Business Edge Policy

INSURED XYZ

Business Edge – Property

Policyholder:

<Policyholder> Mailing Address of Policyholder <>

Policy Number:

<Policy Number>

This POLICY is part of an International Insurance Program.

<This POLICY contains clauses that may limit the amount payable.>

A. Claims Notification

To report a claim under this POLICY:

By E-mail: <customersupport@icicilombard.com, >

on our website: https://coclaims.icicilombard.com/claimstracker/CommercialClaims/ccplandingpage.aspx

By: Toll-free no.: 1800 2666

By Mail:

Register the claim and submit claim related documents along with claim form. You will receive a claim reference number as your reference point for future correspondence

B. Conformity to Statute

Any provision or stipulation of this POLICY which is in conflict with any mandatory provision of any applicable statute(s) of India to which this POLICY applies or may apply, is hereby amended to conform to such mandatory provision of such statute(s) but solely as respect coverage of location(s) situated in the applicable country(ies), state(s), province(s) and territory(ies) when afforded by this POLICY.

The conditions listed in the ONE Form – Property - Local Policy for India, whether referenced in the Table of Contents or elsewhere herein this POLICY (including, if applicable, as endorsed hereto) form an integral part of this POLICY.

In Witness Whereof, *the issuing Company has caused this POLICY to be signed officially below*.

Facsimile signature to be inserted	***Facsimile signature to be inserted***
Printed Name	Printed Name

[Insert Company Name Here]

Business Edge – Property 2

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Section 1 – Declarations

All terms in unbolded capital letters throughout this POLICY are subject to the definition as set forth in this POLICY.

1.1. Issuing Company - (hereafter referred to as "the Company")

<Insert Company Name>

<Insert Company Address>

1.2. Policy Number

<Policy Number>

1.3. Insured

<Policyholder> and any subsidiary, and <Policyholder> interest in any partnership or joint venture in which <Policyholder> has management control, ownership, or is obligated to insure, as now constituted or hereafter is acquired, as the respective interest of each may appear; all hereafter referred to as the Insured, including legal representatives.

1.4. Policyholder and Mailing Address

<Policyholder>

<Street Address>

<City, State, Pincode>

1.5. Insurers

Lead Insurer: The issuing Company is the lead insurer, hereafter referred to as the "Lead Insurer".

Co-Insurers: The following insurers participate in this POLICY as Co-Insurers of this POLICY.

	Share of 100%
ICICI Lombard (Lead Insurer)	100%

Hereafter referred to as the "Co-Insurers" and collectively with the Lead Insurer the "Insurers" respectively each of them as an "Insurer".

1.6. Lead Insurer Clause

The liability of each Insurer under this POLICY shall be several and not joint and is limited solely to the extent of each Insurer's individual share. No Insurer is responsible for the subscription of any Coinsurer who for any reason does not satisfy all or part of its obligations.

The proportion of liability under this POLICY underwritten by each Insurer is shown next to its name in the Co-insurer's table in "1.5 Insurers" herein, and is referred to as its "share".

Unless and to the extent otherwise agreed by the Lead Insurer, the Lead Insurer shall be responsible for the administration of this contract, which may include but shall not be limited to issuing the policy and any endorsements.

Any amendment to this POLICY which the co-insurers have demonstrated to the reasonable satisfaction of the Lead Insurer constitutes a material alteration to the risk or a material change to the terms of the insurance will bind each Insurer under this POLICY. The Lead Insurer may decide on any other matter including claims handling, excluding ex-gratia claims.

1.7. Policy Period

From: <Inception Date>

To: <Expiration Date>

1.8. Inception and Expiration Time

The time of inception and the time of expiration of this POLICY and of any schedule(s) or endorsement(s) attached shall be at 12:01 a.m. (Standard Time) at the location of the property insured by this POLICY. Notwithstanding the foregoing, it is agreed that the actual effective time of attachment of this insurance shall be the same time on the specified date as the actual effective time of cancellation or expiration of the POLICY(IES) replaced or renewed by this POLICY.

The Policy Period ends, and coverage under this POLICY terminates, when the first of the following occurs:

1. cancellation of this POLICY by the Policyholder or by the Company;
2. the replacement POLICY takes effect; or
3. the POLICY Expiration Date.

1.9. Gross Premium

<As invoiced at inception>

1.10. Currency

Any amounts specified in this POLICY, including but not limited to premium, limit(s) of liability, deductible(s), and loss payable will be considered to be in:

Indian Rupee (INR)

1.11. Policy Territory

India,

1.12. Sanctions Clause

This POLICY will not be deemed to have provided coverage and will not be liable to pay any claim or provide any benefit to the extent that 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 any jurisdiction applicable to the Company.

1.13. Terrorism

Subject to its terms, conditions, exclusions and limits (including any applicable sublimit set out in Section 2 "Policy Limits and Sublimits Purchased or Not Purchased" of this POLICY), this POLICY provides coverage to the Insured for TERRORISM.

1.14. Policy Conditions

The conditions listed in the Table of Contents as well as the following conditions (if any) form an integral part of the POLICY.

Section 2 – Policy Limits And Sublimits Purchased Or Not Purchased

2.1. Policy Limit of Liability

The Insured has chosen to purchase a POLICY with a limit of INR <policy limit>, [add PD / BI-Limit separation] (hereafter referred to as the "POLICY Limit") subject always to the "2.2. **Company's Policy Limit of Liability and Application**" section below.

2.2. Company's Policy Limit of Liability and Application

1. The Company is not liable for more than its proportionate share, as specified below, of the POLICY Limit or of the POLICY Layer Limits that make up the POLICY Limit for all loss or damage insured by this POLICY arising out of one OCCURRENCE regardless of the number of LOCATIONS or coverages involved in the OCCURRENCE.

Company's Policy Limit of Liability	Percentage of policy limit		
INR	being **100% part** of	in Excess of	Policy deductible

[Add additional lines as necessary.]

2. The Company is not liable for more than the same proportionate share specified above of any POLICY Sublimit(s) which are part of the POLICY Limit or are part of any POLICY Layer Limits that make up the POLICY Limit.

3. The amount payable under this POLICY shall be determined by the terms of this POLICY after the application of any deductible which may be a part of this POLICY. The **Other Insurance** provision of this POLICY is not applicable as respects Co-Insurers participating in the POLICY Limit or POLICY Layer Limit along with the Company's proportionate share.

4. In the event an OCCURRENCE results in an amount payable under more than one policy issued to the Insured by the Company, or its subsidiaries and affiliates, the maximum amount payable in the aggregate under all such policies will be the **Company's Policy Limit of Liability** specified herein regardless of the number of INSURED LOCATION(S) or coverages involved.

2.3. Application of Policy Sublimit(s)

1. POLICY Sublimit(s) are part of and not in addition to the POLICY Limit. POLICY Sublimit(s) do not increase the POLICY Limit or any other POLICY Sublimit(s).

2. POLICY Sublimit(s) apply in the aggregate per OCCURRENCE to all INSURED LOCATION(S) and for all coverages involved, including TIME ELEMENT.

3. When a POLICY Sublimit(s) is noted as an Annual Aggregate, such POLICY Sublimit(s) applies in the aggregate annually to all losses insured by this POLICY occurring during the Policy Period.

4. If a POLICY Sublimit(s) is specified for the cause of loss that causes the claimed loss or damage such sublimit is the maximum amount payable for such OCCURRENCE.

5. If a POLICY Sublimit(s) is specified for a coverage that is provided, such Sublimit(s) are the maximum amount payable under this POLICY for all loss or damage including TIME ELEMENT loss, resulting from physical loss or damage insured by this POLICY at such INSURED LOCATION(S).

6. If a POLICY Sublimit(s) is specified for an INSURED LOCATION(S) or property, such POLICY Sublimit(s) is the maximum amount payable under this POLICY for all loss or damage, including TIME ELEMENT loss, at all INSURED LOCATION(S) resulting from physical loss or damage insured by this POLICY at such INSURED LOCATION(S) or to such property.

7. This POLICY may contain sublimits applicable to specific locations, Types of Loss, Causes of Loss, or specific Coverages. Such sublimits shall be the total payable arising out of one OCCURRENCE (or an Annual Aggregate of certain OCCURRENCES where so specified), and neither the POLICY limit nor any sublimits shall be increased by the application of one or more sublimits.

2.4. Coverage Purchased and Coverage Not Purchased

The following Types of Loss, Causes of Loss and Coverages are all excluded unless a monetary amount is set forth next to the Type of Loss, Cause of Loss or Coverage. If no monetary amount is provided; the amount is INR 0; or **NCP** (No Coverage Purchased) is shown, then those Types of Loss, Causes of Loss and those Coverages, so designated, remain excluded from recovery under this POLICY.

POLICY Sublimit(s)	Type of Loss, Cause of Loss and Coverage
<Insert>	ALL RISKS
<Insert>	BOILER & MACHINERY
<Insert>	EARTH MOVEMENT (Annual Aggregate), [further sublimited as follows:]
[<Insert>	EARTH MOVEMENT for LOCATIONS in GLOBAL HIGH HAZARD SEISMIC ZONES (Annual Aggregate)]
[<Insert>	EARTH MOVEMENT at LOCATIONS in ____x____ (Annual Aggregate)]
[<Insert>	EARTH MOVEMENT at LOCATIONS in ____y____ (Annual Aggregate)]
[<Insert>	EARTH MOVEMENT at LOCATIONS in ____z____ (Annual Aggregate)]
[<Insert>	EARTH MOVEMENT as respects: **a. Newly Acquired Property;** **b. Errors and Omissions;** **c. Exhibitions, Expositions, Fairs or Trade Shows; and** **d. Miscellaneous Unnamed Locations.** (Annual Aggregate)]
<Insert>	FLEXA – Fire, Lightning, Explosion, Aircraft
<Insert>	FLOOD (Annual Aggregate), [further sublimited as follows:]
[<Insert>	FLOOD as respects LOCATIONS in "12.1. SPECIAL FLOOD ZONE 1" (Annual Aggregate)]
[<Insert>	FLOOD as respects LOCATIONS in "12.2. SPECIAL FLOOD ZONE 2" (Annual Aggregate)]
[<Insert>	FLOOD at LOCATIONS in _____x___ (Annual Aggregate)]
[<Insert>	FLOOD at LOCATIONS in _____y___ (Annual Aggregate)]
[<Insert>	FLOOD at LOCATIONS in _____z___ (Annual Aggregate)]
[<Insert>	FLOOD as respects: a. **Newly Acquired Property**; b. **Errors and Omissions**; c. **Exhibitions, Expositions, Fairs or Trade Shows**; and d. **Miscellaneous Unnamed Locations.** (Annual Aggregate)]
[<Insert>	HAIL
<Insert>	NAMED WINDSTORM [further sublimited as follows:]
[<Insert>	NAMED WINDSTORM at LOCATIONS in _____x___
[<Insert>	NAMED WINDSTORM at LOCATIONS in _____y___

POLICY Sublimit(s)	Type of Loss, Cause of Loss and Coverage
[<Insert >	NAMED WINDSTORM at LOCATIONS in _____z___
[<Insert>	NAMED WINDSTORM at LOCATIONS in TIER 1 CRITICAL NAMED WINDSTORM AREAS
[<Insert>	NAMED WINDSTORM at LOCATIONS in TIER 2 CRITICAL NAMED WINDSTORM AREAS

[<Insert>	NAMED WINDSTORM at LOCATIONS in SECONDARY CRITICAL U.S. NAMED WINDSTORM AREAS
[<Insert>	NAMED WINDSTORM as respects: a. **Newly Acquired Property**; b. **Errors and Omissions**; c. **Exhibitions, Expositions, Fairs or Trade Shows**; and d. **Miscellaneous Unnamed Locations.**
<Insert >	SPRINKLER LEAKAGE
[<NCP >	TERRORISM
[<Insert >	WIND
<Insert >	**Accounts Receivable**
<Insert >	**Attraction Property**
<Insert >	**Coinsurance Deficiency**
<Insert >	**Commissions, Licensing Fees and Royalties**
<Insert>	**Communicable Disease Response** and **Interruption by Communicable Disease** combined (Annual Aggregate)
<Insert>	**Contingent Time Element** – Direct Named Suppliers as respects to "11.1. NAMED SUPPLIERS"
<Insert>	**Contingent Time Element** – Direct Named Customers as respects to "11.2. NAMED CUSTOMERS"
<Insert >	**Contingent Time Element** – Direct Unnamed Suppliers and Customers
<Insert >	**Contingent Time Element** – Indirect Suppliers and Customers
<Insert>	**Course of Construction** – insured property damage and TIME ELEMENT combined
<Insert >	**Crisis Management**
<Insert >	**Currency Devaluation**
<Insert>	**Data Restoration** – insured property damage and TIME ELEMENT combined
<Insert>	**Debris Removal** - or xx% of the combined amount of physical damage and TIME ELEMENT loss payable at the LOCATION where the damage occurs or limit shown, whichever is the lesser.
<Insert >	**Defense Costs**
<Insert>	**Demolition And Increased Cost Of Construction** – insured property damage and TIME ELEMENT combined
<Insert >	

	Electronic Data Processing System, [<not to exceed the following:>] **[<Insert>** at the following INSURED **Insert** LOCATION(S): **<** **>;]** **[<Insert>** as regards coverage provided in Section **Insert** 4.3.13.a.ii;] **[<Insert>** as regards coverage provided in Section 4.3.13.a.iii;] [< > as regards coverage provided in Section 4.3.13.a.iv;] [< > as regards coverage provided in Section 4.3.13.a.v] **These POLICY Sublimit(s) are part of and not in addition to the Electronic Data Processing System POLICY Sublimit(s) shown above.** (Annual Aggregate)
<Insert >	**Errors and Omissions**
POLICY Sublimit(s)	**Type of Loss, Cause of Loss and Coverage**
<Insert >	**Exhibitions, Expositions, Fairs or Trade Shows**
<Insert >	**Expediting Expenses [< Combined with Extra>] Expense**
<Insert >	**Extra Expense [< Combined with Expediting>] Expenses**
<Insert >	**Fine Arts**, subject to a maximum of **<** **Insert>** per item
<Insert >	**Fire Fighting Charges**
<Insert>	**Green Coverage,** not exceeding xx% of the amount of property damage loss at the INSURED LOCATION
<Insert >	**Gross Earnings**
<Insert >	**Gross Profits**
<Insert >	**Ingress/Egress**
<Insert >	**Installment or Deferred Payments**
<Insert>	**Land And Water Contaminants Cleanup, Removal And Disposal** (Annual Aggregate)
< OC**Insert>** [<, CURR ot to e **< Insert>** per	per NCE ceed Item>] LAND IMPROVEMENTS
<Insert >	**Leasehold Interest**
<Insert >	**Logistics Extra Cost**
<Insert >	**Miscellaneous Unnamed Locations**
<Insert >	**Mold Ensuing from an Insured Cause of Loss** [Annual Aggregate]
<Insert >	**Neighbors Recourse and Tenants Liability**
<Insert >	**Newly Acquired Property**

<Insert>	**On Site Construction -** insured property damage and TIME ELEMENT combined
<Insert >	**Order of Civil or Military Authority**
<Insert>	**Professional Fees:** <Insert xx> recoverable under this **Professional Fees** coverage in excess of < xx>
<Insert >	**Radioactive Contamination**
<Insert >	**Rental Insurance**
<Insert >	**Research and Development**
<Insert>	**Service Interruption – Property Damage** and **Service Interruption – Time Element** Combined
<Insert >	**Soft Costs**
<Insert >	**Temporary Removal of Property**
<Insert>	**Transportation** - insured property damage and TIME ELEMENT combined
<Insert >	**Valuable Papers and Records**
[<Insert >]	[Insert Additional] Sublimit(s) Here

2.5. Time Limit(s)

No coverage is provided by this POLICY for any loss sustained or incurred beyond the corresponding Time Limit specified. Such Time Limit starts on the date of the physical loss or damage insured by this POLICY; however, not to exceed the stated sublimit provided in Section 2.4 above:

<Insert> consecutive calendar days from the date of OCCURRENCE for **Attraction Properties**

<Insert> consecutive calendar days from the date of the order of civil or military prohibition for **Crisis Management**

<Insert> consecutive calendar days for **Extended Period of Liability – Gross Earnings** and **Rental Insurance**

<Insert> consecutive calendar months from the date of OCCURRENCE for **Gross Profits**

<Insert> consecutive calendar days from the date of OCCURRENCE for **Gross Profits** ORDINARY PAYROLL

<Insert> consecutive calendar days after such length of time as would be required with the exercise of due diligence and dispatch to repair or replace the damaged dam, reservoir or equipment for **Impounded Water**

<Insert> consecutive calendar days from the date of OCCURRENCE for **Ingress/Egress**

<Insert> consecutive calendar months from the date of OCCURRENCE for **Interruption By Communicable Disease**

<Insert> consecutive calendar days from the date of OCCURRENCE for **Logistics Extra Cost**

<Insert> consecutive calendar days from the date of acquisition for **Newly Acquired Property**

<Insert> consecutive calendar days from the date of OCCURRENCE for **Order Of Civil Or Military Authority**

<Insert> consecutive hours after the Insured has first taken initial action for **Protection and Preservation of Property – Time Element**

Insert [<> consecutive calendar <days> <months> <hours> [<from the date of OCCURRENCE>] for Insert <>.]

2.6. Distance Limit(s)

No coverage for TIME ELEMENT loss, as described below, is provided if the LOCATION of the physical loss or damage is beyond the stated Distance Limits indicated below:

<Insert> km from the INSURED LOCATION for **Attraction Properties**

<Insert> km from the INSURED LOCATION for **Ingress/Egress**

<Insert> km from the INSURED LOCATION for **Order Of Civil Or Military Authority**

[**<Insert>** km from the INSURED LOCATION for **<Insert>**.]

2.7. Time Element Coverage Extensions - Application of Limits

For purposes of all claims paid hereunder in accordance with the TIME ELEMENT coverage provisions, the applicable POLICY Sublimits, set forth above, will be determined as though the LOCATION(S) suffering physical loss or damage insured by this POLICY were INSURED LOCATION(S), and not where the TIME ELEMENT losses might be incurred if different.

Section 3 – Policy Deductibles And Waiting Periods

3.1. Policy Deductibles

In each case of loss or damage insured by this POLICY, the Company is liable only if the Insured sustains such loss or damage in a single OCCURRENCE, the value of which is in excess of the applicable deductible specified, and then the amount insured by this POLICY shall be the amount in excess of the deductible, subject to all terms, conditions, provisions, limitations and exclusions of this POLICY.

Basic Deductible: [INR**<Insert>** per OCCURRENCE,] or

[**Property Damage**: INR**<Insert>** per OCCURRENCE, and:

Time Element: INR<Insert> or **<Insert>** Days per OCCURRENCE,]

OR [xx% of loss , subject to a minimum of INR<Insert>)]

[except as respects the following:]

BOILER & MACHINERY	INR**<Insert>** per OCCURRENCE
EARTH MOVEMENT at the following LOCATIONS: **<Insert Territory(ies)>:**	< >% of the APPLICABLE **Insert** S/Loss, [subject to a 'ALUE **sert** minimum of [NR**<In** > per OCCURRENCE] **Insert** or t to subjec a minimum of INR< > per)CCU RRENCE and a maximum of [NR**<In sert**> per subjec OCCURRENCE] or t to **Insert** a o)CCU naximum of INR< > per r INR< RRENCE] [**Insert** > per OCCURRENCE.] Add a ditional lines as necessary.]
EARTH MOVEMENT at LOCATIONS in the NEW MADRID SEISMIC ZONE	>% of the APPLICABLE **Insert**

	<'ALUE S/Loss, [subject to a \IR<**In sert** minimum of ;ubjec> per OCCURRENCE] **Insert** or t to [)CCU a minimum of INR< > per \IR<**In** RRENCE and a maximum of ;ubjec **sert**> per [)CCU OCCURRENCE] or t to **Insert** a r maximum of INR< > per \IR< {RENCE] **Insert**> per OCCURRENCE.]

