Liability of the policy consequent on or attributable to one source or original cause the company may at any time after the deduction of any Excess pay to the Insured the Limit of Indemnity (after deduction of any sums already paid as damages claimant's costs and expenses) or any less amount for which such claims can be settled and thereupon the Company shall relinquish the control of such claims and be under no further liability in connection therewith except for additional costs and expenses for which the Company may be responsible under this Policy in respect of matters prior to the date of such payment.

## **24. MAXIMUM LIABILITY - 2**

If the Company has not exercised its rights under General Condition 23 the liability of the Company to pay costs and expenses (other than claimant's costs and expenses) in circumstances where the amount or amounts of damages and claimant's costs and expenses exceed the Limit of Indemnity shall be limited to such proportion of the costs and expenses (other than claimant's costs and expenses) as such Limit of Indemnity bears to the total amount payable for damages and claimant's costs and expenses.

## **GENERAL EXCLUSIONS**

This Policy excludes:-

### **1. WAR AND SIMILAR RISKS**

Any consequence whether direct or indirect of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or loot or pillage in connection therewith confiscation or destruction, requisition, nationalisation or seizure by order of the Government or any Public Authority.

### **2. RADIOACTIVITY**

- (a) Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss ;
- (b) any legal liability of whatsoever nature directly or indirectly caused by or contributed by or arising from :-
  - (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel ;
  - (ii) the radioactive toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

For the purpose of the Consequential Loss cover the words "This Policy excludes" shall read "This Policy excludes consequential loss resulting from damage occasioned by or happening through or occasioning"

### **3. SONIC BANGS**

Loss, destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic or consequential loss resulting therefrom.

#### **4. POLLUTANTS, ETC.**

Any liability for :-

- (a) personal injury or bodily injury or financial loss or loss of, damage to, or loss of use of property directly or indirectly arising out of the discharge dispersal release or escape of Pollutants ;
- (b) the cost of removing nullifying or cleaning up Pollutants ;
- (c) fines penalties punitive or exemplary damages arising directly or indirectly out of the discharge dispersal release or escape of pollutants.

Notwithstanding the foregoing, this policy shall cover liability otherwise excluded under paragraphs

(a) and (b) above which :-

- (i) arises from a sudden identifiable unintended and unexpected happening which takes place in its entirety at a specific time and place ; and
- (ii) is indemnified under not more than one annual period of original insurance.

For the purposes of this clause, "Pollutants" means any solid liquid gaseous or thermal irritant or contaminant, including but not limited to smoke vapour soot fumes acid alkalis chemicals and waste.

Waste includes material to be recycled reconditioned or reclaimed.

#### **5. TERRORISM**

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

For the purpose of this Endorsement, an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any 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.

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

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

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

## 6. CYBER EXCLUSION

1. This policy excludes all 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:
  - 1.1 any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a Computer System
  - 1.2 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.
2. Any other Cyber Loss regardless of any other cause or event contributing concurrently shall not be recoverable and nor shall any amount pertaining to the value of such Data, be recoverable or be considered as physical loss or damage for the purposes of this exclusion.

## DEFINITIONS

**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.

**Computer System** means 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.

**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.

## 7. TRANSMISSIBLE SPONGIFORM ENCEPHALOPATHIES (TSE)

This Policy does not cover liability for all claims for losses relating to actual or probable casual elements (for example, prions) and any connected, possible illnesses in the area of transmissible spongiform encephalopathy (TSE) such as, for example, bovine spongiform encephalopathy (BSE), or new variant Creutzfeldt-Jakob disease (vCJD).

## **8. ASBESTOS**

This insurance by this Policy excludes any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in the consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quality.

## **9. ELECTROMAGNETIC FIELDS (“EMF”)**

This Policy does not cover :

Any liability, loss, cost or expense directly or indirectly arising out of, resulting from, caused or contributed to by exposure to magnetic electric or electromagnetic fields or radiation however caused or generated.

This Exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the loss, damage, cost or expense.

## **10. GENETICALLY MODIFIED ORGANISMS (“GMOs”)**

This Policy does not cover :

Any liability, loss, cost or expense directly or indirectly arising out of, resulting from, caused by, or contributed to by Genetically Modified Organisms (“GMOs”).

For purposes of this exclusion the term Genetically Modified Organisms (“GMOs”) shall mean and include :

- (i) organisms or micro-organisms or cells, or the organisms or micro-organisms, cells or cell organelles, from which they have been derived, which have been subject to a genetic engineering process which resulted in their genetic change;
- (ii) every biological or molecular unit with self-replication potential, or biological or molecular unit with self-replication potential from which they have been derived, which has been subject to a genetic engineering process which resulted in its genetic change.

In the event that the definition of GMO under the applicable laws and/or official regulations relating to genetic engineering or modification in any province, State, territory or jurisdiction in which a claim is made is wider than the foregoing then such wider definition shall be incorporated into this definition in addition to the foregoing.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the loss, damage, cost or expense.

