

# RetailerSurance

## *The Policy*

*Please read this Policy carefully to see that it meets your requirements*

*This Policy, the Schedule and any Memoranda thereon shall be considered one document and any word or expression to which a specific meaning has been attached in any of them shall bear such meaning throughout unless a contrary definition, or the context, dictates otherwise within a specific Part or Section of this Policy.*

**Whereas** the Insured by a Proposal and Declaration, which shall be the basis of this contract, has applied for Insurance and AXA General Insurance Hong Kong Limited (hereinafter defined as 'the Company') has agreed to provide such Insurance.

**In consideration of** the payment of the Premium specified in the Schedule the Company undertakes and agrees, subject to the terms, exclusions and conditions of the Policy, to indemnify the Insured carrying on the Business at the Business Premises specified in the Schedule to the extent and in the manner set out in the respective Sections of Insurance in respect of events occurring during the Period of Insurance specified in the Schedule.

This Policy shall not be in force unless it has been initialled in the Schedule by an authorised person.



*Attach Policy Schedule*

# **PART I SCHEDULE OF BENEFITS**

## ***Section 1 Property All Risks***

### **Cover**

The Company will indemnify the Insured at the Company's option by payment, replacement or repair against physical loss of or damage to Contents and Stock in the Business Premises up to the Sum Insured specified in the Schedule.

### **Extensions applicable to Section 1**

1. Loss of or damage to Personal Effects belonging to directors, owners, partners or the Insured's employees at the Business Premises:  
  
up to HK\$5,000 per person and up to HK\$10,000 in respect of any one occurrence
2. Loss of or damage to Contents whilst temporarily removed from the Business Premises to any place within the Hong Kong SAR or the Macau SAR:  
  
up to 15% of the Sum Insured under Section 1 in respect of any one occurrence
3. Cost of removal of debris from the Business Premises following loss of or damage to Stock and Contents:  
  
up to HK\$100,000 or 10% of Sum Insured under Section 1 (whichever is the greater) in respect of any one occurrence, provided that the loss or damage necessitating the removal of such debris is covered under Section 1
4. Cost of reinstating or reproducing any documents, deeds, maps, plans and records but not their intrinsic or other value in the event such documents are lost or damaged whilst in transit from the Insured's Business Premises to any location in the Hong Kong SAR or the Macau SAR:  
  
up to HK\$10,000 in respect of any one occurrence
5. Damage to advertising signs of any description owned by the Insured and attached to the Business Premises as indicated on the Policy Schedule:  
  
up to HK\$25,000 in respect of any one occurrence but limited to HK\$50,000 in aggregate during any one Period of Insurance
6. Damage to roller shutter doors owned by the Insured or for which they are legally responsible, located at the Business Premises:  
  
up to HK\$25,000 in respect of any one occurrence but limited to HK\$50,000 in aggregate during any one Period of Insurance
7. Reasonable cost of temporary boarding up rendered necessary as a result of accidental breakage to fixed glass doors or windows:  
  
up to HK\$100,000 in respect of any one occurrence and in aggregate during any one Period of Insurance
8. Loss of or damage to precious stones, jewellery and watches belonging to or for which the Insured is responsible (other than Stock and property belonging to the Insured's employees):  
  
up to HK\$5,000 per item and up to a maximum total of HK\$20,000 in respect of any one occurrence
9. Loss of or damage to computer systems and records - indemnity is limited to the cost value of materials together with the cost of clerical labour used in reproducing such records. Expenses in connection with the production of information to be recorded and the value of the information contained in such records are excluded:  
  
up to HK\$10,000 per item and up to a maximum total of HK\$100,000 in respect of any one occurrence