EARTH MOVEMENT at LOCATIONS in the PACIFIC NORTHWEST SEISMIC ZONE	< >% of the APPLICABLE **Insert** S/Loss, [subject to a I 'ALUE **sert** minimum of [\IR<**In** > per OCCURRENCE] **Insert** or t to ;ubjec a minimum of INR< > per I)CCU RRENCE and a maximum of [\IR<**In** **sert**> per ;ubjec OCCURRENCE] or t to **Insert** a o)CCU maximum of INR< > per r INR<{RENCE] **Insert**> per OCCURRENCE.]
EARTH MOVEMENT at LOCATIONS in GLOBAL HIGH HAZARD SEISMIC ZONES	< >% of the APPLICABLE **Insert** S/Loss, [subject to a I 'ALUE **sert** minimum of [\IR<**In** > per OCCURRENCE] **Insert** or t to ;ubjec a minimum of INR< > per I)CCU RRENCE and a maximum of [\IR<**In** **sert**> per ;ubjec OCCURRENCE] or t to **Insert** a o)CCU maximum of INR< > per r INR<{RENCE] **Insert**> per OCCURRENCE.]
EARTH MOVEMENT at all other LOCATIONS	< >% of the APPLICABLE **Insert** S/Loss, [subject to a I 'ALUE **sert** minimum of [\IR<**In** > per OCCURRENCE] **Insert** or to ;ubjecta minimum of INR< > per I)CCU RRENCE and a maximum of [\IR<**In** **sert**> per ;ubjec OCCURRENCE] or t to **Insert** a o)CCU maximum of INR< > per r INR<{RENCE] **Insert**> per OCCURRENCE.]
Insert Territory(ies) FLOOD at the following LOCATIONS:	< >% of the APPLICABLE **Insert**

< >: [Add additional lines as necessary.]	I 'ALUE S/Loss, [subject to a [\IR<In sert minimum of ;ubjec > per OCCURRENCE] Insert or t to I)CCU a minimum of INR< > per [\IR<In RRENCE and a maximum of ;ubjec sert > per o)CCU OCCURRENCE] or t to Insert a r INR< naximum of INR< > per RRENCE] 'lus; Insert > per OCCURRENCE.] [\dd a ditional lines as necessary.]
FLOOD as respects LOCATIONS in "12.1. SPECIAL FLOOD ZONE 1"	< >% of the APPLICABLE Insert S/Loss, [subject to a 'ALUE sert minimum of [\IR<In > per OCCURRENCE] Insert or t to ;ubjec a minimum of INR< > per [ )CCU RRENCE and a maximum of \IR<In sert > per ;ubjec OCCURRENCE] or t to Insert a)CCU naximum of INR< > per r INR< RENCE] Insert> per OCCURRENCE.]

FLOOD as respects LOCATIONS in "12.2. SPECIAL FLOOD ZONE 2"	< >% of the APPLICABLE Insert S/Loss, [subject to a I 'ALUE sert minimum of [\IR<In > per OCCURRENCE] Insert or t to ;ubjec a minimum of INR< > per I)CCU RRENCE and a maximum of [\IR<In sert > per ;ubjec OCCURRENCE] or t to Insert a o)CCU naximum of INR< > per r INR< RENCE] Insert> per OCCURRENCE.]
FLOOD at all other LOCATIONS:	< >% of the APPLICABLE Insert S/Loss, [subject to a I 'ALUE sert minimum of [\IR<In > per OCCURRENCE] Insert or t to ;ubjec a minimum of INR< > per I)CCU RRENCE and a maximum of [\IR<In sert > per ;ubjec OCCURRENCE] or t to Insert a o)CCU naximum of INR< > per r INR< RENCE] Insert> per OCCURRENCE.]
	< >% of the APPLICABLE Insert

NAMED WINDSTORM at the following LOCATIONS: **Insert Territory(ies)** < > [Add additional lines as necessary.]	I 'ALUE S/Loss, [subject to a [\R<**In sert** minimum of subjec> per OCCURRENCE]**Insert** or t to I)CCU a minimum of INR< > per [\R<**In** RRENCE and a maximum of subjec **sert**> per o)CCU OCCURRENCE] or t to**Insert** a r INR< maximum of INR< > per RRENCE] [**Insert** > per OCCURRENCE.] Add a ditional lines as necessary.]
NAMED WINDSTORM at LOCATIONS in CRITICAL NAMED WINDSTORM AREAS	< >% of the APPLICABLE **Insert** S/Loss, [subject to a I 'ALUE **sert** minimum of [\R<**In** > per OCCURRENCE]**Insert** or t to subjec a minimum of INR< > per I)CCU RRENCE and a maximum of [\R<**In sert**> per subjec OCCURRENCE] or t to**Insert** a o)CCU maximum of INR< > per r INR< RENCE] **Insert**> per OCCURRENCE.]
NAMED WINDSTORM at LOCATIONS in SECONDARY CRITICAL U.S. NAMED WINDSTORM AREAS	< >% of the APPLICABLE **Insert** S/Loss, [subject to a 'ALUE **sert** minimum of [\R<**In** > per OCCURRENCE]**Insert** or t to subjec a minimum of INR< > per)CCU RRENCE and a maximum of [\R<**In sert**> per subjec OCCURRENCE] or t to**Insert** a)CCU maximum of INR< > per r RENCE] \R< **Insert**> per OCCURRENCE.]
NAMED WINDSTORM at all other LOCATIONS	< >% of the APPLICABLE **Insert** S/Loss, [subject to a I 'ALUE **sert** minimum of [\R<**In** > per OCCURRENCE]**Insert** or t to subjec a minimum of INR< > per I)CCU RRENCE and a maximum of [\R<**In sert**> per subjec OCCURRENCE] or t to**Insert** a o)CCU maximum of INR< > per r INR< RENCE] **Insert**> per OCCURRENCE.]
	< >% of the APPLICABLE **Insert**

WIND at the **Insert State or Territory(ies)** following LOCATIONS: < >] [Add additional lines as necessary.]	I 'ALUE S/Loss, [subject to a [NR<**In sert** minimum of subjec> per OCCURRENCE]**Insert** or t to I)CCU a minimum of INR< > per [NR<**In** RRENCE and a maximum of subjec **sert**> per o)CCU OCCURRENCE] or t to**Insert** a r INR< naximum of INR< > per RRENCE] [**Insert** > per OCCURRENCE.] Add a ditional lines as necessary.]
HAIL **Insert State or Territory(ies)** [at the following LOCATIONS: < >] [Add additional lines as necessary.]	< >% of the APPLICABLE **Insert** S/Loss, [subject to a I 'ALUE **sert** minimum of [NR<**In** > per OCCURRENCE]**Insert** or t to subjec a minimum of INR< > per I)CCU RRENCE and a maximum of [NR<**In sert**> per subjec OCCURRENCE] or t to**Insert** a o)CCU naximum of INR< > per r INR< RRENCE] **Insert** > per OCCURRENCE.] [Add a ditional lines as necessary.]
Electronic Data Processing System	INR< **Insert** >per OCCURRENCE
Green Coverage	INR< **Insert** >per OCCURRENCE
Transportation	INR<**Insert**> per OCCURRENCE]
[**Insert Additional Deductible(s) Here**]	< >% of the APPLICABLE **Insert** S/Loss, [subject to a 'ALUE **sert** minimum of [NR<**In** > per OCCURRENCE]**Insert** or t to subjec a minimum of INR< > per)CCU RRENCE and a maximum of [NR<**In sert**> per subjec OCCURRENCE] or t to**Insert** a)CCU naximum of INR< > per r RENCE] NR< **Insert**> per OCCURRENCE.]

1. APPLICABLE VALUES as referenced in this POLICY is defined as the combined sum of:

   a. PROPERTY DAMAGE VALUES, which shall mean the 100% real and/or personal property values which are applicable immediately prior to the occurrence of direct physical loss or damage on the date and at the time and place where such direct physical loss or damage occurred subject to **Valuation** provisions of this POLICY; plus

   b. If covered TIME ELEMENT loss is claimed, the TIME ELEMENT VALUES, which shall mean the 12 consecutive months values after the date of loss, that would have been earned had no loss or damage taken place, at the time, date and place of loss for 100% **Gross Earnings** (if **Gross Earnings** is claimed) or 100% **Gross Profits** (if **Gross Profits** is claimed) and/or 100% **Rental Insurance** (if **Rental Insurance** is claimed).

3.2. Application of Deductibles

Unless otherwise specified above:

1. All deductibles apply per OCCURRENCE.

2. When this POLICY insures more than one INSURED LOCATION(S), the deductible applies against the total loss and damage insured by this POLICY in any one OCCURRENCE.

3. If two or more deductibles provided in this POLICY apply to a single OCCURRENCE, then the total to be deducted will be the largest deductible applicable; provided, however, the largest deductible applicable may be comprised of two parts, one applicable to insured property damage and one applicable to TIME ELEMENT.

4. If a deductible is expressed as a period of time which is:

   a. not otherwise more specifically stated; or

   b. not intended to be converted to its monetary equivalents;

   then the Company will not be liable for the amount of loss incurred or sustained by the Insured during such period of time that immediately follows the physical loss or damage insured by this POLICY.

5. If a deductible is expressed as an Actual Daily Value (ADV) or a multiple thereof, the ADV will be calculated as follows:

   a. Determine the **Gross Earnings** (if **Gross Earnings** is claimed) or **Gross Profits** (if **Gross Profits** is claimed) that would have been earned during the **Period of Liability** of the Insured's business had no TIME ELEMENT loss occurred.

   b. Divide the result in a. above by the number of working days in the **Period of Liability** of the Insured's business had no loss occurred. The resulting amount is the ADV.

No reduction will be made for the **Gross Earnings** or **Gross Profits** not being earned in the number of working days because of the loss or damage, or because of any scheduled or unscheduled shutdowns during the **Period of Liability** of the Insured's business.

The ADV will be calculated based on the **Gross Earnings** or **Gross Profits** of the entirety of the INSURED LOCATION(S), whether or not the loss or damage affects the entirety of the INSURED LOCATION(S). If physical loss or damage insured by this POLICY results in a TIME ELEMENT loss at more than one INSURED LOCATION(S), the ADV will be calculated based on the combined **Gross Earnings** or **Gross Profits** of all affected INSURED LOCATION(S).

6. The deductibles provisions specified herein this POLICY for NAMED WINDSTORM apply to all loss or damage insured by this POLICY, caused by or arising out of a NAMED WINDSTORM, including, but not limited to, the following:

   a. the force or action of WIND caused by or resulting from a NAMED WINDSTORM; in accordance with the FLOOD definition provision of this POLICY;

   b. any material, object or debris that is carried, propelled or in any manner moved by a NAMED WINDSTORM;

   c. any tornadoes that are a result of actions or effects of a NAMED WINDSTORM;

   d. HAIL that is a result of actions or effects of a NAMED WINDSTORM;

   e. lightning that is a result of actions or effects of a NAMED WINDSTORM;

f. rain or water, whether the rain or water is driven by WIND or not, that enters the covered building or structure through an opening created by the force of WIND or water from a NAMED WINDSTORM; or

g. FLOOD, if covered by this POLICY, that results from the actions or effects of NAMED WINDSTORM.

7. The LOCATION(S) where physical loss or damage insured by this POLICY occurs shall be used to determine the deductible. Once the deductible is determined, if it is a percentage deductible, it shall be applied to the APPLICABLE VALUES or Loss.

8. Further, for the purposes of this **Application of Deductibles** provision, with respect to **Extra Expense** and when a percent deductible applies, the **Extra Expense** deductible amount shall be combined with and determined on the same basis as was used to calculate the **Gross Earnings** or **Gross Profits**, or **Rental Insurance** deductible whether or not there is a **Gross Earnings**, or **Gross Profits**, or **Rental Insurance** loss.

3.3. Waiting Periods

Coverage is provided by this POLICY only if the corresponding WAITING PERIOD specified is exceeded. Coverage shall then apply only to the LOCATION(s) where the WAITING PERIOD has been exceeded. The corresponding coverage will then apply from the beginning of the interruption of services but only for the amounts in excess of the applicable Deductible(s). If multiple LOCATIONS exceed the WAITING PERIOD then the applicable Deductible(s) will apply to the combined loss of all such LOCATIONS.

< **Insert**> consecutive hours from the date access to such INSURED LOCATION is limited, restricted or prohibited as a result of the actual not suspected presence of COMMUNICABLE DISEASE.

<Insert> consecutive hours from the inception of order of prohibition for **Crisis Management**.

<Insert>consecutive hours from the inception of **Electronic Data Processing System c**overage as outlined in "4.3.13. Electronic Data Processing System".

Insert <> consecutive hours from the inception of disruption for **Logistics Extra Cost**, except <> **Insert** consecutive hours for **Logistics Extra Cost** occasioned by EARTH MOVEMENT and/or FLOOD and/or NAMED WINDSTORM.

<Insert> consecutive hours from the inception of interruption of services for **Service Interruption** – **Property Damage** and **Service Interruption** – **Time Element**.

Section 4 – Property Damage

4.1. Insuring Agreement

1. Subject to the terms, conditions, exclusions and limitations contained herein or endorsed hereon and in consideration of the premium paid, this POLICY insures all risks of direct

   physical loss or damage to INSURED PROPERTY while on INSURED LOCATION(S) provided such physical loss or damage occurs during the term of this POLICY.

2. The term of this POLICY ends when the first of the following occurs:

   a. cancellation of this POLICY by the Policyholder or by the Company;

   b. the replacement POLICY takes effect; or

   c. the POLICY expiration date.

4.2. Insured Property

Except as excluded hereafter, INSURED PROPERTY consists of property described below:

1. Real property owned by the Insured or in which the Insured has an insurable interest.

2. Personal property:

   a. owned by the Insured, including the Insured's interest as a tenant in IMPROVEMENTS AND BETTERMENTS for which the Insured incurred the costs of installation or for which the Insured is legally liable under the terms of its lease.

   In the event of physical loss or damage insured by this POLICY to such IMPROVEMENTS AND BETTERMENTS, the Company agrees to accept and consider the Insured as sole and unconditional owner of IMPROVEMENTS AND BETTERMENTS, notwithstanding any contract or lease to the contrary.

   b. of officers and employees of the Insured; and of others in the Insured's custody:

      i. to the extent the Insured is under obligation to keep such property insured for physical loss or damage insured by this POLICY; or

      ii. to the extent of the INSURED'S LIABILITY for physical loss or damage insured by this POLICY to such property.

4.3. Property Damage Coverage Extensions, Terms and Conditions

The following are subject to all terms, conditions, provisions, limitations and exclusions of this POLICY and in addition, any other terms, conditions, provisions, limitations and exclusions set forth below.

1. Accounts Receivable

a. This POLICY is extended to insure ACCOUNTS RECEIVABLE loss and expense resulting from direct physical loss or damage insured by this POLICY to the Insured's accounts receivable records, including accounts receivable records stored as ELECTRONIC DATA, while anywhere, including while in transit to the extent provided under **Transportation**, within the **Policy Territory**.

b. This extension also insures the following:

   i. The interest charges on any loan to offset impaired collections pending repayment of such sum uncollectible as a result of such physical loss or damage.

   Unearned interest and service charges on deferred payment accounts and normal credit losses on credit extended or bad debts will be deducted in determining the recovery.

   ii. Any other necessary and reasonable costs incurred to reduce the loss, to the extent the loss is reduced.

c. In the event of loss to accounts receivable records, the Insured will use all reasonable efforts, including legal action, if necessary, to effect collection of outstanding accounts receivable.

d. The Insured agrees to use any suitable property or service owned or controlled by the Insured, or obtainable from other sources, in reducing the loss otherwise insured under this extension.

e. If it is possible to reconstruct accounts receivable records so that no ACCOUNTS RECEIVABLE loss is sustained, this POLICY insures only the reasonable and necessary costs incurred for material and time required to re-establish or reconstruct such records, and not for any costs insured by any other insurance.

f. When there is proof that a loss covered by this POLICY has occurred but the Insured cannot accurately establish the total amount of accounts receivable outstanding as of the date of such loss, such amount shall be based on the Insured's monthly statements and shall be computed as follows:

i. determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the loss occurs;

ii. calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the 12 months immediately preceding the month in which the loss occurs, or such part thereof for which the Insured has furnished monthly statements to the Company, as compared with such average for the same months of the preceding year;

iii. the amount determined under i. above, increased or decreased by the percentage calculated under ii. above shall be the agreed total amount of accounts receivable as of the last day of the fiscal month in which said loss occurs;

iv. the amount determined under iii. above shall be increased or decreased in conformity with the normal fluctuations in the amount of accounts receivable during the fiscal month involved, due consideration being given to the experience of the business since the last day of the last fiscal month for which a statement has been rendered.

v. Add any collection expenses in excess of normal collection costs and made necessary because of loss or damage, and the reasonable expenses incurred in reestablishing accounts receivable records following the loss or damage.

g. All amounts recovered by the Insured on outstanding accounts receivable on the date of loss will belong and be paid to the Company up to the amount of loss paid by the Company. All recoveries exceeding the amount paid by the Company will belong to the Insured.

h. No coverage is provided under this extension for any shortage resulting from:

i. bookkeeping, accounting or billing errors or omissions; or

ii. alteration, falsification, manipulation, concealment, destruction or disposal of accounts receivable records committed to conceal the wrongful giving, taking, obtaining or withholding of MONEY, SECURITIES or other property; but only to the extent of such wrongful giving, taking, obtaining or withholding.

2. Brands and Labels

If branded or labeled MERCHANDISE or FINISHED GOODS insured by this POLICY is damaged and the Company elects to take all or any part of such MERCHANDISE or FINISHED GOODS at the value established by the provisions of this POLICY, the Insured may, at the Company's expense, stamp "salvage" on the MERCHANDISE or FINISHED GOODS or its containers or may remove or obliterate the brands or labels, if such stamp, removal or obliteration will not physically damage or otherwise reduce the value of the MERCHANDISE or FINISHED GOODS, but the Company shall re-label the MERCHANDISE or FINISHED GOODS or containers in compliance with the requirements of law.

3. Coinsurance Deficiency

The values of the INSURED PROPERTY reported by the Insured to the Company in accordance with the Property Damage and TIME ELEMENT coverage sections of this POLICY are declared to be separately subject to average per INSURED LOCATION.

If, upon the occurrence of any direct physical loss or damage, the value of such INSURED PROPERTY is less than the PROPERTY DAMAGE VALUES and, if covered TIME ELEMENT loss is claimed, the TIME ELEMENT VALUES, the amount payable by the Company shall be proportionately reduced.

No condition of average will, however be applied if the difference between the values reported by the Insured to the Company and the APPLICABLE VALUES does not exceed 10% provided that the Insured has complied with the premium payment requirements of this POLICY.

If condition of average is applied, this POLICY is extended to insure the loss sustained from the application of this clause, subject to the sublimit shown in 2.4.

The Insured agrees to correct such deficiency within 45 days of its discovery and this POLICY shall not insure such deficiency after the 45 day period.

4. Communicable Disease Response

If an INSURED LOCATION owned, leased or rented by the Insured has the actual not suspected presence of COMMUNICABLE DISEASE and access to such INSURED LOCATION is limited, restricted or prohibited by:

a. an order of an authorized governmental agency regulating the actual not suspected presence of COMMUNICABLE DISEASE; or

b. a decision of an Officer of the Insured as a result of the actual not suspected presence of COMMUNICABLE DISEASE,

this POLICY covers the reasonable and necessary costs incurred by the Insured at such INSURED LOCATION with the actual not suspected presence of COMMUNICABLE DISEASE for the:

a. cleanup, removal and disposal of the actual not suspected presence of COMMUNICABLE DISEASES from INSURED PROPERTY; and

b. actual costs of fees payable to public relations services or actual costs of using the Insured's employees for reputation management resulting from the actual not suspected presence of COMMUNICABLE DISEASES on INSURED PROPERTY.

This extension of coverage will apply when access to such INSURED LOCATION is limited, restricted or prohibited in excess of the WAITING PERIOD specified for this extension.

This extension of coverage does not cover any costs incurred due to any law or ordinance with which the Insured was legally obligated to comply prior to the actual not suspected presence of COMMUNICABLE DISEASE.