## 11. FUNGUS, MILDEW AND MOULD

This Policy does not cover :

1. any liability, loss cost or expense arising out of, resulting from, caused by, contributed to, or in any way related to the existence, inhalation or exposure to any "fungus/fungi" and/or "Spores"; or
2. any cost or expenses associated in any way, or arising out of the abatement, mitigation, remediation, containment, detoxification, neutralization, monitoring, removal, disposal, or any obligation to investigate or assess the presence or effects of any "fungus/fungi" and/or "spores" ; or
3. any obligation to share with or repay any person, organisation or entity, related in any way to items 1 and 2 above;

regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to the injury or damage.

For the purpose of this Exclusion, the following definitions apply :

"Fungus/fungi" includes but is not limited to, any form or type of mold, mildew, mushroom, yeast or biocontaminant ;

"Spore(s)" includes, but is not limited to any substance produced by, emanating from or arising out of any "fungus/fungi".

## 12. POLLUTION AND CONTAMINATION

This Policy does not cover any loss and/or damage and/or expenses arising directly or indirectly from seepage and/or pollution and/or contamination except for:

- Seepage and/or pollution and/or contamination which results from defined peril.
- A defined peril which results from seepage and/or pollution and/or contamination.

Under no circumstances shall land and/or water and/or air be considered insured property under this Policy.

Nevertheless, this exclusion does not preclude payment of the cost of removing debris of property damaged by a loss otherwise under this Policy, subject always to a limit of 10% of the property sum insured.

### 13. TRANSMISSION AND DISTRIBUTION LINES

This Policy excludes any risks and exposures originating from all transmission and distribution lines including wires, cables, poles, pylons, standards, towers, other supporting structures and any equipment of any type which may be attendant to such installations of any description are excluded from this treaty. This exclusion includes but is not limited to transmission and distribution of electrical power, telephone or telegraph signals, and all communication signals whether audio or visual.

This exclusion applies to all above and below ground equipment other than those within 150 metres (or 500 feet) from the insured structure.

This exclusion applies to both to physical loss or damage to the equipment and all business interruption, consequential loss and/or other contingent losses to transmission and distribution lines.

### 14. COMMUNICABLE DISEASE EXCLUSION

1. This policy excludes all actual or alleged loss of any kind, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense, loss of value, loss of use, or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease or any action taken in controlling, preventing, suppressing or in any way relating to any outbreak of a Communicable Disease.
2. For the purposes of this exclusion, loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense, loss of value, loss of use, or any other amount, includes, but is not limited to, any cost to contain, suppress, clean-up, detoxify, disinfect, decontaminate, remove, repair, replace, recall, inspect, assess, monitor or test:
  - 2.1 for a Communicable Disease; or
  - 2.2 any property insured hereunder that is affected or is feared to have been 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 bodily injury, illness, emotional distress, damage to human health, human welfare or property damage, and
- 3.4 the disease, substance or agent can cause or threaten damage to, deterioration of, loss of value of, marketability of, denial of access to, or loss or use of property insured hereunder.
- 3.5 be it any epidemic or pandemic disease declared by the World Health Organisation or any other competent authority as a public health emergency of international concern.

This exclusion shall prevail and shall override anything contained in the Policy inconsistent herewith and will apply regardless of any otherwise covered cause, event or peril contributing concurrently or in any other sequence to the loss.

## **15. SANCTION CLAUSE**

The Company shall not be deemed to provide cover and shall not be liable to pay any claim or pay any benefit under this Policy to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Company to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union.

## **16. TOBACCO PRODUCTS**

The Company shall not be liable in respect of bodily injury and/or death resulting from Carcinoma and related diseases directly arising from the production, manufacture, sale and distribution of tobacco products.

## **17. INDUSTRIES, SEEPAGE, POLLUTION AND CONTAMINATION**

This Policy does not cover any liability for:

- (a) Personal Injury or Bodily Injury or loss of, damage to, or loss of use of property directly caused by seepage, pollution or contamination, provided always that this paragraph (a) shall not apply to liability for Personal Injury or Bodily Injury or loss of or physical damage to or destruction of tangible property, or loss of use of such property, damaged or destroyed, where such seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this insurance ;
- (b) The cost of removing nullifying or cleaning-up, seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this insurance ;
- (c) Fines, penalties, punitive or exemplary damages.



**Complaints Procedure**

Our aim is at all times to provide a first class standard of service. However, there may be occasions when you feel that this objective has not been achieved. Should you have any query or complaint regarding this insurance please write to the Complaints Officer at Argus Insurance Company (Europe) Limited, Trident Park, 8B Level 5, Notabile Gardens, Mdina Road, Central Business District Zone 2, Birkirkara CBD 2010. Email: [claims@argus.mt](mailto:claims@argus.mt) Tel: +356 2342 200. If you are dissatisfied with the response you receive you should write to the Office of the Arbiter for Financial Services, N/S in Regional Road, Msida MSD 1920, Malta. Freephone: 80 072 366 Telephone: (+356) 21 249 245 Email on: [complaint.info@financialarbiter.org.mt](mailto:complaint.info@financialarbiter.org.mt)



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