10. The cost incurred in extinguishing fire in the Business Premises:  
up to HK\$50,000 any one occurrence
11. Damage to the Business Premises directly caused by theft or attempted theft thereat:  
up to 10% of the Sum Insured under Section 1 in respect of any one occurrence
12. Loss of or damage to Contents held in trust for which the Insured is held legally responsible:  
up to HK\$10,000 per item and up to a maximum total of HK\$250,000 in respect of any one occurrence
13. Loss of or damage to works of art:  
up to HK\$5,000 in respect of any one occurrence, but limited to HK\$50,000 in aggregate during any one Period of Insurance
14. Loss of or damage to refrigerated or frozen Stock resulting from:
  - i) the accidental breakdown of a refrigerator or freezer which is less than 5 years old; or
  - ii) the accidental failure of electricity supply;up to HK\$10,000 any one occurrence and in aggregate any one Period of Insurance.

#### **Definitions applicable to Section 1**

1. 'Contents' shall mean Business appliances and equipment, excluding any form of Portable Telecommunication Equipment, but including furniture, interior decorations, fixtures, fittings, deeds, documents, fixed glass and mirrors and located at the Business Premises belonging to or for which the Insured is legally responsible.
2. 'Stock' shall mean stock in trade, trade samples and materials in trade, including goods held in trust or on commission (including packaging and containers) at the Business Premises belonging to or for which the Insured is legally responsible.
3. 'Personal Effects' shall mean articles of a personal use designed to be worn or carried but excluding :
  - a) Money (as defined in Section 3);
  - b) contact lenses;
  - c) binoculars and telescopes;
  - d) musical instruments, radio, television, video, audio and any form of Portable Telecommunication Equipment.
4. 'Portable Telecommunication Equipment' shall mean mobile phones and pagers.

#### **Extension Clauses applicable to Section 1**

##### **1. Alterations and Additions Clause**

Alterations, additions and repairs to building(s), plant, fixtures and fittings and machinery and work in progress ('contract works') are allowed, and the Insurance provided under Section 1 is extended to cover damage to the existing insured property arising from such contract works, provided that the value of the contract works does not exceed HK\$200,000. If the value of the contract works is more than HK\$200,000, not less than 21 days prior written notice must be given to the Company who reserves the right to charge an additional premium. The Company shall not be liable for any claim which is recoverable under any other material damage policy or of any Contractors' All Risks policy held by the Insured or the Insured's contractors.

## **2. Automatic Reinstatement of Sum Insured Clause**

In the event of loss or damage, the Sum Insured for Section 1 shall be automatically reinstated immediately following the loss or damage. The Company reserves the right to charge an additional premium calculated on a pro-rata basis from the date of the loss to the expiration of the Policy.

## **3. Average Clause**

The Sum Insured must represent the replacement cost of the property insured under Section 1 at the time of loss or damage. If at the time of replacement or reinstatement the sum representing 85% of the cost which would have been incurred in replacement or reinstatement if the whole of the property covered had been destroyed, exceeds the Sum Insured thereon at the breaking out of any fire or at the commencement of any destruction of or damage to such property by any other contingency not otherwise excluded by the Policy then the Insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly.

## **4. Capital Additions Clause**

Coverage under Section 1 is extended to include additions and extensions to property insured, but not appreciation in value, made after the commencement of each annual Period of Insurance for an amount not exceeding in any event 10% of the Sum Insured on similar property under the relative item. The Insured will declare half-yearly the value of any such additions and extensions and will pay the appropriate additional premium required from inception of the additional cover.

## **5. Contract Price Clause**

In respect of goods sold but not delivered for which the Insured is responsible or have received instructions to insure and with regard to which under the conditions of the sale, the sale contract is cancelled as a result of loss or damage by an insured event either wholly or to the extent of said loss or damage, the liability of the Company shall be based on the contract price, and for the purpose of applying any underinsurance clause or provision, the value of goods to which this clause would, in the event of loss or damage be applicable, shall be ascertained on the same basis.