5. Control of Damaged Property

This POLICY gives control of physically damaged FINISHED GOODS or MERCHANDISE as follows:

a. the Insured will have full rights to the possession and control of damaged FINISHED GOODS or MERCHANDISE in the event of physical loss or damage insured by this POLICY to such FINISHED GOODS or MERCHANDISE provided proper testing is done to show which FINISHED GOODS or MERCHANDISE is physically damaged;

b. the Insured using reasonable judgment will decide if FINISHED GOODS or MERCHANDISE sustaining physical loss or damage can be reprocessed or sold;

c. FINISHED GOODS or MERCHANDISE so judged by the Insured to be unfit for reprocessing or selling will not be sold or disposed of except by the Insured, or with the Insured's consent; and

d. any salvage proceeds received will go to the:

   i. Company at the time of loss settlement; or

ii. Insured if received prior to loss settlement and such proceeds will reduce the amount of loss payable hereunder.

e. Notwithstanding, the foregoing paragraphs a. through d., the Insured shall allow the Insurer any salvage which could be or which could have been obtained on any sale or other disposition of such goods or products through normal insurance industry salvage practices.

6. Course of Construction

a. This POLICY is extended to insure direct physical loss or damage insured by this POLICY to:

i. new buildings or structures while in the course of construction, including materials and supplies intended to become a permanent part thereof located within the **Policy Territory**;

ii. machinery and equipment while in the course of installation, erection or assembly, including materials and supplies intended to become a permanent part thereof located within the **Policy Territory.**

With respect to items i. and ii. of this extension, the POLICY Sublimit(s) specified for this extension does not apply to INSURED PROPERTY at INSURED LOCATION(S).

b. No coverage is provided under this extension for physical loss or damage to any property: i.

while in transit; ii. while waterborne;

iii. excluded under **Property Not Insured**; or

iv. in the course of assembly which is intended to become FINISHED GOODS;

7. Currency Devaluation

This POLICY is extended to insure any deficiency in the amount of collectible loss payable to the Insured under this POLICY which is caused by an official government devaluation of the currency in which this POLICY is written, but only to the extent that such deficiency involves loss or damage insured by this POLICY and results from an official government devaluation of the currency in which this POLICY is written.

The Insured agrees to adjust such deficiency within 45 days after the date of the currency's official devaluation and this POLICY shall not insure any deficiency after the 45 day period.

8. Data Restoration

This POLICY is extended to insure the necessary and reasonable costs and expenses actually incurred by the Insured, subject to the limits specified in the POLICY Sublimit(s) section, following direct physical loss or damage insured by this POLICY to INSURED PROPERTY for reproduction of ELECTRONIC DATA. Such cost of reproduction shall include all reasonable and necessary amounts, incurred by the Insured in recreating, gathering and assembling such ELECTRONIC DATA.

9. Debris Removal

a. This POLICY is extended to insure the necessary and reasonable costs and expenses actually incurred by the Insured, subject to the limits specified in the POLICY Sublimit(s) section, following direct physical loss or damage insured by this POLICY to INSURED PROPERTY, to dismantle, demolish and/or remove from INSURED LOCATION(S) the debris of INSURED PROPERTY remaining after any such physical loss or damage.

b. No coverage is provided hereunder for costs and expenses incurred in the removal of:

i. any foundation, other than damaged portions which must be removed in order to effectuate the repair or rebuilding of any INSURED PROPERTY; or

ii. any property or part thereof, the removal of which is required by the enforcement of any law, ordinance, regulation or rule regulating or restricting the construction, installation, repair, replacement, demolition, occupancy, operation or other use of INSURED PROPERTY; or

iii. CONTAMINANTS from land or water, nor for the cost to remove, restore or replace polluted land or water.

No liability shall exist under this extension of coverage unless such costs and expenses are reported to the Company within 180 days of the date of such physical loss or damage insured by this POLICY or within 180 days of the expiration of this POLICY, whichever shall be earlier.

10. Defense Costs

This POLICY is extended to insure the cost to defend any suit against the Insured alleging direct physical loss or damage insured by this POLICY under INSURED PROPERTY to personal property of others in the custody of the Insured while at an INSURED LOCATION to the extent of the INSURED'S LIABILITY therefore, even if such suit is groundless, false or fraudulent; but the Company may without prejudice undertake such investigation, negotiation or settlement of any such claim or suit as the Company deems expedient.

11. Demolition and Increased Cost of Construction

a. This POLICY is extended to insure the following additional costs when there is direct physical loss or damage insured by this POLICY to building(s) or structure(s) insured by this POLICY and such additional costs are occasioned by the enforcement of any law or ordinance regulating the construction, repair, replacement, use or demolition of building(s) or structure(s) which is in force at the time of loss and necessitates such costs:

i. cost of demolishing any undamaged portion(s);

ii. value of the undamaged portion(s) which has been demolished subject to the same basis of recovery which applies to the damaged portion(s) of such building(s) or structure(s). This cost shall not include any greater cost of repair, replacement, construction or reconstruction due to the enforcement of any law or ordinance;

iii. if the basis of recovery is replacement cost, the increased cost actually expended (excess of i. above) in rebuilding or replacing both the damaged and demolished portions on the same INSURED LOCATION with like height, floor area and style and for like occupancy to comply with the minimum requirements of such law or ordinance.

b. This extension provision shall not insure:

i. any increase of loss associated with the enforcement of any law or ordinance which requires the Insured or others to test for, monitor, cleanup, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of CONTAMINANTS.

ii. any loss due to any law or ordinance with which the Insured was required to comply prior to the loss.

c. Any POLICY Sublimit(s) specified for this extension does not apply to a.i. and a.ii. above.

This entire provision shall not increase any amounts or limits of insurance provided by this POLICY.

12. Destruction by Civil or Military Authority

This POLICY is extended to insure against acts of destruction by order of civil or military authority at the time of and for the purpose of preventing the spread of fire provided such fire originated from physical loss or damage as insured by this POLICY.

13. Electronic Data Processing System

a. This POLICY is extended to insure the following:

i. Physical loss, damage, destruction, distortion, erasure, corruption, alteration, loss of use, or reduced functionality of the Insured's ELECTRONIC DATA at INSURED LOCATIONS when caused by the malicious introduction of a machine code or instruction, including a COMPUTER VIRUS, that is conclusively proven, by the Insured, to have been directed solely and exclusively at the Insured.

ii. The Insured's covered electronic and electromechanical data processing, electronically controlled equipment or electronic storage media that is rendered useless for its intended purpose due to the malicious introduction of machine code or instruction which reprograms the software, including firmware of such equipment that is conclusively proven, by the Insured, to have been directed solely and exclusively at the Insured.

iii. The cost of the following reasonable and necessary actions taken by the Insured provided such actions are taken due to actual insured loss as covered in section a.i. and a.ii. above:

A. actions taken for the temporary repair of insured ELECTRONIC DATA;
or
B. actions taken to expedite the permanent repair or replacement of insured ELECTRONIC DATA.

iv. The reasonable and necessary costs incurred by the Insured to temporarily protect or preserve insured ELECTRONIC DATA as a result of an actual insured loss as covered in section a.i. and a.ii. above. The amount of such recoverable costs will not exceed the amount by which the loss otherwise payable hereunder is reduced.

v. Loss of **Gross Earnings**, **Gross Profits**, **Rental Insurance**, and **Extra Expense** incurred by the Insured during the PERIOD OF LIABILITY at INSURED LOCATIONS directly resulting from:

A. insured loss as covered in section a.i. and a.ii. above; or

B. the failure of the Insured's electronic and electromechanical data processing or electronically controlled equipment to operate; provided, however, that such failure is the direct result of a malicious act, that is conclusively proven by the Insured, to have been directed solely and exclusively at the Insured.

b. Exclusions:

i. No coverage is provided for loss or damage to ELECTRONIC DATA that is STOCK IN PROCESS, FINISHED GOODS manufactured by the Insured, RAW STOCK, supplies, or MERCHANDISE not manufactured by the Insured.

ii. No coverage is provided for loss or damage:

A. arising from any willful acts by the Insured or the Insured's representative;

B. for any form of third party liability; or

C. for any form of fines, punitive damages, guarantees of performance or efficiency, or penalties of whatsoever nature.

iii. No coverage is provided under this extension for any payment for cyber extortion or ransomware unless such payment is approved by the Company.

iv. In no event shall this extension:

A. supersede or revise the War exclusion found in paragraph 6.3.6.b of the **Exclusions** section of this POLICY;

B. override or revise any cover for TERRORISM otherwise provided by this POLICY; or

C. provide any coverage for loss resulting from, or involving, any weapon of mass destruction.

v. All other POLICY limits, conditions, exclusions and limitations, not specifically revised in this extension, will continue to apply to this extension.

c. Definitions:

i. For the purpose of this coverage extension the PERIOD OF LIABILITY:

A. is the period starting when the Insured's ELECTRONIC DATA, ELECTRONIC DATA PROCESSING MEDIA fails to operate and ending when, if the Insured was acting with due diligence and dispatch, the Insured's ELECTRONIC DATA, ELECTRONIC DATA PROCESSING MEDIA should have been restored to the same or equivalent operating condition that existed prior to the failure; and B. does not include:

I. any additional time to make changes to the Insured's ELECTRONIC DATA, ELECTRONIC DATA PROCESSING MEDIA; or

II. any delay caused by restrictions imposed by public authorities.

d. Additional Terms and Conditions.

i. All amounts recoverable under this extension are excluded from coverage elsewhere in this POLICY.

ii. ELECTRONIC DATA Valuation – the basis of valuation shall be:

A. reasonable and necessary amounts, incurred by the Insured in recreating, gathering and assembling such ELECTRONIC DATA;

B. if not repaired, replaced or restored within 2 years from the date of loss, the blank value of the media.

iii. This POLICY does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Insured or any other party, even if:

A. such ELECTRONIC DATA cannot be recreated, gathered or assembled; or

B. such ELECTRONIC DATA is accessed by others not authorized by the Policyholder.

14. Errors and Omissions

a. If loss or damage is not payable under this POLICY solely due to an error or unintentional omission:

i. in the description of where INSURED PROPERTY is physically situated within the **Policy Territory**; or

ii. to include any LOCATION(S), within the **Policy Territory**, that is owned, rented or leased by the Insured as of the POLICY Inception Date; or

iii. that results in cancellation of coverage for INSURED PROPERTY under the POLICY;

then such property shall be considered INSURED PROPERTY under this POLICY to the extent it would have provided coverage had such error or unintentional omission not been made.

b. It is a condition precedent to recovery under this extension of coverage that any error or unintentional omission be:

i. reported by the Insured to the Company when discovered; and

ii. corrected upon its discovery with appropriate premium paid, if required.

15. Exhibitions, Expositions, Fairs or Trade Shows

a. This POLICY is extended to insure any personal property, except as excluded under the **Property Not Insured** section of this POLICY:

i. owned by the Insured;

ii. of others in the Insured's care, custody and control:

A. to the extent the Insured is under an obligation to insure such property against direct physical loss or damage insured by this POLICY; or

B. to the extent of the INSURED'S LIABILITY for direct physical loss or damage insured by this POLICY to such property;

while such property is situated on the premises of any exhibitions, expositions, fairs or trade shows within the **Policy Territory**.

b. No coverage is provided under this extension for any property:

i. while in transit; ii. while waterborne; iii. at INSURED LOCATION(S);

iv. insured under **Course of Construction**;

v. insured under **Fine Arts**;

vi. that is otherwise insured by this POLICY or any other POLICY issued by the Company to the Insured.

16. Expediting Expenses

This extension provision applies to real and personal property only.

a. This POLICY is extended to insure the reasonable and necessary expenses incurred by the Insured:

i. to pay for the temporary repair of direct physical damage insured by this POLICY to INSURED PROPERTY at INSURED LOCATION(S); and

ii. to expedite the permanent repair or replacement of such INSURED PROPERTY.

b. No coverage is provided under this extension for any expenses:

i. recoverable under any other section or provision in this POLICY; or

ii. for permanent repair or replacement of any INSURED PROPERTY.

17. Fine Arts

a. This POLICY is extended to insure direct physical loss or damage insured by this POLICY to FINE ARTS while anywhere, including while in transit to the extent provided under **Transportation**, within the **Policy Territory**.

b. No coverage is provided under this extension for:

i. loss or damage if the FINE ARTS cannot be replaced with others of like kind and quality, unless such FINE ARTS are specifically declared to and accepted by the Company prior to the loss or damage; or

ii. loss or damage caused by or resulting from or occurring during any repairing, restoration or retouching process.

18. Fire Fighting Charges

a. This POLICY is extended to insure the following reasonable and necessary charges:

i. fire department firefighting charges imposed on the Insured by law or ordinance as a result of responding to a fire in, on or exposing the INSURED PROPERTY at INSURED LOCATION(S);

ii. costs incurred in restoring and recharging fire protection systems at INSURED LOCATION(S) following direct physical loss or damage insured by this POLICY to INSURED PROPERTY;

iii. costs incurred for the water used for fighting a fire following direct physical loss or damage insured by this POLICY in, on or exposing INSURED PROPERTY at INSURED LOCATION(S);

b. To the extent costs are incurred as insured under this extension of coverage and such costs served to prevent the occurrence of direct physical loss or damage insured by this POLICY to INSURED PROPERTY, this extension of coverage is subject to the POLICY Deductible that would have applied to any claim for such physical loss or damage insured by this POLICY that was avoided.

19. Green Coverage

Subject to the terms, conditions, exclusions and limitations of this POLICY, as provided in the **Valuation** section of this POLICY when INSURED PROPERTY is repaired or replaced as a direct result of insured physical loss or damage this POLICY is extended to cover the following reasonable and necessary additional costs incurred by the Insured:

a. to repair or replace such damaged INSURED PROPERTY with material of like kind and quality that qualifies as GREEN.

b. to replace the insured physical damaged portions of insured roofing systems with vegetative roof(s) that qualify as GREEN including the addition of trees, shrubs, plants and lawns and only when replaced in a manner that would be in compliance with best engineering standards including accepted practice for wind resistance.

c. to flush out the air in the area of the insured physically damaged INSURED PROPERTY with 100% outside air and to provide replacement filtration media for the building's ventilation system that controls such damaged area all when part of a GREEN reconstruction.

d. to pay an accredited professional certified by a GREEN AUTHORITY to participate in the design and construction for repairing or rebuilding insured physically damaged INSURED PROPERTY that qualifies as GREEN.

e. for certification or recertification of the repaired or replaced INSURED PROPERTY as GREEN.

f. in the removal, disposal or recycling of damaged INSURED PROPERTY that qualifies as GREEN.

This Company's liability in a single OCCURRENCE, including any resulting insured TIME ELEMENT loss, under this coverage extension, shall not exceed 25% of the amount of **Property Damage** loss at the INSURED LOCATION. This amount does not include:

g. the application of any deductible(s) under the POLICY.

h. the costs recoverable under this coverage extension.

i. STOCK IN PROCESS, RAW STOCK, FINISHED GOODS or MERCHANDISE.

j. PRODUCTION EQUIPMENT.

k. Electronic data processing equipment not used in the functional support of the real property.

l. process water.

m. molds and dies.

n. property in the open.

o. property of others for which the Insured is legally liable.

p. personal property of employees and officers of the Insured.

As respects this Green Coverage extension the following additional exclusions apply, and this extension does not cover:

q. STOCK IN PROCESS, RAW STOCK, FINISHED GOODS or MERCHANDISE.

r. PRODUCTION EQUIPMENT.

s. Electronic data processing equipment not used in the functional support of the real property.

t. process water.

u. molds and dies.

v. property in the open.

w. property of others for which the Insured is legally liable.

x. personal property of employees and officers of the Insured.

y. property adjusted on a basis other than repair or replacement as provided in the **Valuation** section of this POLICY.

There shall be no coverage provided under this Green Coverage extension, until loss or damage to real and personal property, as insured, has exceeded 10% of the **Property Damage** values at any INSURED LOCATION suffering such loss or damage.

This coverage extension does not cover loss recoverable elsewhere in this POLICY.

The **Period of Liability** applying to insured TIME ELEMENT loss shall include the additional time that results due to the Insured's inability to resume operations directly resulting from the coverage provided by this extension.

The following term(s) mean:

GREEN:

products, materials, methods and processes certified by a GREEN AUTHORITY that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.

GREEN AUTHORITY:

an authority on GREEN buildings, products, materials, methods or processes certified and accepted by Leadership in Energy and Environmentally Design (LEED®), Green Building Initiative Green Globes®, Energy Starr Rating System or any other recognized Green rating system.

PRODUCTION EQUIPMENT:

any production or process machine(s) or apparatus that processes, forms, cuts, shapes, grinds, or conveys RAW STOCK, STOCK IN PROCESS or FINISHED GOODS and any associated equipment utilized in production including but not limited to electrical cabling, transformers, HVAC; any equipment or apparatus that is mounted upon or used exclusively with any one or more production or process machines(s) or apparatus.

20. Infrastructure System Coverage

This POLICY is extended to insure direct physical loss or damage insured by this POLICY to insured personal property that is part of communications lines, data transmission lines or any infrastructure comprising or supporting the Insured's connection to its internet service provider or ELECTRONIC DATA COMMUNICATIONS SYSTEM when, and only to the extent that, such personal property is located on INSURED LOCATION(S) and is under the Insured's exclusive operational control. Insured personal property does not include satellites or ELECTRONIC DATA.

ELECTRONIC DATA COMMUNICATIONS SYSTEM, means any communication system, including computer systems and the Internet, which provides the Insured with access to other computer systems, microchips, integrated circuits or similar devices in non-computer equipment, or which provides any party access to the Insured's computer systems, microchips, integrated circuits or similar devices in non-computer equipment.

21. Installment or Deferred Payments

This POLICY is extended to insure against direct physical loss or damage to personal property insured by this POLICY sold by the Insured under a conditional sale or trust agreement or any installment or deferred payment plan and after such property has been delivered to the buyer. Coverage is limited to the unpaid balance for such property.

In the event of loss to property sold under deferred payment plans, the Insured will use all reasonable efforts, including legal action, if necessary, to effect collection of outstanding amounts due or to regain possession of the property.

There is no liability under this POLICY for loss or damage:

a. pertaining to products recalled including, but not limited to, the costs to recall, test or to advertise such recall by the Insured;

b. from theft or conversion by the buyer of the property after the buyer has taken possession;

c. to the extent the buyer continues payments;

d. to any property not within the **Policy Territory**.

22. Land and Water Contaminants, Cleanup, Removal and Disposal

a. This POLICY is extended to insure the reasonable and necessary cost for the cleanup, removal and disposal of CONTAMINANTS:

i. from land; or

ii. from water or any other substance in or on land

at INSURED LOCATION(S) provided the release, discharge or dispersal of such CONTAMINANTS is directly caused by direct physical loss or damage insured by this POLICY to INSURED PROPERTY at INSURED LOCATION(S).

b. No coverage is provided under this extension of coverage for the cost:

i. to test for, monitor or assess the existence, concentration or effects of any CONTAMINANTS, other than the testing which is performed in the course of extracting the CONTAMINANTS;

ii. to cleanup, remove and dispose of any CONTAMINANTS from land, or from water or any other substance in or on land:

A. at INSURED LOCATION(S) for which coverage is not provided hereunder for real property.

B. if the Insured fails to give written notice of loss to the Company within 180 consecutive calendar days from the date of such physical loss or damage causing the release, discharge or dispersal of such CONTAMINANTS.

23. Miscellaneous Unnamed Locations

This POLICY is extended to insure INSURED PROPERTY within the **Policy Territory** that is either:

a. not listed on the latest Schedule of Locations submitted to, accepted by and on file with the Company; or

b. listed on the latest Schedule of Locations submitted to, accepted by and on file with the Company but for which the Insured has not submitted values for its interest.

24. Neighbors Recourse and Tenants Liability

This POLICY insures liability imposed by law on the Insured in any nation with a Napoleonic code or similar civil or commercial code:

a. As a tenant, for direct physical loss or damage of the type insured against to property of the type insured of the owner of INSURED LOCATIONS;

b. For direct physical loss or damage of the type insured against to property of the type insured of the Insured's neighbors and co-tenants to the extent that such physical loss or damage is caused by direct physical loss or damage of the type insured to insured property on INSURED LOCATIONS;

c. For direct physical loss or damage of the type insured against to property of the type insured of the Insured's tenants or subtenants on INSURED LOCATIONS.

25. Newly Acquired Property

a. This POLICY is extended to insure direct physical loss or damage insured by this POLICY to newly constructed real property upon completion, or real property acquired or leased within the **Policy Territory** during the term of this POLICY and personal property, while under the care, custody and control of the Insured at any such new LOCATION(S). TIME ELEMENT coverage is provided for property insured under this extension of coverage, subject to all TIME ELEMENT terms, conditions, provisions, limitations and exclusions.

b. Coverage under this **Newly Acquired Property** provision shall commence when the Insured first acquires an insurable interest at the new LOCATION(S) and shall cease after the number of days specified in the **Time Limit** section if not reported to and accepted by the Company. If reported to and accepted by the Company the coverage provided by this POLICY for that LOCATION shall be the same as for all other INSURED LOCATION(S) unless otherwise specified herein or by endorsement.

c. No coverage is provided under this coverage extension for property while in transit or waterborne, nor while on the premises of any exhibition, exposition, fair or trade show. This provision shall not be construed as providing coverage at LOCATION(S) scheduled or otherwise insured herein.

d. No coverage is provided under this coverage extension where and to the extent that coverage is provided under Property Damage Coverage Extension **Course of Construction** of this POLICY.

e. This **Newly Acquired Property** provision shall not increase any amounts or limits of insurance provided by this POLICY.

26. On Site Construction

This POLICY is extended to insure direct physical loss or damage insured by this POLICY to buildings and structures undergoing construction, alteration, extension, or renovation while taking place on INSURED LOCATION(S). TIME ELEMENT coverage is provided for property insured under this extension of coverage, subject to all TIME ELEMENT terms, conditions, provisions, limitations and exclusions.

27. On Site Service Interruption

This POLICY is extended to insure direct physical loss or damage insured by this POLICY, including shrinkage, evaporation, leakage of contents, change in flavor or texture or finish, decay or other spoilage, when such physical loss or damage is the result of an interruption of services caused by physical loss or damage as insured against by this POLICY, at INSURED LOCATION(S).

The period of service interruption is the period starting with the time when an interruption of specified services happens; and ending when with due diligence and dispatch the service could be wholly restored.

28. Professional Fees

a. This POLICY is extended to insure the reasonable expenses, including the cost of using the Insured's employees, incurred by the Insured, or by the Insured's representatives, including but not limited to accountants, appraisers, auditors, consultants, or other such professionals, for preparing and certifying the details of a claim insured by this POLICY.

b. No coverage is provided under this extension of coverage for expenses incurred by the Insured in utilizing or retaining the services of:

i. attorneys; ii. independent or public adjusters;

iii. any subsidiary, related or associated entities either wholly or partially owned by an attorney or public adjuster; or

iv. any entity, hired by or on behalf of the Insured, for the purpose of advocacy.

29. **Protection and Preservation of Property – Property Damage**

a. This POLICY is extended to insure reasonable and necessary costs incurred for actions to temporarily protect or preserve INSURED PROPERTY; provided such actions are necessary due to actual, or to prevent immediately impending, direct physical loss or damage insured by this POLICY to such INSURED PROPERTY.

b. This extension is subject to the deductible and sublimit provisions that would have applied had the physical loss or damage happened.

30. **Radioactive Contamination**

Notwithstanding any Nuclear Exclusion clause contained herein, this POLICY is extended to insure direct physical loss or damage insured by this POLICY to INSURED PROPERTY caused by sudden and accidental radioactive contamination, including resultant radiation damage to INSURED PROPERTY provided:

a. such radioactive contamination is caused by the release of radiation from radioactive material which is commonly known to be radioactive and commonly located on an INSURED LOCATION(S);

b. such radioactive material knowingly is kept on an INSURED LOCATION(S) and its radioactivity is used for the purpose of the Insured's operations; and

c. at the time of such sudden and accidental contamination, there is neither a nuclear reactor capable of sustaining nuclear fission in a self-supporting chain reaction, nor any new or used nuclear fuel which is intended for or which has been used in a nuclear reactor, on the INSURED LOCATION(S).

31. **Service Interruption – Property Damage**

a. This POLICY is extended to insure direct physical loss or damage insured by this POLICY including shrinkage, evaporation, leakage of contents, change in flavor or texture or finish, decay or other spoilage to INSURED PROPERTY at INSURED LOCATION(S) when such physical loss or damage results from the interruption of services consisting of: i. incoming electricity; ii. incoming fuel; iii. incoming gas; iv. incoming refrigerant;

v. incoming steam; vi. incoming water; vii. outgoing sewerage service;

or

viii. incoming or outgoing audio, voice and video;

b. This extension of coverage applies only when such interruption of service is caused by physical loss or damage resulting from a cause of loss insured by this POLICY to any property of the type insured by this POLICY of the supplier of such services if such property is situated within the **Policy Territory** commencing when such service is interrupted and ceasing when with due diligence and dispatch such services have been or could have been restored.

c. The Insured agrees to immediately notify the suppliers of services of any interruption of such services.

d. No coverage is provided under this extension of coverage:

i. unless the period of service interruption exceeds the WAITING PERIOD specified for this extension; or

ii. if the interruption of such services is caused by the failure of the Insured to comply with the terms and conditions of any terms or contracts the Insured has for the supply of such services; or

iii. for loss sustained at any **Miscellaneous Unnamed Location**.

32. Temporary Removal of Property

When INSURED PROPERTY is removed from an INSURED LOCATION for the purpose of being repaired or serviced, this POLICY insures such property while at the premises to which such property has been moved.

This additional coverage does not apply to property:

a. insured, in whole or in part, elsewhere in this POLICY.

b. insured, in whole or in part, by any other insurance policy.

c. removed for normal storage, processing or preparation for sale or delivery.

33. Transportation

a. This POLICY is extended to insure the following personal property, except as excluded under **Property Not Insured**, while in transit within the **Policy Territory**: i. personal property owned by the Insured;

ii. personal property shipped to customers under Free on Board (F.O.B.), Cost and Freight (C & F) or similar terms. The Insured's contingent interest in such shipments is admitted;

iii. personal property of others in the actual or constructive custody of the Insured to the extent of the Insured's interest or INSURED'S LIABILITY;

iv. personal property of others sold by the Insured, that the Insured has agreed prior to the loss to insure during the course of delivery.

b. No coverage is provided under this extension for:

i. samples in the custody of salespeople or selling agents; ii. any property insured under import or export ocean marine insurance;

iii. waterborne shipments, except while on the navigable inland waters and coastwise shipments within the **Policy Territory**;

iv. airborne shipments unless by regularly-scheduled passenger airlines or air freight carriers;

v. property of others, including the INSURED'S LIABILITY for it, hauled on vehicles owned, leased or operated by the Insured when acting as a common or contract carrier;

vi. the conveyance used as the mode of transportation (including any part of equipment thereof) or containers;

vii. all materials in transit which are otherwise insured under another policy of insurance; or

viii. any property insured under **Miscellaneous Unnamed Locations**.

c. Coverage attachment and duration:

i. Coverage provided under this extension of coverage starts from the time the property leaves the original point of shipment for transit. It then insures continuously in the due course of transit within the continent in which the shipment commences until the property arrives at the destination within such continent subject to the terms and conditions set forth in a and b of this extension of coverage;

ii. However, coverage on export shipments not insured under ocean cargo policies ends when such personal property is loaded onboard overseas vessels or aircraft. Coverage on import shipments not insured under ocean cargo policies starts after discharge from overseas vessels or aircraft;

iii. This insurance only covers such shipments, the transportation of which begins within the term of this POLICY, even though said transportation is not completed prior to POLICY expiration.

d. This extension of coverage also insures:

i. general average and salvage charges on shipments insured while waterborne;

ii. physical loss or damage to such personal property caused by or resulting from:

A. unintentional acceptance of fraudulent bills of lading, shipping or messenger receipts;

B. improper parties having gained possession of property through fraud or deceit. e.

Additional general provisions:

i. This extension will not inure to the benefit of any carrier or bailee;

ii. The Insured has permission, without prejudicing this insurance, to accept:

A. ordinary bills of lading used by carriers;

B. released bills of lading;

C. undervalued bills of lading; and

D. shipping or messenger receipts.

f. The Insured may waive subrogation against railroads under side track agreements.

g. Except as otherwise stated, the Insured agrees not to enter into any special agreement with carriers releasing them from their common law or statutory liability.

34. Vacancy

a. This POLICY insures direct physical loss or damage insured by this POLICY to:

i. vacant or unoccupied buildings, including INSURED PROPERTY therein, at INSURED LOCATION(S); or

ii. INSURED PROPERTY at INSURED LOCATION(S) where the Insured has ceased operations.

b. All subject to and provided that:

i. existing fire protection, watch and alarm services at such INSURED LOCATION(S) are maintained; and

ii. written notice is given to the Company prior to the 120th consecutive calendar day of cessation of operations, vacancy or unoccupancy.

c. For purposes of this extension, the buildings at an INSURED LOCATION(S) are considered vacant or unoccupied when they do not contain sufficient property and personnel to conduct customary business operations.

d. This extension excludes coverage from loss due to theft, vandalism or malicious mischief.

35. Valuable Papers and Records

a. This POLICY insures direct physical loss or damage insured by this POLICY to VALUABLE PAPERS AND RECORDS while anywhere, including while in transit to the extent provided under **Transportation**, within the **Policy Territory**.

b. No coverage is provided under this extension of coverage for:

i. loss or damage to VALUABLE PAPERS AND RECORDS if such property cannot be replaced with others of like kind and quality, unless specifically declared to and accepted by the Company prior to the loss or damage; ii. loss or damage to property held as samples or for sale or for delivery after sale;

iii. errors or omissions in processing or copying unless physical loss or damage insured by this POLICY to VALUABLE PAPERS AND RECORDS results, in which event, only such resulting physical loss or damage is insured under this extension of coverage;

iv. loss or damage to VALUABLE PAPERS AND RECORDS caused by or resulting from deterioration, inherent vice, vermin or wear and tear; all unless physical loss or damage insured by this POLICY to VALUABLE PAPERS AND RECORDS results, in which event, only such resulting physical loss or damage is insured under this extension.

36. Money Extension

Notwithstanding anything to the contrary in Exclusions, POLICY is extended to insure Money, subject to the following Terms and Conditions:

1) Loss of Money resulting from damage as described in the Money Extension Schedule ("the Schedule") below.

2) The cost of repair or replacement following loss, destruction or damage to:

i) safes, strong rooms or franking machines ii) bag cases or waistcoats used for the carriage of Money.

The liability of the Company under this Money Extension shall not exceed the Limit of Liability stated in the Schedule below.

Definitions applicable to the Money Extension

Business Hours shall mean the Insured's usual office hours and the working hours, including overtimes during which the Insured, their principals or employees entrusted with the Insured's Money are on the INSURED LOCATION(S) or at sites of contact for the purpose of the business.

Money for this extension shall mean current coin, bank and currency notes, cheques, traveller's cheques, postal and money orders, current unused postage stamps, national savings stamps and certificates, premium bonds, luncheon vouchers, unused franking machine units, trading stamps, gift tokens, customer redemption vouchers, holiday and pay stamps, bankers drafts, promissory notes, savings bonds, securities, bills of exchange, dividend warrants, V.A.T purchase invoices, consumer redemption vouchers, company sales vouchers, or other negotiable instruments belonging to the Insured or for which the Insured is responsible.

Non-Negotiable Instruments shall mean crossed warrants, crossed cheques, crossed giro drafts, crossed postal and money orders, crossed bankers drafts, crossed National Giro bank cash cheques, premium bonds, savings bonds, stamped National Insurance cards, National Savings certificates, credit cards, sales vouchers, V.A.T purchase invoices, promissory notes, all belonging to the Insured or for which the Insured has accepted responsibility.

Conditions applicable to the Money Extension It shall be

a condition under this Extension that:

1) All protections and procedures for the safety of Money whilst in the INSURED LOCATION(S) undertaken at the request of the Company are maintained and operated;

2) The keys for all protections, and any safes containing Money are removed from the INSURED LOCATION(S) out of Business Hours;

3) Money carryings are accompanied by the undernoted number of able bodied adults and distributed equally during transit and until disbursement

a) up to INR XXXXXX – 1 able-bodied adult;

b) between INR XXXXXX and INR XXXXXX – 2 able-bodied adults;

c) between INR XXXXXX and INR XXXXXX – 3 able-bodied adults;

d) between INR XXXXXX and INR XXXXXX – 4 able-bodied adults;

e) over INR XXXXXX – by a specialist security carrier as agreed by the Company;

f) the times of the transit, routes and conveyances used shall be varied as far as possible.

Money Extension Schedule

	Situation	Limit of Liability
1	a) In the INSURED LOCATION(S) during Business Hours or in transit	INR XXXXX
	b) In the INSURED LOCATION(S) out of Business Hours	INR XXXXX
	i) secured in specified locked safes or strong rooms	INR XXXXX
	ii) secured in all other locked safes or strong rooms	INR XXXXX
	iii) not in specified locked safes or strong rooms	INR XXXXX

2	In the private residences of any principal, director or authorized employee of the Insured	INR XXXXX
3	Deposited in a bank night safe	INR XXXXX
4	Non-Negotiable Instruments	INR XXXXX
5	Any postal franking machine, safe, cash box, strong room, or any container or waistcoats used for the carriage of Money belonging to the Insured or for which the Insured is responsible	INR XXXXX

Section 5 – Time Element / Business Interuption

5.1. Loss Insured

1. This POLICY insures TIME ELEMENT loss, during the **Period of Liability** directly resulting from physical loss or damage insured by this POLICY to INSURED PROPERTY at INSURED LOCATION(S) as further provided under 4.1.1. of Section 4 of this POLICY, or as otherwise provided in this section or endorsed hereon, and subject to all terms and conditions within this POLICY.

2. This POLICY insures TIME ELEMENT loss only to the extent it cannot be reduced through:

   a. the use of any property or service owned or controlled by the Insured;

   b. the use of any property or service obtainable from other sources;

   c. working extra time or overtime; or

   d. the use of inventory.

3. The Company shall take into consideration the combined operating results of all INSURED LOCATION(S) and associated, affiliated or subsidiary companies of the Insured in determining the TIME ELEMENT loss.

4. This POLICY insures expenses reasonably and necessarily incurred by the Insured to reduce the loss otherwise payable under this section. The amount of such recoverable expenses will not exceed the amount by which the loss otherwise payable hereunder is reduced.

5. The Insured agrees to:

   a. act with due diligence and dispatch in repairing or replacing physically damaged buildings and equipment to the same or equivalent physical and operating conditions that existed immediately prior to such physical loss or damage; and

   b. take whatever actions are necessary and reasonable to minimize the loss payable hereunder.

6. In determining the amount of loss payable, the Company will consider:

   a. the experience of the business before and after; and

   b. the probable experience during

   the **Period of Liability**.

7. There will be no recovery of loss under this **Time Element** section of this POLICY when there is recovery elsewhere in this POLICY.

5.2. Gross Earnings

1. The recoverable **Gross Earnings** loss is the Actual Loss Sustained by the Insured due to the necessary interruption of the Insured's business during the **Period of Liability** as respects **Gross**

Earnings less all charges and expenses that do not, or did not necessarily, continue during such interruption.

2. In determining the indemnity payable as the Actual Loss Sustained by the Insured, the Company will consider the continuation of only those normal charges and expenses that would have been incurred had no interruption of the Insured's business occurred.

3. There is recovery herein but only to the extent that the Insured is:

   a. wholly or partially prevented from producing goods or continuing business operations or services;

   b. unable to make up lost production within a reasonable period of time, not limited to the period during which production is interrupted;

   c. unable to continue its operations or services during the **Period of Liability**; and

   d. able to demonstrate a loss of SALES resulting from an interruption in operations, services or production.

4. For the purpose of this insurance, **Gross Earnings** are defined as the sum of:

   a. As respects:

      i. manufacturing operations, the net SALES value of production less the cost of all RAW STOCK, materials and supplies used in such production; or

      ii. mercantile or non-manufacturing operations, the total net SALES less cost of MERCHANDISE sold, materials and supplies consumed in the operations or services rendered by the Insured; and

   b. all other earnings derived from the operation of the business.

Any amount recovered at selling price for physical loss or damage to FINISHED GOODS or MERCHANDISE, which has been valued at the selling price, will be considered to have been sold to the Insured's regular customers and will be credited against claimed loss of net SALES.

5.3. Gross Profits

1. The recoverable **Gross Profits** loss is the Actual Loss Sustained by the Insured due to the necessary interruption of the Insured's business during the **Period of Liability** as respects the following:

   a. Reduction In SALES:

      i. The sum produced by applying the RATE OF GROSS PROFITS to the amount by which the SALES during the **Period of Liability** fall short of the STANDARD SALES.

      ii. In determining the Reduction in SALES, any amount recovered under the **Property Damage** section for physical loss or damage to FINISHED GOODS or MERCHANDISE which has been valued at the selling price will be considered to have been sold to the Insured's regular customers and will be credited against lost SALES.

      iii. all less any sum saved during the **Period of Liability** with respect to INSURED FIXED CHARGES as may cease or be reduced because of such interruption.

   b. Increase In Cost Of Doing Business:

   The additional expenditure necessarily and reasonably incurred by the Insured for the sole purpose of avoiding or diminishing the Reduction in SALES which, but for that expenditure, would have

taken place during the **Period of Liability**; but not exceeding the sum produced by applying the RATE OF GROSS PROFITS to the amount of the reduction thereby avoided; all less any sum saved during the **Period of Liability** with respect to INSURED FIXED CHARGES as may cease or be reduced because of such interruption.

2. In determining the indemnity payable as the Actual Loss Sustained by the Insured:

   a. If any fixed charges of the business are not insured herein, then in computing the loss payable hereunder as Increase In Cost Of Doing Business, that proportion only of the additional expenditure will be recoverable herein which the sum of the NET PROFITS and the INSURED FIXED CHARGES bears to the sum of the NET PROFITS and all the fixed charges.

   b. If, during the **Period of Liability**, goods are sold or services are rendered at LOCATION(S) other than INSURED LOCATION(S) for the benefit of the Insured's business either by the Insured or by others on the Insured's behalf, the MONEY paid or payable in respect of such SALES or services will be included in arriving at the amount of SALES during the **Period of Liability**.

3. Coverage provided herein for the Reduction in SALES due to contract cancellation or lost business opportunity is limited only to those SALES that would have been earned under the contract during the **Period of Liability**.

5.4. Period of Liability

1. The **Period of Liability** applying to all TIME ELEMENT coverages, except Gross Profits and Leasehold Interest and as shown below, or if otherwise provided under the **Time Element Coverage Extensions**, is as follows:

   a. For building and equipment, the period of time:

      i. starting on the date of physical loss or damage insured by this POLICY to INSURED PROPERTY; and

      ii. ending when with due diligence and dispatch the building and equipment could be repaired or replaced with current materials of like size, kind and quality and made ready for operations;

   under the same or equivalent physical and operating conditions that existed immediately prior to such physical loss or damage.

   Such period of time is not limited by the POLICY expiration date.

   b. For property insured under **Course of Construction**, the equivalent of the period of time in a. above will be applied to the level of business that would have been reasonably achieved after the construction, alteration, extension, renovation, installation, erection, or assembly that would have been completed had no physical loss or damage insured by this POLICY occurred.

   Due consideration will be given to the actual experience of the business compiled after completion of the construction, alteration, extension, renovation, installation, erection, or assembly.

   c. For STOCK IN PROCESS and MERCHANDISE, including finished goods not manufactured by the Insured, the period of time required with the exercise of due diligence and dispatch:

      i. to restore STOCK IN PROCESS to the same state of manufacture in which it existed at the inception of the interruption of the Insured's business; and

      ii. to replace physically damaged MERCHANDISE.

   d. For raw materials and supplies, the period of time:

i. of the actual interruption of the Insured's business resulting from the Insured's inability to obtain suitable raw materials and supplies similar to those damaged; but

ii. limited to that period of time for which the damaged raw materials and supplies would have supplied operating needs.

e. For physical loss or damage to ELECTRONIC DATA PROCESSING MEDIA, the period of time required to copy from backups or from originals of a previous generation. Such period of time shall include all reasonable and necessary time, incurred by the Insured in recreating, gathering and assembling such ELECTRONIC DATA.

f. For physical loss or damage to exposed films, records, manuscripts and drawings, the period of time required to copy from backups or from originals of a previous generation. Such period of time shall include all reasonable and necessary time, incurred by the Insured in recreating, gathering and assembling such ELECTRONIC DATA.

g. The **Period of Liability** applying to **Rental Insurance** is as follows:

i. The period of time:

A. starting on the date of physical loss or damage insured by this POLICY to INSURED PROPERTY; and

B. ending when with due diligence and dispatch the building and equipment could be repaired, rebuilt or replaced with current materials of like size, kind and quality and made ready for operations;

under the same or equivalent physical and operating conditions that existed immediately prior to such physical loss or damage. Or, ii. The period of time:

A. starting on the date of physical loss or damage insured by this POLICY to INSURED PROPERTY; and

B. ending no later than the number of months equivalent to the declared rental values listed on the Schedule of Locations submitted to, accepted by and on file with the Company;

2. The **Period of Liability** applying to **Gross Profits** is as follows:

a. The period of time:

i. starting on the date of physical loss or damage insured by this POLICY to INSURED PROPERTY; and

ii. ending no later than the Time Limit specified for **Gross Profits**;

during which period the results of the business are directly affected by such physical loss or damage.