## **6. Errors & Omissions Clause**

Coverage under Section 1 shall be voidable in the event of wilful misrepresentation, misdescription, or nondisclosure in any material particulars, at the commencement of this insurance. However, it is agreed that cover shall not be invalidated by:

- (a) any unintentional or inadvertent error or omission in name description or valuation of the interest hereby insured or statement of material particulars, or
- (b) any breach of a policy condition or warranty or by reason of anything being done or omitted to be done in respect of any premises or portion of premises not occupied by the Insured, whether constituting an increase in risk or not.

Provided that the Insured shall upon becoming aware of such error, omission or breach of fact, inform the Company thereof as soon as reasonably practicable and the Insured shall pay an appropriate additional premium upon request by the Company, from the date of any increase in risk.

## **7. Exhibition Clause**

Coverage under Section 1 is extended to cover the property insured whilst at any exhibition venue in the Hong Kong SAR or the Macau SAR including direct transit to and from such exhibition venue.

Provided that the liability of the Company shall not exceed HK\$200,000 any one exhibition venue.

Coverage under this Clause will only be applicable to Property contained in a fully enclosed building of brick or concrete construction.

## **8. Extra Charges Clause**

If any part of the insured property sustains damage for which the Company is liable, the indemnity provided by this Policy shall include :

- a) costs necessarily incurred for delivery of any part or parts by express or special delivery;
- b) in the execution of authorised repairs for labour overtime costs necessary to expedite repairs including Sunday, holiday and nightwork.

Provided that the additional liability of the Company shall not exceed 10% of the amount of the loss.

## **9. Inland Transit Clause**

Coverage under Section 1 is extended to cover loss of or damage to Stock whilst in a conveying vehicle arising out of or occasioned by fire, flood, lightning, earthquake, riots, strikes, civil commotion, collision and/or overturning of the conveying vehicle or burglary and theft.

The Company's liability under this Clause is limited to HK\$75,000 any one event and in aggregate during the Period of Insurance and is limited to losses occurring in the Hong Kong SAR or the Macau SAR.

### **Specific Exclusions applicable to this Clause**

The Company shall not pay for any damage caused by or arising out of:

1. The conveying vehicle being driven whilst in an unsafe condition unless the Insured could not reasonably have detected such condition.
2. The conveying vehicle being driven by any person whose faculties are impaired by any drug or intoxicating liquor or by any person who is convicted of driving, at the time the damage occurs, under the influence of intoxicating liquor or by any person with a percentage of alcohol in his breath or blood in excess of the percentage permitted by law.
3. Burglary or theft unless there has been visible proof of forcible and violent entry to the conveying vehicle or the premises in which the vehicle was housed at the time of loss.
4. Delay, loss of market, depreciation or deterioration.

Nor shall the Company pay for:

5. Any claim where there has been an unexplained shortage or disappearance.
6. Any loss from an unattended motor vehicle:
  - a) left overnight unless within securely locked premises;
  - b) otherwise from an unattended motor vehicle unless securely locked.

## **10. Payment on Account Clause**

In the event of the occurrence of a loss covered under Section 1, the Company may approve an advance payment on account in respect of such loss upon producing proof of sufficient documents.

## **11. Reinstatement Clause**

(Applicable only to 'Contents' as defined)

The basis upon which the amount payable is to be calculated shall be the cost of reinstatement of the damaged property insured at the time of its reinstatement, subject to the following Provisions and subject also to the terms, conditions and limits or sub limits of Indemnity of this section.

For the purpose of the insurance under this Policy 'reinstatement' shall mean:

- a) Where property insured is totally destroyed, the replacement thereof by similar property in a condition equal to, but not better or more extensive than its condition when new;

- b) Where property insured is damaged in part only, the repair of the damage and the restoration of the damaged portion of the property insured to a condition substantially the same as, but not better or more extensive than its condition when new.