Such period of time is not limited by the POLICY expiration date.

b. For property insured under **Course of Construction**, the period:

i. starting on the date that the Insured's business would have commenced if physical loss or damage insured by this POLICY had not occurred; and

ii. ending no later than the Time Limit specified for **Gross Profits**; during which period the results of the business are directly affected by such damage.

Such period of time is not limited by the POLICY expiration date.

The RATE OF GROSS PROFITS and STANDARD SALES are based on the experience of the business after the completion of construction, alteration, extension, renovation, installation, erection, or assembly and on the probable experience during the **Period of Liability**.

3. The **Period of Liability** does not include any additional time due to the Insured's inability to resume operations for any reason, including but not limited to:

   a. making changes to the equipment;

   b. making changes to the buildings or structures, except as provided under **Demolition and Increased Cost of Construction**;

   c. re-staffing or re-training employees. However, this item **c.** does not apply to additional time needed to train staff to use new machinery or equipment that replaces machinery or equipment that suffered insured physical loss or damage, provided such training is completed within 90 consecutive calendar days after the new machinery or equipment has been installed.

4. If more than one **Period of Liability** applies, such periods will not be cumulative.

5.5. Insured Time Element Option

1. The Insured has the option to make claim based on either:

   a. **Gross Earnings** and **Extended Period of Liability**; or

   b. **Gross Profits**,

   c. As respects **Rental Insurance** and **Extended Period of Liability** applying to **Rental Insurance**, the Insured additionally has the option to make a **Rental Insurance** claim based on the options as described within the **Period of Liability** clause of this POLICY,

   as described in the **Time Element** section of this POLICY and subject to the applicable terms and conditions as may be shown elsewhere.

   Such option may be exercised at any time prior to the conditions set forth in the **Settlement of Claims** clause in the **Loss Adjustment and Settlement** section of this POLICY. If such claim involves more than one INSURED LOCATION(S), including interdependency at one or more INSURED LOCATIONS, such claim will be adjusted by using the single coverage option chosen above.

5.6. Extra Expense

1. The recoverable **Extra Expense** loss is the reasonable and necessary extra costs incurred by the Insured during the **Period of Liability** as respects the following:

   a. extra costs to temporarily continue as nearly normal as practicable the conduct of the Insured's business; and

   b. extra costs of temporarily using property or facilities of the Insured or of others;

c. costs to purchase FINISHED GOODS from third parties to fulfill orders when such orders cannot be met due to physical loss or damage to the Insured's FINISHED GOODS, less payment received for the sale of such FINISHED GOODS;

d. less any value remaining at the end of the **Period of Liability** for any property obtained in connection with the above.

Time Element Exclusion paragraph 6.4.3 does not apply to paragraph **c.** above.

2. No coverage is provided herein for:

a. any loss of income;

b. costs that normally would have been incurred in conducting the Insured's business during the same period had no physical loss or damage insured by this POLICY to INSURED PROPERTY occurred;

c. cost of permanent repair or replacement of any property that has sustained physical loss or damage; or

d. any expense recoverable elsewhere in this POLICY.

5.7. Rental Insurance

1. The recoverable **Rental Insurance** loss is the Actual Loss Sustained by the Insured during the **Period of Liability** as respects:

a. the fair rental value of any portion of an INSURED LOCATION(S) occupied by the Insured that the Insured is unable to occupy following physical loss or damage insured by this POLICY;

b. the income reasonably expected from rentals of unoccupied or unrented portions of INSURED LOCATION(S) available for rent at the time of physical loss or damage insured by this POLICY; and

c. the rental income from the rented portions of INSURED LOCATION(S) according to bona fide leases, contracts or agreements in force at the time of physical loss or damage insured by this POLICY to such real property;

all not to include non-continuing charges and expenses.

2. No coverage is provided herein for any loss of rental income during any period in which INSURED PROPERTY would not have been tenantable for any reason other than physical loss or damage insured by this POLICY, except as otherwise provided under **Extended Period of Liability**.

5.8. Time Element / Business Interuption Coverage Extensions, Terms and Conditions

The following are subject to all terms, conditions, provisions, limitations and exclusions of this POLICY and in addition, any other terms, conditions, provisions, limitations and exclusions set forth below.

1. Attraction Property

This POLICY is extended to insure loss of **Gross Earnings**, **Gross Profits**, **Rental Insurance**, and **Extra Expense** incurred by the Insured directly resulting from direct physical loss or damage as insured by this POLICY to property of the type insured, but not owned or operated by the Insured, that directly attracts business to an INSURED LOCATION(S).

2. Commissions, Licensing Fees and Royalties

a. The recoverable **Commissions, Licensing Fees and Royalties** loss is **Gross Earnings** or **Gross Profits** loss incurred by the Insured during the **Period of Liability** less any noncontinuing expenses and charges.

b. The recoverable **Commissions, Licensing Fees and Royalties** loss incurred is **Gross Earnings** or **Gross Profits** lost by the Insured during the **Period of Liability** under any royalty, licensing fee, franchise fee or commission agreements between the Insured and another party which is not realizable due to direct physical loss or damage insured by this POLICY to any property, except of the type excluded under **Property Not Insured**, of the other party at any LOCATION(S) situated within the **Policy Territory**.

c. The Insured agrees to influence, to the extent possible, the other party with whom the agreements described above have been made to use any other machinery, supplies or LOCATION(S) in order to resume business so as to reduce the amount of loss payable hereunder, and the Insured agrees to cooperate with that party in every way to effect this.

d. No coverage is provided hereunder for any costs to effect the above unless authorized in advance by the Company.

e. In determining the amount of loss payable hereunder, the Company will consider the amount of income derived from such agreements before and the probable amount of income after the date of such physical loss or damage had no loss occurred.

f. Recovery is available hereunder only if such physical loss or damage interrupts the delivery of goods in whole or in part to the Insured or for the Insured's account.

3. Contingent Time Element

a. This POLICY is extended to insure loss of **Gross Earnings**, **Gross Profits**, **Rental Insurance**, and **Extra Expense** incurred by the Insured during the **Period of Liability** directly resulting from direct physical loss or damage insured by this POLICY to any property, except of the type as excluded under **Property Not Insured**, at any LOCATION(S) of suppliers or customers, provided that such physical loss or damage prevents:

i. such suppliers from supplying goods or services directly or indirectly to the Insured;

ii. such customers from receiving goods or services directly or indirectly from the Insured;

provided that such LOCATION(S) of suppliers or customers are situated within the **Policy Territory.**

b. Specified limits for this extension are shown in the **Coverage Purchased and Coverage Not Purchased** section of this POLICY for:

i. those direct suppliers and customers who have been specifically named by the Insured have been submitted to, accepted by and on file with the Company;

ii. those direct suppliers and customers who have not been specifically named by the Insured; and

iii. all indirect suppliers and customers.

c. As used herein, suppliers or customers do not include any company supplying to or receiving from INSURED LOCATION(S) electricity, fuel, gas, refrigerant, sewage, steam, water, telecommunications, audio, data or video.

4. Crisis Management

a. This POLICY is extended to insure loss of **Gross Earnings**, **Gross Profits**, **Rental Insurance**, and **Extra Expense** incurred by the Insured during the **Period of Liability** if an order of civil or military authority prohibits access to an INSURED LOCATION(S), provided such order is a direct result of:

i. a violent crime, suicide, attempted suicide, or armed robbery; or ii.

a death or bodily injury caused by a workplace accident;

at such INSURED LOCATION(S).

b. For the purposes of this Extension only, a workplace accident shall be considered a sudden, fortuitous event that happens during working hours and arises out of work performed in the course and the scope of employment.

This Extension of coverage will apply when the **Period of Liability** is in excess of the WAITING PERIOD specified for this extension.

The **Period of Liability** for this **Time Element Coverage Extension** will be:

The period of time:

a. starting with the time the civil or military authority prohibits partial or total access; and

b. ending when the order of civil or military authority is lifted; but

c. not to exceed the Time Limit specified for **Crisis Management**.

5. Extended Period of Liability

a. The coverage provided hereunder for loss of **Gross Earnings** and **Rental Insurance** (solely as respects **Period of Liability** option "i." of part g. of 5.4.1. applying to **Rental Insurance**) is extended to insure for only up to the additional length of time shown for **Extended Period of Liability** in the **Coverage Purchased and Coverage Not Purchased** section as would be required with the exercise of due diligence and dispatch to restore the Insured's business to the condition that would have existed had no physical loss or damage insured by this POLICY occurred;

b. The Time Limit for this extension of coverage starts on the date the applicable **Period of Liability** ends.

6. Impounded Water

a. This POLICY is extended to insure loss of **Gross Earnings**, **Gross Profits**, **Rental Insurance**, and **Extra Expense** incurred by the Insured due to the necessary interruption of the Insured's business caused by inadequate water supply.

b. It is a condition precedent to recovery under this extension that such inadequate water supply is a direct result of the release of water:

i. stored behind dams or in reservoirs; and

ii. at INSURED LOCATION(S); and

iii. used for any manufacturing purpose, including but not limited to as raw material or for power production; and

iv. caused by direct physical loss or damage insured by this POLICY to such dams or reservoirs, or to equipment connected thereto.

7. Ingress / Egress

This POLICY is extended to insure loss of **Gross Earnings**, **Gross Profits**, **Rental Insurance**, and **Extra Expense** incurred by the Insured due to the necessary interruption of the Insured's business, provided that:

a. the interruption directly results from the prevention of direct ingress to or direct egress from INSURED LOCATION(S), whether or not INSURED PROPERTY at such INSURED LOCATION(S) is damaged; and

b. the prevention above is caused by direct physical loss or damage occurring during the Policy Period and insured by this POLICY to any property, including property excluded under **Property Not Insured**.

8. Interruption by Communicable Disease

If an INSURED LOCATION owned, leased or rented by the Insured has the actual not suspected presence of COMMUNICABLE DISEASE and access to such INSURED LOCATION is limited, restricted or prohibited by:

a. an order of an authorized governmental agency regulating the actual not suspected presence of COMMUNICABLE DISEASE; or

b. a decision of an Officer of the Insured as a result of the actual not suspected presence of COMMUNICABLE DISEASE,

this POLICY is extended to insure loss of **Gross Earnings**, **Gross Profits**, **Rental Insurance**, and **Extra Expense** incurred by the Insured during the **Period of Liability** at such INSURED LOCATION with the actual not suspected presence of COMMUNICABLE DISEASE.

This extension of coverage will apply when access to such INSURED LOCATION is limited, restricted, or prohibited in excess of the WAITING PERIOD specified for this extension.

Interruption By Communicable Disease Exclusions: As respects **Interruption By Communicable Disease**, the following additional exclusions apply:

This POLICY does not insure loss resulting from the enforcement of any law or ordinance with which the Insured was legally obligated to comply prior to the time of the actual spread of COMMUNICABLE DISEASE.

The **Period of Liability** for this **Time Element Coverage Extension** will be:

The period of time:

a. starting at the time of the order of the authorized governmental agency or the Officer of the Insured; and

b. Ending when the order of the governmental agency or the Officer of the Insured is lifted; but

c. not to exceed the Time Limit specified for **Interruption by Communicable Disease**, this period of time is part of and not in addition to any **Period of Liability** applying to any coverage provided in the **Time Element** section.

9. Leasehold Interest

a. This POLICY is extended to insure **Leasehold Interest** loss is as follows:

In the event of direct physical loss or damage insured by this POLICY to INSURED LOCATION(S) at which the Insured leases space and pursuant to a written lease, if the lease agreement requires continuation of rent and if the property is wholly untenantable or unusable due to such physical loss or damage:

i. the actual rent payable for the unexpired term of the lease; or,

ii. if the property is partially untenantable or unusable, the proportion of the rent payable for the unexpired term of the lease; or,

iii. If the lease is canceled by the lessor pursuant to the lease agreement or by the operation of law:

A. the LEASE INTEREST for the first 3 consecutive calendar months following the physical loss or damage; and

B. the NET LEASE INTEREST for the remaining unexpired term of the lease.

LEASE INTEREST means the excess rent paid for the same or similar replacement property over actual rent payable plus cash bonuses or advance rent paid (including maintenance or operating charges) for each month during the unexpired term of the Insured's lease.

NET LEASE INTEREST means the present value amount, which placed at the prime rate of annual interest effective on the date of physical loss or damage, as published in the Wall Street Journal, would equal the LEASE INTEREST (less any amounts otherwise payable hereunder).

b. No coverage is provided for any increase in loss resulting from:

i. the suspension, cancellation or lapse of any license; ii. the Insured exercising an option to extend, renew or cancel the lease; iii. any act or omission of the Insured that constitutes a default under the lease;

iv. the Insured's loss of **Leasehold Interest** resulting from physical loss or damage to personal property.

10. Logistics Extra Cost

a. This POLICY is extended to insure the extra cost incurred by the Insured during the **Period of Liability** due to the disruption of the normal movement of goods or materials:

i. directly between INSURED LOCATIONS; or

ii. directly between an INSURED LOCATION(S) and a LOCATION(S) of a direct customer, direct supplier, direct contract manufacturer, or direct contract service provider to the Insured,

provided that such disruption is a direct result of direct physical loss or damage insured by this POLICY to property of the type insured hereunder located within the **Policy Territory** of this POLICY.

b. The amount recoverable hereunder will be the reasonable and necessary extra costs incurred by the Insured to temporarily continue as nearly normal as practicable the movement of goods or materials.

c. This extension does not insure:

i. any loss resulting from disruption in the movement of goods or materials between **Contingent Time Element** LOCATIONS;

ii. any loss resulting from disruption of incoming or outgoing services consisting of electricity, gas, fuel, steam, water, refrigeration, sewerage, telecommunications, and voice, data or video;

iii. any loss of income;

iv. costs that usually would have been incurred in conducting the business during the same period had there been no disruption of normal movement of goods or materials;

v. costs of permanent repair or replacement of property that has been damaged or destroyed;

vi. any expense recoverable elsewhere in this POLICY;

vii. any loss resulting from disruption caused by physical loss or damage to personal property of the Insured while in transit.

d. Notwithstanding the **Period of Liability** definition in the **Time Element** section, for this **Time Element Coverage Extension** the **Period of Liability** will

i. start at the time of physical loss or damage causing the disruption of the normal movement of goods or materials directly between INSURED LOCATIONS; or directly between the INSURED LOCATION(S) and the LOCATION(S) of the direct customer, direct supplier, direct contract manufacturer or direct contract service provider to the Insured; and

ii. end not later than when with due diligence and dispatch the normal movement of goods or materials directly between INSURED LOCATIONS; or directly between the INSURED LOCATION(S) and the LOCATION(S) of the direct customer, direct supplier, direct contract manufacturer or direct contract service provider to the Insured could be resumed; but iii. not to exceed the Time Limit for **Logistics Extra Cost**

11. Order of Civil or Military Authority

This POLICY is extended to insure loss of **Gross Earnings**, **Gross Profits**, **Rental Insurance**, and **Extra Expense** incurred by the Insured due to the necessary interruption of the Insured's business, provided that:

a. the interruption directly results from an order of a civil or military authority that prohibits partial or total access to INSURED LOCATION(S); and

b. the order referenced above is caused by direct physical loss or damage as insured by this POLICY to property, including property excluded under **Property Not Insured**.

12. Protection and Preservation of Property – Time Element

a. This POLICY is extended to insure loss of **Gross Earnings**, **Gross Profits**, **Rental Insurance**, and **Extra Expense** incurred by the Insured for a period of time after the Insured has first taken reasonable action for the temporary protection and preservation of property insured by this POLICY provided such action is necessary to prevent immediately impending direct physical loss or damage insured by this POLICY to such INSURED PROPERTY.

b. This extension is subject to the deductible provisions that would have applied had the physical loss or damage happened.

13. Related Reported Values

If reported TIME ELEMENT VALUES include values for LOCATION(S) used by the Insured (such as branch stores, sales outlets and other plants) and such LOCATION(S) fall within the definition of **Miscellaneous Unnamed Locations**, as set out in Property Damage coverage Extension 4.3.23 of this Policy, a TIME ELEMENT loss results at such LOCATION(S) due to direct physical loss or damage insured by this POLICY to INSURED PROPERTY at INSURED LOCATION(S); then this POLICY is extended to insure such resulting TIME ELEMENT loss in accordance with the coverage applicable at the INSURED LOCATION(S) where such physical loss or damage occurred.

14. Research and Development

a. This POLICY is extended to insure the Actual Loss Sustained consisting only of:

i. agreed continuing INSURED FIXED CHARGES; and

ii. ORDINARY PAYROLL

directly attributable to the necessary interruption of the Insured's research and development activities that in themselves would not have produced income during the **Period of Liability,** but only to the extent that such continuing INSURED FIXED CHARGES and ORDINARY PAYROLL are incurred without **Research and Development** activity taking place nor having been made up at any time. Such interruption must result from direct physical loss or damage insured by this POLICY to INSURED PROPERTY at INSURED LOCATION(S).

b. Notwithstanding the **Period of Liability** definition in the **Time Element** section, for this **Time Element Coverage Extension** the **Period of Liability** will:

i. start on the date of such physical loss or damage; and

ii. end on the earlier of:

A. the date when such INSURED PROPERTY could be repaired or replaced and made ready for operations, but not to be limited by POLICY Expiration Date; or

B. the date when **Research and Development** activities resume.

To the extent the Insured is capable of making up any **Research and Development** activities it shall be taken into account when adjusting the loss.

15. Service Interruption – Time Element

a. This POLICY is extended to insure loss of **Gross Earnings**, **Gross Profits**, **Rental Insurance**, and **Extra Expense** incurred by the Insured at INSURED LOCATION(S) when such loss results from the interruption of services consisting of:

i. incoming electricity; ii. incoming fuel; iii. incoming gas; iv. incoming refrigerant;

v. incoming steam; vi. incoming water; vii. outgoing sewerage service; or viii. incoming or outgoing audio, voice and video;

b. This extension of coverage applies only when such interruption of service is caused by direct physical loss or damage insured by this POLICY to any property of the type insured by this POLICY of the supplier of such services if such property is situated within the **Policy Territory**.

c. The Insured agrees to immediately notify the suppliers of services of any interruption of such services.

d. No coverage is provided under this extension of coverage:

i. unless the period of service interruption exceeds the WAITING PERIOD specified for this extension; or

ii. if the interruption of such services is caused by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has for the supply of such services; or

iii. for loss sustained at any **Miscellaneous Unnamed Location;** or

iv. regardless of any other cause or event, whether or not insured under this POLICY, contributing concurrently or in any other sequence to the loss.

16. Soft Costs

This POLICY is extended to insure the necessary SOFT COSTS incurred by the Insured during the PERIOD OF DELAY, unless otherwise provided, and directly resulting from a DELAY IN COMPLETION caused by direct physical loss or damage insured by this POLICY to real or personal property of the type insured which is in the course of construction, alteration, extension or renovation at INSURED LOCATION(S).

SOFT COSTS means additional costs over and above those that would have been incurred at an INSURED LOCATION in the course of construction, alteration, extension or renovation, in the absence of a delay caused by such physical loss or damage of the type insured against to real or personal property of the type insured. SOFT COSTS are limited to the following:

a. Additional construction loan fees - the additional cost incurred to rearrange loans necessary for the completion of construction, repairs or reconstruction including; the cost to arrange refinancing, accounting work necessary to restructure financing, legal work necessary to prepare new documents, charges by the lenders for the extension or renewal of loans necessary. These fees need not be incurred during the PERIOD OF DELAY but must result directly from a covered DELAY IN COMPLETION;

b. Additional commitment fees, leasing and marketing expenses - the cost of returning any commitment fees received from prospective tenant(s) or purchaser(s) and the cost of releasing and marketing due to loss of tenant(s) or purchaser(s). These fees need not be incurred during the PERIOD OF DELAY but must result directly from a covered DELAY IN COMPLETION;

c. Additional fees for architects, engineers, consultants, attorneys and accountants needed for the completion of the construction, alteration, extension or renovation as planned prior to such physical loss or damage;

d. Additional real estate taxes;

e. Additional interest on loans to fund the construction, alteration, extension or renovation; and

f. Additional insurance premiums for insurance specifically arranged for the construction, alteration, extension or renovation (excluding first-party property insurance premium).

DELAY IN COMPLETION means a delay in the completion of the construction, alteration, extension or renovation at INSURED LOCATION(S) directly caused by such physical loss or damage

insured by this POLICY to real or personal property of the type insured at INSURED LOCATION(S).

PERIOD OF DELAY means the period of time between: 1) the date on which the construction, alteration, extension or renovation at INSURED LOCATION(S) would have been complete in the absence of direct physical loss or damage insured by this POLICY to real or personal property of the type insured at INSURED LOCATION(S) and; 2) the date on which construction, alteration, extension or renovation at INSURED LOCATION(S) is actually complete following such physical loss or damage insured by this POLICY to real or personal property of the type insured at INSURED LOCATION(S). The PERIOD OF DELAY shall be adjusted for any causes of a DELAY IN COMPLETION of the construction, alteration, extension or renovation at INSURED LOCATION(S) other than such physical loss or damage insured by this POLICY to real or personal property of the type insured at INSURED LOCATION(S), whether happening before or after such physical loss or damage.

17. **Port Blockage**

This POLICY is extended to insure loss of **Gross Earnings**, **Gross Profits**, **Rental Insurance**, and **Extra Expense** incurred by the Insured directly resulting from the interruption as a consequence of the blockage of the local port or harbor within the **Policy Territory** which causes disruption to shipping and is caused by stranding, grounding, sinking or capsize and/or through collision or contact of any vessel or craft with any other vessel, craft, structure or other object of any kind.

Section 6 – Common Exclusions applicable to all covers

6.1. Property Not Insured

INSURED PROPERTY does not include and this POLICY does not insure loss or damage to the following:

1. bills, notes, MONEY, SECURITIES, PRECIOUS METALS, precious stones, semi-precious stones, jewelry, furs;

2. land, water or any other substance in or on land, except this exclusion does not apply to:

   a. LAND IMPROVEMENTS

   b. water which is normally contained within any enclosed tank, piping system or any other processing equipment;

3. animals, growing and standing crops, trees, standing timber, plants, shrubs and lawns, except this exclusion does not apply to property that is LAND IMPROVEMENTS as defined herein;

4. aircraft or watercraft and contents thereof, rolling stock, spacecraft, satellites including their launch vehicles and launch sites;

5. waterborne equipment or OFFSHORE property, including any OFFSHORE drilling and production rigs. OFFSHORE property means property away from the shore but not connected to the shore by dock, piers or any other physical connection other than pipelines. In the Gulf of Mexico off Texas and Louisiana, OFFSHORE is to be seaward of the Inland edge of the Lease Block of the Plane Coordinate System, as defined on United States Department of Land Management Leasing Maps;

6. motor vehicles licensed for highway use, except when at INSURED LOCATION(S). This POLICY does insure the INSURED'S LIABILITY for motor vehicles of others while at INSURED LOCATION(S);

7. underground mines, mine shafts, caverns, tunnels, or any property within such underground mines, mine shafts, caverns or tunnels;

8. underwater piping and its contents, fittings, conduits, drains or flues, all situated outside INSURED LOCATION(S);

9. air supported structures and the contents thereof;

10. bulkheads, bridges, retaining walls, revetments, dikes, jetties, wharves, piers, docks, levees and property thereon when loss or damage is caused by action of water or ice or impact of watercraft;

11. above ground transmission and distribution lines including but not limited to wires, cables, poles, pylons, transformers, standards, towers or other supporting structures, which may be attendant to the transmission or distribution of electrical power, telephone or telegraph signals, and all other communications signals, whether audio or visual. However, this exclusion does not apply when such property is situated at INSURED LOCATION(S). Nor does this exclusion apply to coverage granted under **Service Interruption** provisions of this POLICY;

12. nuclear power plants, facilities handling or processing nuclear fuel or waste;

13. property in transit, except as otherwise provided under the **Transportation** provision of this POLICY;

14. property sold by the Insured under conditional sale, trust agreement, installment plan or other deferred payment plan after delivery to customers, except as provided by the **Installment Or Deferred Payments** provision of this POLICY;

15. property at INSURED LOCATION(S) where the Insured has ceased operations except as provided under the **Vacancy** provision of this POLICY;

16. contractors' and subcontractors' machinery, tools and equipment used in erection of INSURED PROPERTY unless the total capital value of such property is directly and specifically charged to the Insured as part of the job or project to which the machinery, tools or equipment are provided;

17. the Insured's product when loss or damage is caused by or results from errors in design, poor workmanship, or use of faulty materials, in the development, processing, testing or manufacture of the Insured's product;

18. stock or materials when loss or damage is caused by manufacturing or processing operations which result in damage to such property while being processed, manufactured, tested or otherwise being worked upon;

19. ELECTRONIC DATA PROCESSING MEDIA for, or programming records pertaining to electronic and electromechanical data processing or electronically controlled equipment, including the data thereon when loss or damage is caused by error or omission in machine programming or instructions to machine, except as may otherwise be provided under **Electronic Data Processing System** coverage provision of this POLICY;

20. ELECTRONIC DATA, except as may be otherwise provided under **Data Restoration** coverage or **Electronic Data Processing System c**overage provisions of this POLICY;

21. the interior portion of buildings under construction, alteration or repair when loss or damage is caused by rain, sleet or snow, whether or not driven by WIND, when the installation of the roof, walls and windows of such buildings has not been completed.

6.2. Types of Loss or Damage Not Insured

This POLICY does not insure against the following types of loss or damage:

1. a. indirect or remote loss or damage;

   b. delay or loss of market; or

   c. interruption of business unless otherwise provided hereon;

2. the cost of correcting or making good, including but not limited to the costs that would have been incurred to rectify any of the following had such rectification been effected immediately prior to the loss or damage:

   a. fault, inherent or latent defect, error, deficiency or omission in construction, design, plans, specifications, engineering or surveying; or

   b. faulty or defective workmanship, supplies or material;

3. unexplained or mysterious disappearance of any property, or shortage disclosed by audit or upon taking inventory;

4. accumulated effects of smog, smoke, vapor, liquid and dust;

5. a. wear and tear, deterioration, depletion, erosion, corrosion;

   b. settling, cracking, shrinkage, bulging or expansion of pavements, foundations, walls, floors, roofs or ceilings; or

   c. shrinkage, evaporation, leakage of contents, change in flavor or texture or finish, decay or other spoilage;

   unless physical loss or damage insured by this POLICY results, then only that resulting loss or damage is insured.

6. mold, mildew, fungus, spores or other microorganism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health, wet rot or dry rot, unless such loss or damage results directly from physical loss or damage insured by this POLICY and then only to the limit of liability shown in the **Coverage Purchased and Coverage Not Purchased** section of this POLICY.

If no limit of liability is shown in the **Coverage Purchased and Coverage Not Purchased** section of this POLICY, then this exclusion applies regardless whether there is:

   a. any physical loss or damage to INSURED PROPERTY;

   b. any insured cause of loss or damage, whether or not contributing concurrently or in any sequence;

   c. any loss of use, occupancy, or functionality; or

   d. any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

7. Any and all loss or damage, including TIME ELEMENT, occasioned by damage to or failure of, any type whatsoever, to the internet including the World Wide Web (WWW), unless physical loss or damage insured by this POLICY results, then only that resulting loss or damage is insured, except as may be otherwise provided under **Electronic Data Processing System** coverage provision of this POLICY.

8. Any loss resulting from the voluntary parting with title or possession of property if induced by any fraudulent act or by false pretense.

6.3. Causes of Loss Not Insured

This POLICY does not insure against loss or damage caused by any of the following:

1. Animals, vermin or insects unless physical loss or damage insured by this POLICY results, then only that resulting loss or damage is insured;

2. Any fraudulent, dishonest or other act intended to result in a financial gain of the Insured or any associate, proprietor, director, trustee, officer, employee or agent of any insured;

3. Dampness or dryness of atmosphere, or extremes or changes of temperature, unless physical loss or damage insured by this POLICY results, then only that resulting loss or damage is insured;

4. Lack of the following services when caused by loss or damage to any property outside INSURED LOCATION(S):

   a. incoming electricity, fuel, gas, refrigerant, steam, water;

   b. outgoing sewerage; or

   c. incoming or outgoing audio, voice and video;

This exclusion does not apply to the **Service Interruption – Property Damage** and **Service Interruption - Time Element** provisions of this POLICY.

5. Loss or damage due to the discharge, dispersal, seepage, migration, release or escape of CONTAMINANTS (except as provided under the **Radioactive Contamination** provision of this POLICY), unless the discharge, dispersal, seepage, migration, release or escape is directly caused by physical loss or damage insured by this POLICY.

6. Loss or damage caused by any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage:

   a. Nuclear reaction or nuclear radiation, or radioactive contamination (except as provided under the **Radioactive Contamination** provision of this POLICY), all whether controlled or uncontrolled. However, subject to the foregoing and all provisions of this POLICY, direct loss by fire resulting from nuclear reaction or nuclear radiation or radioactive contamination is insured against by this POLICY.

   b. Hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack:

      i. by any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces; or ii. by military, naval or air forces; or

      iii. by an agent of any such government, power, authority or forces;

   it being understood that any discharge, explosion or use of any weapon of war employing nuclear fission or fusion shall be conclusively presumed to be such a hostile or warlike action by such a government, power, authority or forces;

   c. insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an OCCURRENCE.

   d. The unlawful possession, use, release, discharge, dispersal or disposal of any chemical, bacteriological, viral, radioactive or similar agents or matter regardless of who is responsible for the act and whether war has been declared or not.

   e. The unlawful possession, use, release, discharge, detonation, dispersal or disposal of any device or material capable of producing a nuclear reaction or the spread of radioactivity, regardless of who is responsible for the act and whether war has been declared or not.

7. Enforcement of any law, ordinance, regulation or rule regulating or restricting the construction, installation, repair, replacement, demolition, occupancy, operation or other use of property on INSURED LOCATION(S) except as provided in the **Demolition and Increased Cost of Construction** provision of this POLICY.

8. Any increase of loss resulting from interference at INSURED LOCATION(S) by strikers or other persons, with rebuilding, repairing or replacing property or with the resumption or continuation of business.

9. Any loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting there from, except if loss or damage from fire, explosion, or SPRINKLER LEAKAGE results, then only that resulting loss or damage is insured, except as may be otherwise provided under the **Electronic Data Processing System** coverage provision of this POLICY.

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

6.4. Time Element Exclusions

1. This POLICY does not insure against TIME ELEMENT loss for any period during which business would not or could not have been conducted for any reason other than physical loss or damage insured by this POLICY to INSURED PROPERTY.

2. This POLICY does not insure against any increase in the TIME ELEMENT loss due to:

   a. suspension, cancellation or lapse of any lease, contract, license or orders;

   b. damages for breach of contract or for late or non-completion of orders;

   c. fines or penalties of any nature; or

   d. any other consequential or remote loss.

However, a. and d. above do not apply to **Gross Profits** or **Extended Period of Liability** provision of this POLICY.

3. This POLICY does not insure against any **Gross Earnings** loss resulting from loss or damage to FINISHED GOODS manufactured by the Insured or MERCHANDISE when valued at its selling price, nor the time required for their reproduction. However, this exclusion does not apply to **Gross Profits**.

Section 7 – Valuation

7.1. Adjustment of the loss amount for physical loss or damage insured by this POLICY will be computed as of the date of loss at the INSURED LOCATION(S) where such physical loss or damage occurred, and for no more than the interest of the Insured in such property, subject to the following:

1. buildings and structures, building equipment, plant equipment, machinery, machine parts, office furniture, office equipment, tools, dies, jigs, templates, patterns and flasks, except all such property that is obsolete or useless to the Insured:

   a. if repaired, rebuilt or replaced, at the same or at another site, within 2 consecutive calendar years from the date of loss or damage, the lesser of the following:

      i. the cost to repair, rebuild or replace on the same site, with new and current materials of like size, kind and quality, whichever is the least;

      ii. the actual expenditure incurred by or on behalf of the Insured in repairing, rebuilding or replacing on the same or another site, whichever is the least;

but in no event to include any increased costs resulting from the enforcement of any law, ordinance, regulation or rule regulating or restricting the construction, installation, repair, replacement, demolition, occupancy, operation or other use of property at INSURED LOCATION(S);

b. if not repaired, rebuilt or replaced, at the same or another site, within 2 consecutive calendar years from the date of loss or damage:

the ACTUAL CASH VALUE at the time and place of loss.

2. catalysts or refractory material:

the ACTUAL CASH VALUE of the material which equals the replacement cost at the time of loss or damage multiplied by the remaining useful life factor. Remaining useful life factor means the normal useful life of the material in months minus the number of months the material had been in use at the time of the loss or damage, divided by the normal useful life of the material in months.

3. FINISHED GOODS manufactured by the Insured:

a. as respects INSURED LOCATION(S) where **Gross Profits** applies, the replacement cost;

b. as respects all other INSURED LOCATION(S), the regular cash selling price less all discounts and charges to which the FINISHED GOODS would have been subject and a commensurate reduction to reflect waste, pilferage, breakage, spoilage or other factors that would have affected the sale of FINISHED GOODS had no physical loss or damage occurred.

4. motor vehicles or other mobile equipment not manufactured by the Insured, the least of the following:

a. the repair cost;

b. the replacement cost; or

c. the ACTUAL CASH VALUE if not replaced.

5. Pair, Set or Parts - In the event of loss of or damage (as insured against by this POLICY) to:

a. any article or articles which are a part of a pair or set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article or articles, but in no event shall such loss or damage be construed to mean total loss of the pair or set; or

b. any part of INSURED PROPERTY consisting, when complete for use, of several parts, the Company shall be liable only for the value of the part lost or damaged.

6. RAW STOCK, MERCHANDISE and supplies:

the replacement cost, unless the regular cash selling price less all discounts and charges for merchandise has been specifically submitted to, accepted by and on file with the Company.

7. STOCK IN PROCESS:

a. the replacement cost of raw materials;

b. the cost of labor expended at the time of loss or damage; and

c. the proper proportion of overhead charges.

8. exposed films, records, manuscripts, and drawings that are not VALUABLE PAPERS AND RECORDS:

a. the replacement cost of exposed films, records, manuscripts, and drawings blank; plus

b. the cost of copying information from back-ups or from originals of a previous generation;

c. excluding all other costs, such as the cost for research or engineering, incurred in restoring or recreating the information lost, except as may be otherwise provided under **Data Restoration** coverage provided elsewhere.

9. VALUABLE PAPERS AND RECORDS, the least of the following:

a. the reasonable and necessary costs to repair or restore to a functional usage condition; b. the replacement cost;

c. excluding all other costs, such as the cost for research, engineering, programming, or assembling or gathering information, incurred in restoring or recreating the ELECTRONIC DATA lost, except as may be otherwise provided under **Data Restoration** coverage provided elsewhere.

10. ELECTRONIC DATA PROCESSING MEDIA

a. if repaired or replaced within 2 consecutive calendar years from the date of loss or damage:

i. the cost of the ELECTRONIC DATA PROCESSING MEDIA blank; plus the cost to repair, replace or restore such ELECTRONIC DATA PROCESSING MEDIA to the condition that existed immediately prior to such loss or damage, including the cost of copying the ELECTRONIC DATA from back-ups or from originals of a previous generation;

b. if not repaired or replaced within 2 consecutive calendar years from the date of loss or damage:

i. the replacement cost of the ELECTRONIC DATA PROCESSING MEDIA blank;

c. excluding all other costs, such as the cost for research, engineering, programming, or assembling or gathering information, incurred in restoring or recreating the ELECTRONIC DATA lost, except as may be otherwise provided under **Data Restoration** coverage provided elsewhere.

11. FINE ARTS, the least of the following:

a. the reasonable and necessary costs to repair or restore to the functional usable condition that existed immediately prior to the physical of loss or damage;

b. the replacement cost of substantially identical property;

c. the ACTUAL CASH VALUE if not repaired or replaced or designated;

d. the amount designated, if any, for such FINE ARTS on the latest schedule submitted to, accepted by and on file with the Company.

e. In the event a FINE ARTS article is part of a pair or set, and such article, if physically damaged, cannot be repaired or replaced or restored to the physical condition that existed immediately prior to the physical loss or damage, the amount recoverable under this POLICY will be limited to the lesser of the following:

i. the full value of the pair or set; or

ii. the amount designated, if any, for such FINE ARTS pair or set on the latest schedule submitted to, accepted by and on file with the Company.

The Insured agrees to surrender the pair or set to the Company.

12. property insured under **Transportation**:

a. As respects property shipped to or for the account of the Insured, the actual invoice to the Insured including accrued costs and charges legally due to the Insured. Such charges may include the Insured's commission as a selling agent.

b. As respects property sold by the Insured and shipped to or for the purchaser's account, the Insured's selling invoice amount including prepaid or advanced freight costs.

c. As respects property not under invoice:

i. for property of the Insured, based on the **Valuation** provisions of this POLICY applying to the LOCATION from which the property is being transported;

ii. for other property, the ACTUAL CASH VALUE at the destination point on the date of the OCCURRENCE;

less any charges saved which would have become due and payable upon arrival at destination.

13. IMPROVEMENTS AND BETTERMENTS:

a. if repaired or replaced at the expense of the Insured within 2 consecutive calendar years from the date of loss or damage, the lesser of the following:

i. the cost to repair or replace the lost or damaged IMPROVEMENTS AND BETTERMENTS with new and current materials of like size, kind and quality, whichever is less;

ii. the actual expenditure incurred in repairing or replacing the lost or damaged IMPROVEMENTS AND BETTERMENTS, whichever is less;

b. if not repaired or replaced within 2 consecutive calendar years after such loss or damage:

that proportion of the original cost at the time of installation of the lost or damaged IMPROVEMENTS AND BETTERMENTS which the unexpired term of the lease at the time of loss or damage bears to the period from the date such IMPROVEMENTS AND BETTERMENTS were made to the expiration date of the lease as of the date of loss or damage, and not including any rights or options for extensions or renewals;

c. if repaired or replaced at the expense of others for the use of the Insured, there shall be no liability hereunder.

14. unrepairable electrical or mechanical equipment, including computer equipment:

the cost to replace such damaged or destroyed property with the most functionally equivalent new and current equipment of like size, kind and quality even if such equipment:

a. has technological advantages;

b. represents an improvement in function; or

c. forms part of a program or system enhancement.

15. property planned and/or scheduled for demolition at the time of the loss or damage:

only the increased cost of demolition, if any, resulting from physical loss or damage insured by this POLICY.

16. real property or machinery and equipment, other than stock, held for sale at the time of the loss or damage. The lesser of the following:

a. the reasonably anticipated selling price;

b. market value.

17. personal property of others for which the Insured is legally liable in the event of loss or damage:

the amount otherwise recoverable in accordance with the **Valuation** provisions of this POLICY, but not to exceed the amount for which the Insured is legally liable.

18. property covered under **Installment or Deferred Payments** provision the loss amount will not exceed the least of the following:

a. total amount of unpaid installments less finance charges;

b. ACTUAL CASH VALUE of the property at the time of loss;

c. cost to repair or replace with material of like size, kind and quality.

19. all other property, including property that is obsolete or useless to the Insured:

the ACTUAL CASH VALUE.

7.2. The Insured may elect not to repair or replace any real and personal property lost, destroyed or damaged and insured hereunder. However, if monies are expended on other capital expenditures related to the Insured's operations within 2 consecutive calendar years from the date of physical loss or damage the Insured will receive the lesser of the repair or replacement cost basis in respect of any property that has not been replaced. As a condition of collecting herein, such expenditure must be unplanned as of the date of physical loss or damage. This does not extend to **Demolition and Increased Cost of Construction** provision of this POLICY.

Section 8 – Loss Adjustment And Settlement

8.1. Abandonment

There may be no abandonment of any property to the Company.

8.2. Claims Procedure

Upon the happening of any event giving rise or likely or give rise to a claim under this Policy, coming to the knowledge of the insured : (a) The insured shall give immediate notice to the Policy issuing office and take all practicable steps to mitigate the loss (b) The insured shall deliver to the Company, within 14 days from the date on which the event shall have come to his knowledge, a detailed statement in writing , of the loss.

8.3. Collection from Others

The Company will not be liable for any loss or damage insured hereunder to the extent that the Insured has collected for such loss or damage from others or others have funded the repair or replacement of any property lost or damaged.

8.4. Company Option

1. Subject to the **Control of Damaged Property** provision, the Company has the option to take all or any part of damaged property at the agreed value within a reasonable time.

2. The Company must give notice to the Insured of its intention to do so within 30 consecutive calendar days after receipt of the signed and sworn to proof of loss required by this POLICY. 8.5. Currency

Unless otherwise specified, claims insured by this POLICY will be adjusted and paid in the currency designated in the **Currency** provision of the **Declarations** section unless directed otherwise by the Policyholder. In the event of a loss adjustment involving currency conversion, such conversion shall be determined as follows:

1. As respects the calculation of deductibles, limits of liability and the valuation of real and personal property, conversion into and from the currency shown in the Declarations section shall be based on the mid-point exchange rate for the applicable currency as published by OANDA (https://www.oanda.com/currency/converter/) as of the date of the physical loss or damage.
2. In the event of a TIME ELEMENT loss adjustment involving LOCAL CURRENCY, conversion into and from the currency shown in the Declarations shall be based on the average of the midpoint exchange rate, as published by OANDA at 30 day intervals within the **Period of Liability**, commencing with, and including, the date of the physical loss or damage.

LOCAL CURRENCY is the currency of the country where the loss occurs.

8.6. Dispute Resolution

Arbitration

The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy. Arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996. (Applicable to commercial entities only)

Claim Clause/ Settlement of Claim:

1) Claim Intimation: Connect with us via: Toll-free no.: 1800 2666,

Email ID: customersupport@icicilombard.com, on our website:
https://coclaims.icicilombard.com/claimstracker/CommercialClaims/ccplandingpage.aspx
Register the claim and submit claim related documents along with claim form. You will receive a claim reference number as your reference point for future correspondence.

2) File an FIR: In case of third-party property damage/bodily injury, fire etc. if applicable as per policy terms and conditions.

3) Surveyor Appointment: Your Claims Manager (CSM) will contact you and appoint a licensed surveyor basis claim eligibility within 24 hours of reporting the claim

4) Documents: submit documents to the assigned CSM/Surveyor.

List of documents which are necessary and relevant to the claim are as below:

1. Claim bill / Claim Form duly filled up
2. Photographs / Video of damaged property/item under claim
3. Document/s in support of admissibility of the claim, for instance, Service Engineer's Report, Fire Brigade Report, etc.
4. FIR / Final Police investigation report wherever applicable
5. For items which are to be repaired or reinstated, repair/ replacement quotation, invoice and payment proofs for each and every item as claimed.
6. For items which are under claim & not to be repaired or reinstated, documents substantiating the quantum & value of the items under claim
7. Offer for retention of salvage, if any

8. KYC / NEFT Details as per AML guidelines
9. Invoice copy / Goods Receipt Note / Monetary Claim on carrier / Damage Certificate
10. Any other document which may be specified by the surveyor post completion of initial survey

5) Assessment Approval: Repair/Replacement details submitted in support of the claim will be assessed and approved by CSM/surveyor

6) Salvage: The amount that is assessed which the damaged asset will fetch in the open market *(wherever applicable)*.

7) Turnaround Time (TAT): Assessment sheet /Survey report will be furnished within 15 days of receipt of claim form and documents. Claim will be decided within 7 days of receipt of the assessment sheet / survey report (This condition will not apply in case of policies issued on the property/building on reinstatement value basis) *(Applicable to Retail policyholder)*.

Grievance Clause

For resolution of any query or grievance, Insured may contact the respective branch office of the Company or may call toll free no.1800-2666 or may approach us at the sub section "Grievance Redressal" on our website www.icicilombard.com (Customer Support section). However, if the resolution provided by us is not satisfactory you may approach Insurance Regulatory and Development Authority of India (IRDAI) through the Bima Bharosa Portal - https://bimabharosa.irdai.gov.in/ or IRDAI Grievance Call Centre (IGCC) at their toll free no. 1800 4254 732 / 155255.

You may also approach Insurance Ombudsman, subject to vested jurisdiction, for the redressal of grievance. Details of Insurance Ombudsman offices are available at IRDAI website: www.irdai.gov.in, or on the Company's website at www.icicilombard.com.

The details of Insurance Ombudsman are available below:-

S no.	Name of office of insurance Ombudsman	Territorial Area of jurisdiction
1	AHMEDABAD Insurance Ombudsman Office of the Insurance Ombudsman, Jeevan Prakash Building, 6th floor, Tilak Marg, Relief Road, Ahmedabad – 380 001. Tel.: 079 - 25501201/02/05/06 Email: bimalokpal.ahmedabad@cioins.co.in	Gujarat, Dadra & Nagar Haveli, Daman and Diu.
2	BENGALURU Insurance Ombudsman Office of the Insurance Ombudsman, Jeevan Soudha Building,PID No. 57-27-N-19 Ground Floor, 19/19, 24th Main Road, JP Nagar, Ist Phase, Bengaluru – 560 078. Tel.: 080 - 26652048 / 26652049 Email: bimalokpal.bengaluru@cioins.co.in	Karnataka
3	BHOPAL Insurance Ombudsman Office of the Insurance Ombudsman, 1st floor,"Jeevan Shikha",	Madhya Pradesh, Chattisgarh.

	60-B,Hoshangabad Road, Opp. Gayatri Mandir, Bhopal – 462 011. Tel.: 0755 - 2769201 / 2769202 Email: bimalokpal.bhopal@cioins.co.in	
4	BHUBANESHWAR Insurance Ombudsman Office of the Insurance Ombudsman, 62, Forest park, Bhubaneswar – 751 009. Tel.: 0674 - 2596461 /2596455 Email:bimalokpal.bhubaneswar@cioins.co.in	Odisha.
5	CHANDIGARH Insurance Ombudsman Office Of The Insurance Ombudsman, Jeevan Deep Building SCO 20-27, Ground Floor Sector- 17 A, Chandigarh – 160 017. Tel.: 0172 - 4646394 / 2706468 Email: bimalokpal.chandigarh@cioins.co.in	Punjab, Haryana (excluding Gurugram, Faridabad, Sonepat and Bahadurgarh), Himachal Pradesh, Union Territory of Jammu & Kashmir, Ladakh & Chandigarh.
6	CHENNAI Insurance Ombudsman Office of the Insurance Ombudsman, Fatima Akhtar Court, 4th Floor, 453, Anna Salai, Teynampet, CHENNAI – 600 018. Tel.: 044 - 24333668 / 24333678 Email: bimalokpal.chennai@cioins.co.in	Tamil Nadu, Pondicherry Town and Karaikal (which are part of Pondicherry).
7	DELHI Insurance Ombudsman Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi – 110 002. Tel.: 011 – 23237539 Email: bimalokpal.delhi@cioins.co.in	Delhi & following District of Haryana – Gurugram, Faridabad, Sonepat and Bahadurgarh
8	ERNAKULAM Insurance Ombudsman Office of the Insurance Ombudsman, 2nd Floor, Pulinat Bldg., Opp. Cochin Shipyard, M. G. Road, Ernakulam - 682 015. Tel.: 0484 - 2358759 / 2359338 Fax: 0484 - 2359336 Email: bimalokpal.ernakulam@cioins.co.in	Kerala, Lakshadweep, Mahe-a part of Puducherry.
9	GUWAHATI Insurance Ombudsman Office of the Insurance Ombudsman, Jeevan Nivesh, 5th Floor, Nr. Panbazar over bridge, S.S. Road, Guwahati – 781001(ASSAM). Tel.: 0361 - 2632204 / 2602205	Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura.

	Email: bimalokpal.guwahati@cioins.co.in	
10	HYDERABAD Insurance Ombudsman Office of the Insurance Ombudsman, 6-2-46, 1st floor, "Moin Court", Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004. Tel.: 040 - 23312122 Email: bimalokpal.hyderabad@cioins.co.in	Andhra Pradesh, Telangana, Yanam and Part of Territory of Puducherry.
11	JAIPUR Insurance Ombudsman Office of the Insurance Ombudsman, Jeevan Nidhi – II Bldg., Gr. Floor, Bhawani Singh Marg, Jaipur - 302 005. Tel.: 0141- 2740363/2740798 Email: Bimalokpal.jaipur@cioins.co.in	Rajasthan.
12	KOLKATA Insurance Ombudsman Office of the Insurance Ombudsman, Hindustan Bldg. Annexe, 4th Floor, 4, C.R. Avenue, KOLKATA - 700 072. Tel.: 033 - 22124339 / 22124340 Fax : 033 - 22124341 Email: bimalokpal.kolkata@cioins.co.in	West Bengal, Sikkim, Andaman & Nicobar Islands.
13	LUCKNOW Insurance Ombudsman Office of the Insurance Ombudsman, 6th Floor, Jeevan Bhawan, Phase-II, Nawal Kishore Road, Hazratganj, Lucknow - 226 001. Tel.: 0522 - 4002082 / 3500613 Email: bimalokpal.lucknow@cioins.co.in	Districts of Uttar Pradesh : Laitpur, Jhansi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhabdra, Fatehpur, Pratapgarh, Jaunpur,Varanasi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich, Barabanki, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarnagar, Sultanpur, Maharajgang, Santkabirnagar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathnagar.
14	MUMBAI Insurance Ombudsman Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.: 022 - 69038800/27/29/31/32/33Email: bimalokpal.mumbai@cioins.co.in	Goa, Mumbai Metropolitan Region Excluding (Navi Mumbai & Thane).
15	NOIDA Insurance Ombudsman Office of the Insurance Ombudsman,	State of Uttaranchal and the following Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly,

	Bhagwan Sahai Palace 4th Floor, Main Road, Naya Bans, Sector 15, Distt: Gautam Buddh Nagar, U.P-201301. Tel.: 0120-2514252 / 2514253 Email: bimalokpal.noida@cioins.co.in	Bijnor, Budaun, Bulandshehar, Etah, Kanooj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautambodhanagar, Ghaziabad, Hardoi, Shahjahanpur
16	PATNA Insurance Ombudsman Office of the Insurance Ombudsman, 2nd Floor, Lalit Bhawan, Bailey Road, Patna 800 001. Tel.: 0612-2547068 Email: bimalokpal.patna@cioins.co.in	Bihar, Jharkhand.
17	PUNE Insurance Ombudsman Office of the Insurance Ombudsman, Jeevan Darshan Bldg., 3rd Floor, C.T.S. No.s. 195 to 198, N.C. Kelkar Road, Narayan Peth, Pune – 411 030. Tel.: 020-24471175 Email: bimalokpal.pune@cioins.co.in	Maharashtra, Area of Navi Mumbai and Thane (excluding Mumbai Metropolitan Region).
18	THANE Insurance Ombudsman Office of the Insurance Ombudsman, 2nd Floor,Jeevan Chintamani Building, Vasantrao Naik Mahamarg, Thane (West) Thane - 400604 Email: bimalokpal.thane@cioins.co.in	Area of Navi Mumbai, Thane District, Raigad District, Palghar District and wards of Mumbai M/East, M/West, N, S and T

The updated details of Insurance Ombudsman are available on IRDAI website: www.irdai.gov.in, on the website of General Insurance Council: www.generalinsurancecouncil.org.in, website of the Company www.icicilombard.com or from any of the offices of the Company.

8.7. Identity of Interests

If the Insured is comprised of more than one legal entity, liability shall not exceed the amount of loss had all interests comprised a single legal entity.

8.8. Loss Adjustment and Loss Payable

Loss, if any, will be adjusted with and payable to the Policyholder, or as may be directed by the Policyholder. Additional insured interests will also be included in loss payment as their interests may appear when named as additional named insured, lender, mortgagee or loss payee in the Certificates of Insurance on file with the Company. The receipt of the payee(s) so designated shall constitute a release in full of all liability with respect to such loss.

8.9. Partial Payment of Loss Settlement

1. In the event of a loss occurring which has been ascertained by the Company to be recoverable under this POLICY, the Company will advance mutually agreed upon partial payments for such loss, subject to the provisions of this POLICY.

2. To obtain such partial payments, the Insured agrees to submit a signed and sworn partial proof of loss as described in this POLICY with adequate supporting documentation.

3. Further, in the event of a loss occurring as stated in part 1. above of this Condition 8.8, the Company may, in its sole and absolute discretion, upon request by the Insured and subject to the terms and conditions of this POLICY, make an advance payment of up to 50% of the Company's best estimate of the property damage claim payable under this POLICY.

8.10. Requirements in Case of Loss

The Insured shall give immediate written notice to the Company of any loss, protect the property from further damage, forthwith separate the damaged and undamaged personal property, put it in the best possible order, furnish a complete inventory of the destroyed, damaged and undamaged property, showing in detail quantities, costs, ACTUAL CASH VALUE and amount of loss claimed; and within 60 days after the loss, unless such time is extended in writing by the Company, the Insured shall render to the Company a proof of loss, signed and sworn to by the Insured, stating the knowledge and belief of the Insured as to the following:

1. the time and origin of the loss;
2. the interest of the Insured and of all others in the property;
3. the ACTUAL CASH VALUE of each item thereof and the amount of loss thereof;
4. all encumbrances thereon;
5. all other contracts of insurance, whether valid or not, insuring any of said property;
6. any changes in the title, use, occupation, LOCATION(S), possession or exposures of said property since the issuing of this POLICY, by whom and for what purpose any building herein described and the several parts thereof were occupied at the time of loss and whether or not it then stood on leased ground, and shall furnish a copy of all the descriptions and schedules in all policies or on file with the Company and, if required, verified plans and specifications of any building, fixtures or machinery destroyed or damaged.
7. the Insured, as often as may be reasonably required, shall exhibit to any person designated by the Company all that remains of any property herein described, and submit to examinations under oath by any person named by the Company, and subscribe the same; and, as often as may be reasonably required, shall produce for examination all books of account, bills, invoices and other vouchers, or certified copies thereof if originals be lost, at such reasonable time and place as may be designated by the Company or its representative, and shall permit extracts and copies thereof to be made.

8.11. Salvage and Recovery

Salvage: The amount that is assessed which the damaged asset will fetch in the open market (wherever applicable).

Any salvage or other recovery, except recovery under **Subrogation** or **Other Insurance** section, will accrue entirely to the benefit of the Company until the sum paid by the Company is recovered.

8.12. Settlement of Claims

The amount of loss or damage, for which the Company may be liable, will be paid within 30 consecutive calendar days after:

1. proof of loss as described under **Requirements in Case of Loss** section is accepted in writing by the Company; and
2. when a resolution of the amount of loss is made either by:
   a. agreement in writing between the Insured and the Company; or

b. the filing with the Company of an award as provided under the **Arbitration or Appraisal Provision** section.

8.13. Subrogation

In the event of any payment made under this POLICY:

1. the Company will be subrogated to all of the Insured's rights of recovery against any person, entity or organization;
2. the Insured agrees to execute and deliver instruments and papers and do whatever is necessary to secure such rights;
3. the Company will not acquire any rights of recovery that the Insured has expressly waived, in writing, prior to loss or damage, nor will such waiver affect the Insured's rights under this POLICY;
4. the Insured agrees to do nothing after loss or damage to prejudice the subrogation rights of the Company;
5. the Insured agrees to cooperate with the Company and upon the Company's request and expense, attend hearings and trials and assist in:
   a. effecting settlements;
   b. securing and giving information and evidence;
   c. obtaining the attendance of witnesses; and
   d. pursuing recovery through legal action or other formal proceedings;
6. the net amount of any recovery after deducting the costs of proceedings shall be divided between each party instituting such proceedings in the same proportion as each such party has borne to the provable loss.

8.14. Suit

In no case whatsoever shall the Company be liable for any loss or damage after the expiration of 12 months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration; it being expressly agreed and declared that if the Company shall disclaim liability for any claim hereunder and such claim shall not within 12 calendar months from the date of the disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

Section 9 – General Conditions

9.1. Additional Insurable Interests

Additional insured interests are automatically added to this POLICY as their interests may appear when named as additional named insured, lender, mortgagee or loss payee in the Certificates of Insurance on file with the Company. Such interests become effective on the dates shown in such certificates but do not further amend or extend the terms, conditions, provisions and limitations of this POLICY.

9.2. Assignment of Policy

Assignment of this POLICY is not valid except with the written consent of the Company.

9.3. Concealment, Misrepresentation and Fraud

This entire POLICY shall be void if, whether before or after loss or damage, the Insured has willfully concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof, a

claim for loss or damages or the interest of the Insured therein, or in case of any fraud or false swearing by the Insured relating thereto.

9.4. Conditions Suspending or Restricting Insurance

Unless otherwise provided in writing added hereto the Company shall not be liable for loss or damage occurring while the hazard is increased by any means within the control or knowledge of the Insured.

9.5. Applicable Law

1. This policy of insurance shall be construed in accordance with the laws of INDIA.

9.6. Inspection of Property and Operations

The Company shall be permitted but not obligated to inspect the Insured's property and operations at any reasonable time. Neither the right to make inspections nor the making thereof nor any risk analysis for any particular hazards, exposures or potential risks of loss or damage nor any advice or report resulting there from shall imply any liability, nor constitute an undertaking on behalf of or for the benefit of the Insured or others, to determine or warrant that such property or operations are safe or healthful, or are in compliance with any law, rule or regulation.

9.7. Cancellation

This POLICY may be canceled

1. at any time at the request of the Policyholder, by giving written notice to the Company stating when thereafter such cancellation will be effective;

   Retention of premium shall be at Short Period Scale for the period the policy has been in force, subject to the retention of minimum premium.

   During the currency, if a policy is replaced with the Company by a new annual one covering the identical property, refund of premium may be allowed on pro-rata basis for the sum insured replaced.

   For the sum insured not replaced, refund must be calculated after charging premium at short period scale on such sum for the time the insurance has been in force subject to retention of the minimum premium.

   In case of short period policies, premium shall be retained at the applicable short period scale.

   N.B.:- In case a policy is cancelled on account of a Government Order or on completion of a “Building in course of construction” or where Buildings are demolished, pro-rata refund of premium may be allowed.

2. by the Company by giving the Policyholder written notice at least 10 consecutive calendar days before the effective date of cancellation in the event the Company does not receive the premium by the date payment thereof becomes due. Refund of premium shall be on pro-rata basis for the unexpired term.

3. by the Company on the grounds of mis – representation, non-disclosure of material facts, fraud or non co-operation of the insured

If notice is mailed, then proof of mailing is sufficient proof of notice.

The Company agrees to return any unearned premium due the Insured as soon as practicable.

Refund on cancellation of Long term Policy at the request of the insured may be allowed subject to the following conditions:

1. No refund shall be allowed if there has been a claim under the policy.

2. If the policy is cancelled within 3 years of inception, the premium to be retained shall be worked out as per normal rates applicable - that is without allowing any discount.

3. If the policy is cancelled after 3 years of inception, the discount slab shall be reworked for the number of years the policy was actually in force. For this purpose fraction of a year shall be rounded to the next higher year. For example if the policy has run for 3 years and 3 months, premium shall be retained for 4 years.

4. Refund, if any, shall be subject to the retention of minimum premium of Rs.100/-

9.8. Occurrence Hour Clause

1. Subject to the Prior or Subsequent Loss condition of this POLICY, each loss OCCURRENCE by EARTH MOVEMENT shall constitute a single claim hereunder, provided, if more than one EARTH MOVEMENT shall occur within any continuous period of one-hundred-sixty-eight (168) hours during the term of this POLICY, such EARTH MOVEMENT shall be deemed to be a single OCCURRENCE of EARTH MOVEMENT.

2. Subject to the Prior or Subsequent Loss condition of this POLICY, when the word OCCURRENCE applies to loss or damage resulting from tornado, WIND, NAMED WINDSTORM, and HAIL, if such causes of loss are insured by this POLICY one event will be construed to be all losses arising during a continuous period of seventy-two (72) hours.

3. Subject to the Prior or Subsequent Loss condition of this POLICY, when the word OCCURRENCE applies to loss or damage resulting from FLOOD, if such cause of loss is insured by this POLICY one event will be construed to be all losses arising during a continuous period of seventy-two (72) hours.

4. Subject to the Prior or Subsequent Loss condition of this POLICY, when the word OCCURRENCE applies to loss or damage resulting from riot, riot attending a strike, civil commotion, and malicious mischief, if such causes of loss are insured by this POLICY one event will be construed to be all losses arising during a continuous period of seventy-two (72) hours.

5. When filing a proof of loss, the Insured may elect the moment at which such Occurrence Hour Clause hour period is deemed to have commenced, which will not be earlier than when the first physical loss or damage to property or interests insured by this POLICY occurs.

9.9. Other Insurance

The Company shall not be liable if, at the time of loss or damage there is any other insurance or warranty which would attach if this insurance had not incepted, except that this insurance shall apply only as excess and in no event as contributing insurance, and then only after all other insurance or any warranty has been exhausted.

9.10. Policy Modification

1. This POLICY contains all of the agreements between the Insured and the Company concerning this insurance.

2. This POLICY can be changed only by endorsements issued by the Company and made part of this POLICY.

3. Notice to any agent of the Insured or knowledge possessed by any agent of the Insured or by any other person does not:

a. create a waiver or change any part of this POLICY; or

b. prevent the Company from asserting any rights under the provisions of this POLICY or law.

9.11. Prior or Subsequent Loss

The Company is not liable hereunder for any loss or damage:

1. occurring before this POLICY becomes effective; or

2. arising from an OCCURRENCE which is in progress at the time this POLICY becomes effective, even if such loss or damage occurs after this POLICY becomes effective; or

3. occurring after the expiration of this POLICY, except loss or damage arising from an OCCURRENCE in progress at the time this POLICY expires.

9.12. Reduction by Loss

Except with respect to any aggregate limit of liability, any paid loss shall not reduce any other limit of this POLICY.

9.13. Several and Not Joint Liability

The liability of the Company shall be several and not joint and is limited solely to the extent of Company's individual share. The Company is not responsible for the subscription of any co-subscribing company or reinsurer who for any reason does not satisfy all or part of its obligations.

9.14. Suspension

Upon discovery of a dangerous condition with respect to any boiler, fired or unfired pressure vessel, refrigerating or air conditioning system, piping and its accessory equipment and any mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power, any representative of the Company may immediately suspend the insurance with respect to loss or damage to said object by written notice mailed or delivered to the Insured at the address of the Insured, or at the LOCATION of the object, as specified for it in the Schedule of Locations on file with the Company. Insurance so suspended may be reinstated by the Company, but only by an endorsement issued to form a part hereof. The Insured shall be allowed the unearned portion of the premium paid for such suspended insurance, pro rata, for the period of suspension.

9.15. Titles of Paragraphs

The titles of the paragraphs of this form (and of endorsements and supplemental contracts, if any, now or hereafter attached to this POLICY) are inserted solely for convenience of reference and shall not be deemed in any way to limit or affect the provisions to which they relate.

9.16. Underlying Insurance

Permission is granted the Insured to purchase insurance on all or any part of the deductibles of this POLICY, and the existence of such underlying insurance shall not prejudice any recovery otherwise payable under this POLICY. If the limits of such underlying insurance exceed the deductible which would apply under this POLICY, then the insurance provided by this POLICY shall apply only as excess after that portion which exceeds such deductible has been exhausted.

9.17. Misdescription Clause

If there be any material misdescription of any of the property hereby insured, or of any building or place in which such property is contained, 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 upon this Policy so far as it relates to property affected by any such misdescription, misrepresentation or omission

9.18. COINSURANCE CLAUSE

It is hereby declared and agreed that the Insurer/s hereunder severally agree each for the proportion set out against their name to pay or make good the insured the actual loss or damage to the interest insured arising from the perils covered PROVIDED THAT :

1. The liability of the Insurers in no case exceed in respect of each item of the sum insured hereon or in the whole, the total sum insured hereby or such sum or sums as may be substituted therefor by endorsements.
2. The liability of each of the insurers individually in respect of such losses or damage shall be limited to the proportion set against its name or such other proportions as may be substituted therefor by endorsements.

Subject otherwise to all other terms, conditions and exceptions of the policy.

9.19. OBSERVANCE OF TERMS AND CONDITIONS

The due observance and fulfillment of the terms, conditions and endorsement of this policy in so far as they relate to anything to be done or complied with by the insured , shall be a condition precedent to any liability of the Company to make any payment under this Policy”

Section 10 – Definitions

Unless otherwise defined elsewhere, the following Definitions apply when the term is used in this POLICY.

10.1. ACCOUNTS RECEIVABLE

The total of:

1. all sums due the Insured from customers, provided the Insured is unable to effect collection thereof as the result of physical loss or damage to the ELECTRONIC DATA PROCESSING MEDIA of accounts receivable records; and

2. interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible by such loss or damage; and

3. collection expense in excess of normal collection cost and made necessary because of such loss or damage; and

4. other expenses, when reasonably incurred by the Insured in re-establishing the ELECTRONIC DATA of accounts receivable records following such loss or damage.

10.2. ACTUAL CASH VALUE

The amount it would cost to repair or replace INSURED PROPERTY on the date of the physical loss or damage with new and current material of like size, kind and quality and with proper deduction for obsolescence and physical depreciation. ACTUAL CASH VALUE is expected to be less than, and cannot exceed, replacement cost.

10.3. ALL RISKS

Any type of loss, cause of loss or coverage not excluded by this POLICY that is not defined in this Definitions section or elsewhere in this POLICY.

10.4. BOILER AND MACHINERY

1. "Explosion" in or of the following property owned, operated or controlled by the Insured: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes interconnecting any of the foregoing; or gas turbines; except that no liability is assumed

under this POLICY for loss resulting from "Explosion" of accumulated gases or unconsumed fuel within the firebox (or the combustion chamber) of any fired vessel, other than gas turbines, or within the flues or passages which conduct the gases of combustion there from;

2. rupture, bursting, cracking, burning or bulging of: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes interconnecting any of the foregoing; hot water boilers or other equipment for heating water; pressure vessels, including equipment attached to and forming a part thereof; or gas turbines;

3. mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force;

4. electrical injury or disturbance to electrical appliances, devices, fixtures, wiring, or other electrical or electronic equipment caused by electrical currents artificially generated. It is agreed that coverage for BOILER AND MACHINERY provided under this POLICY is subject to any applicable limit(s) of liability and sublimits and deductible amount(s) set out in Section 2 and Section 3 respectively of this POLICY.

10.5. COMMUNICABLE DISEASE

Disease which is:

1. transmissible from human to human by direct or indirect contact with an affected individual or the individual's discharges, or

2. Legionellosis.

10.6. COMPUTER VIRUS

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

10.7. CONTAMINANT(S)

1. Materials that may be harmful to human health, wildlife or the environment. CONTAMINANTS include any impurity, solid, liquid, gaseous or thermal irritant or pollutant, poison, toxin, pathogen or pathogenic organism, disease-causing or illness-causing agent, asbestos, dioxin, polychlorinated biphenyls, agricultural smoke, agricultural soot, vapor, fumes, acids, alkalis, chemicals, bacteria, virus, vaccines, waste, and hazardous substances as designated by any national environmental protection agency or any applicable law or regulation.

2. However, CONTAMINANTS do not include fungi.

10.8. CRITICAL NAMED WINDSTORM AREAS

1. CRITICAL NAMED WINDSTORM AREAS shall mean LOCATION(S) situated wholly or partially in India (States of Andhra Pradesh, Gujarat, Orissa, Tamil Nadu, West Bengal).

If a LOCATION(S) is situated partially in a CRITICAL NAMED WINDSTORM AREAS the entire LOCATION(S) shall be treated as if situated in the CRITICAL NAMED WINDSTORM AREAS.

10.9. AVALANCHE, EARTH MOVEMENT, EARTHQUAKE, LANDSLIDE, SINKHOLE, SUBSIDENCE, TSUNAMI, VOLCANIC ERUPTION

Any AVALANCHE, EARTH MOVEMENT, EARTHQUAKE, LANDSLIDE, SINKHOLE, SUBSIDENCE, TSUNAMI or VOLCANIC ERUPTION arising out of one OCCURRENCE except mudslide or mudflow caused by accumulation of water on or under the ground (all whether or not naturally occurring).

a. AVALANCHE shall mean masses of snow or ice descending on mountain slopes, including the pressure waves accompanying an AVALANCHE.

b. EARTH MOVEMENT shall mean any movement of the earth other than described in clause a. or c. to h. herein.

c. EARTHQUAKE shall mean earth movement due to a natural seismic disturbance caused by sudden movement of the earth's crust.

d. LANDSLIDE shall mean slipping or falling of earth or rock masses due to natural causes.

e. SINKHOLE shall mean the sudden sinking or collapse of the land into underground empty spaces created by action of water on limestone or similar rock formations.

f. SUBSIDENCE shall mean the lowering of the ground above natural cavities due to natural causes.

g. TSUNAMI shall mean a large sea wave, produced by a submarine EARTHQUAKE, SUBSIDENCE, or VOLCANIC ERUPTION.

h. VOLCANIC ERUPTION shall mean a sudden pressure discharge when the earth's crust ruptures, associated with lava flows, ash eruptions or the escape of other materials and gases.

Loss or damage caused by clause a. to h. herein shall include all insured loss or damage to INSURED PROPERTY at INSURED LOCATION(S) as defined in clause a. to h. herein, except loss or damage from resulting fire, explosion, or SPRINKLER LEAKAGE.

10.10. ELECTRONIC DATA

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

10.11. ELECTRONIC DATA PROCESSING MEDIA

The materials upon which data is recorded, including but not limited to, paper tapes, cards, electronic memory circuits and magnetic or optical storage devices.

10.12. FINE ARTS

Paintings, etchings, pictures, tapestries, rare or art glass, art glass windows, valuable rugs, statuary, sculptures, antique furniture, antique jewelry, bric-a-brac, porcelains, and similar property of rarity, historical value, or artistic merit excluding automobiles, coins, stamps, furs, jewelry, precious stones, PRECIOUS METALS, watercraft, aircraft, MONEY, SECURITIES.

10.13. FINISHED GOODS

Goods manufactured by the Insured which in the ordinary course of the Insured's business is ready for packing, labeling, shipment or sale.

10.14. FLEXA (FIRE, LIGHTNING, EXPLOSION, AIRCRAFT)

Fire caused by combustion and combined with flames outside a seat of fire which is able to spread on its own accord but exclude fire caused by Riot or Civil Commotion. Fire shall not include singeing, scorching, melting, charring, heating, burning out of electrical equipment and engines, overheating, burning out, bursting of ovens and boilers. Explosion is the sudden application of force resulting from the expansion of gases or vapors, such as explosion due to explosives, explosive gases, dust or vessels. Volcanic Eruption is not explosion for the purpose of this POLICY. Damage caused by falling and emergency landing aircraft and space vehicles or parts thereof.

10.15. FLOOD

Surface waters, rising waters, storm surge, sea surge, wave wash, waves, tide or tidal water, the release of water, the rising, overflowing or breaking of boundaries of natural or man-made bodies of water; or the

spray therefrom; all whether driven by WIND or not or caused by, resulting from or accompanying a NAMED WINDSTORM or not; mudslide or mudflow caused by or resulting from surface water, runoff or accumulation of water on or under the ground; or sewer back-up caused by or resulting from any of the foregoing; all regardless of any other cause or event, whether natural or manmade, contributing concurrently or in any other sequence of loss, arising out of one OCCURRENCE. Physical loss or damage from FLOOD associated with a NAMED WINDSTORM is considered to be FLOOD within the terms of this POLICY for purposes of exclusions, limits and sublimits hereunder. However, physical loss or damage by fire, explosion or SPRINKLER LEAKAGE resulting from FLOOD is not considered to be loss by FLOOD within the terms and conditions of this POLICY.

10.16. HIGH HAZARD SEISMIC ZONES

India (States of Gujarat, Jammu, Kashmir, Madhya Pradesh, Punjab, Uttar Pradesh, Arunachal Pradesh, Assam, Bihar, Deli, Haryana, Himachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Rajasthan, Sikkim, Tripura, Uttarakhand, and the Union Territories of Chandigarh, Dadra and Nagar Haveli, and Daman and Diu).

10.17. IMPROVEMENTS AND BETTERMENTS

Fixtures, improvements, betterments, alterations, installations or additions comprising part of a building occupied but not owned by the Insured and acquired or made at the expense of the Insured, which the Insured cannot legally remove.

10.18. INSURED FIXED CHARGES

All fixed charges unless specifically excluded herein or by endorsement.

10.19. INSURED LOCATION(S) LOCATION(S):

1. listed on the latest schedule of LOCATION(S) submitted to, accepted by and on file with the Company;
2. insured under **Course of Construction**;
3. insured under **Errors and Omissions**;
4. insured under **Miscellaneous Unnamed Locations**;
5. insured under **Newly Acquired Property**;
6. INSURED LOCATION(S) includes the area within 300 meters of such LOCATION(S) if within the **Policy Territory**.

10.20. INSURED'S LIABILITY

Liability which is imposed by law upon the Insured or is assumed by the Insured by specific agreement prior to loss for physical loss or damage of the type insured against by this POLICY.

10.21. INTERNATIONAL PROGRAM POLICIES – NOT USED IN THIS POLICY

10.22. LAND IMPROVEMENTS

Landscaping, gardening, roadways and pavements, but not including any fill or land beneath such property.

10.23. LOCATION(S)

1. A building, yard, dock, wharf, pier or bulkhead or any group of the foregoing bounded by public streets, clear land space, open waterways or any combination thereof, with each public street, clear land space or open waterway measuring no less than 20 meters wide. Any bridge or tunnel crossing such streets, space or waterways renders such separation inoperative;

2. The term LOCATIONS means more than one LOCATION.

10.24. MERCHANDISE

Goods kept for sale by the Insured which are not RAW STOCK, STOCK IN PROCESS or FINISHED GOODS.

10.25. MODERATE HAZARD FLOOD ZONE

All property at INSURED LOCATION(S) that are listed in Section "12.2. SPECIAL FLOOD ZONE 2" and INSURED LOCATION(S) that are not shown on the Statement of Values on File with the Insurer but are wholly or partially situated at the time of loss or damage within the 200 year or 500 year Swiss Re Global Flood Zones V3 Return Period or within the 200 year, 250 year or 500 year Swiss Re Global Storm Surge Zones Return Period, as shown in CatNet (http://www.swissre.com/). If an INSURED LOCATION(S) is situated in both a MODERATE HAZARD FLOOD ZONE and a HIGH HAZARD FLOOD ZONE, it (they) shall be considered to be in a HIGH HAZARD FLOOD ZONE.

10.26. MONEY

Bank notes, coins, currency, money order held for sale to the public, traveler's checks or register checks.

10.27. NAMED WINDSTORM

All loss or damage insured by this POLICY, arising out of one OCCURRENCE which is caused by or results from a storm or weather disturbance which is named by the National Weather Service or any other recognized meteorological authority. Storm or weather disturbance includes all weather phenomena insured by this POLICY, associated with or occurring in conjunction with the storm or weather disturbance, including, but not limited to WIND, HAIL, sleet, tornadoes, hurricane or lightning. To the extent FLOOD is caused by, results from or accompanies a NAMED WINDSTORM, any physical loss or damage caused by, resulting from, or arising out of that FLOOD shall be treated as FLOOD, and not NAMED WINDSTORM, for purposes of exclusions, limits and sublimits hereunder.

10.28. NET PROFITS

The net operating PROFITS (exclusive of all capital receipts and accruals and all outlay properly chargeable to capital) resulting from the business of the Insured at INSURED LOCATION(S) after due provision has been made for all INSURED FIXED CHARGES and other expenses including depreciation but before the deduction of any taxes on PROFITS.

10.29. OCCURRENCE

The sum total of all loss or damage of the type insured caused by or arising out of one event, including any insured TIME ELEMENT loss, regardless of the number of LOCATIONS affected.

10.30. ORDINARY PAYROLL

1. The entire payroll expenses for employees of the Insured except the following: a. Officers;

    b. Executives;
    c. Department managers;
    d. Employees under contract whose services must necessarily continue; and
    e. Other important employees.

2. Such expenses include the following:

    a. Payroll;
    b. Taxes and charges dependent on the payment of wages;
    c. Employee benefits, if directly related to payroll;
    d. Government Mandated payments such as Social Security made by the Insured;
    e. Union dues paid by the Insured; and
    f. Premiums for Workers Compensation

10.32. POLICY

All sections of this document and the appendices and endorsements attached or added to this document.

10.33. PRECIOUS METALS

Any of the following metals: gold, iridium, osmium, palladium, platinum, rhodium, ruthenium, and silver.

10.34. PROFITS

The amount that would have been received by the Insured from the sale of goods belonging to the Insured in excess of the cost to the Insured of acquiring, producing, manufacturing, or otherwise coming into possession of such goods.

10.35. RATE OF GROSS PROFITS

The RATE OF GROSS PROFITS earned on SALES during the 12 consecutive calendar months immediately before the date of physical loss or damage insured by this POLICY to INSURED PROPERTY.

10.36. RAW STOCK

Material in the state in which the Insured receives it for conversion by the Insured into STOCK IN PROCESS or FINISHED GOODS.

10.37. SALES

The amount paid or payable to the Insured for goods sold or delivered and for services rendered in the conduct of the business at INSURED LOCATION(S).

10.38. SECURITIES

1. All negotiable and non-negotiable instruments or contracts representing either MONEY or other property;

2. SECURITIES include accounts, bills, bonds, stocks, food stamps, other evidences of debt or revenue, other stamps in current use, tokens, tickets, evidences of title and letter of credit. SECURITIES do not include MONEY.

10.39. SPRINKLER LEAKAGE

Any accidental escape of extinguishing agent from any automatic fire protection system in the premises not occasioned or happening through freezing whilst the premises are in the Insured's ownership, tenancy, are empty or are disused.

10.40. STANDARD SALES

The SALES during that period in the 12 consecutive calendar months immediately prior to the date of the physical loss or damage to INSURED PROPERTY that corresponds with the **Period of Liability.**

10.41. STOCK IN PROCESS

RAW STOCK which has undergone any aging, seasoning, mechanical or other process of manufacture at INSURED LOCATION(S) but which has not become FINISHED GOODS.

10.42. TERRORISM

TERRORISM means an act or series of acts of sabotage and/or terrorism , 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), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 1967 (as amended from time to time) or any other related and applicable national or state legislation formulated to combat unlawful and

terrorist activities in the nation for the time being in force, 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 for such purposes.

Sabotage means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

10.43. TIME ELEMENT

A type or category of loss which is dependent, with respect to quantification, upon the passage of a period of time measured from a specific event. A coverage provision or series of provisions pertaining to such loss. Examples of such provisions include **Gross Earnings, Gross Profits, Extra Expense, Rental Insurance, Contingent Time Element, Service Interruption – Time Element, Leasehold Interest, Commissions, Licensing Fees and Royalties**, **Ingress/Egress, Order of Civil or Military Authority**, and **Soft Costs**.

10.44. VALUABLE PAPERS AND RECORDS

Written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, but not MONEY, SECURITIES, ELECTRONIC DATA, ELECTRONIC DATA PROCESSING MEDIA.

10.45. WAITING PERIOD

A continuous period of time which must elapse before there is any liability for loss under this POLICY.

10.46. WIND and HAIL

WIND is direct action of wind including substance driven by wind. WIND does not mean or include anything defined as FLOOD in this POLICY. HAIL is solid precipitation in form of small balls or lumps consisting of concentric layers of ice and / or compact snow.

Section 11 – Named Suppliers And Customers

11.1. Named Suppliers

Reference	Supplier Name	Location Information
Reference [No(Repeating)]	[Supplier Name(Repeating)]	[Location Address(Repeating)]

11.2. Named Customers

Reference	Customer Name	Location Information
Reference [No(Repeating)]	[Customer Name(Repeating)]	[Location Address(Repeating)]

Section 12 – Special Flood Zones

12.1. Special Flood Zone 1

Location Number	Location Information	Insured Reference
Client Location [ )] **Number**(Repeating	[Location Address(Repeating)]	**Insured** [**Reference**(Repeating)]

12.2. Special Flood Zone 2

Location Number	Location Information	Insured Reference
Client Location)] [**Number**(Repeating	[Location Address(Repeating)]	**Insured** [**Reference**(Repeating)]