#### Provisions

- a) The work of replacing, repairing or restoring as the case may be (which may be carried out upon any other site and in any manner suitable to the Insured's requirements, but subject to the Company's liability not being thereby increased), must be commenced and carried out within a reasonable period, failing which the Company shall not be liable to make any payment greater than the Indemnity value of the damaged property insured at the time of the happening of the damage;
- b) When any property insured to which this Clause applies is damaged in part only, liability shall not exceed the sum representing the cost which the Company could have been called upon to pay for reinstatement if such property insured had been wholly destroyed.

#### **12. Replacement Locks Clause**

Coverage under Section 1 is extended to cover costs necessarily incurred by the Insured in replacing locks to external doors, safes and alarms following loss of keys. The Company's liability under this Clause shall be limited to HK\$10,000 any one event and in aggregate during the Period of Insurance.

#### **13. Seasonal Increase Clause**

The Sum Insured specified in the Schedule for Section 1 will be increased by 50% for the months of November, December, January and February.

#### **14. Smoke Damage Clause**

Coverage under Section 1 is extended to cover damage to the property insured caused by smoke following fire provided that due diligence be exercised by the Insured to carry out emergency remedial action for the purpose of diminution of loss.

#### **15. Tenant's Improvements Clause**

Coverage under Section 1 is extended to cover the tenant's alterations and improvements to landlord's property for which the Insured is responsible, or for which they have received instructions to insure by way of a formal tenancy agreement.

#### **16. Time Adjustment Clause**

In the event of loss, damage or destruction to the property insured caused by typhoon, storm, tempest, flood or earthquake the amount of the excess in respect of such loss or damage caused by these perils shall apply afresh and be deducted again in respect of any loss or damage occurring after seventy two hours freedom from typhoon, storm, tempest, flood or earthquake.

#### **Limits of Liability**

The Company's maximum liability under this section and its Extension Clauses shall not exceed the Sum Insured specified in the Schedule.

#### **Basis of Settlement applicable to Section 1**

##### **a) Contents (as defined) other than deeds and documents**

The Company may at its option pay the Insured the value of the Property at the time of the loss or damage or reinstate, replace or repair the damaged Property. The Company may also at its option and in accordance with the Reinstatement Clause reinstate, replace or repair any damaged item or pay the cost of such reinstatement, replacement or repair.

**b) Deeds and Documents**

The value of the materials as stationery together with the cost of clerical labour expended in writing up and not for the value to the Insured of the information contained therein.

**c) On Stock (as defined)**

The cost of restocking such goods at the time of the loss or damage.

**Exclusions applicable to Section 1**

1. The Policy does not cover loss or damage contributed to or caused by:
  - a) wear and tear, moths, vermin, insects, damp, rust, rot, corrosion, the action of light or atmosphere, or gradually operating causes;
  - b) electrical or mechanical breakdown, failure or derangement;
  - c) misuse or use contrary to manufacturers' instructions of any appliances and equipment, inherent defect or faulty design in materials, plan or specification;
  - d) denting, chipping or scratching;
  - e) breakage of china porcelain or other fragile, brittle articles (other than fixed glass and mirrors) unless due to fire or theft;
  - f) breakage of glass not completely or properly secured or fixed prior to loss or damage;
  - g) any disappearance or shortage of Stock revealed only at the time of stock taking or the making of an inventory and is not identifiable with a specific occurrence insured against under Section 1;
  - h) shoplifting;
  - i) any shortage arising from error or omission on the part of the Insured and/or employees of the Insured;
  - j) any process of cleaning, repair or renovation, maintenance, restoring or dyeing;
  - k) the infidelity or dishonesty of employees except as provided under Section 3;
  - l) shrinkage, evaporation, loss of weight, contamination, change of flavour, colour, texture or finish unless such loss, damage or destruction is directly caused by any peril insured by this section.
2. The Company will not be liable for loss of Money as defined under Section 3.
3. The excess:

The Company will not be liable for the first:

  - a) HK\$3,000 or 10% of the loss, whichever is the greater, in respect of water damage from any cause whatsoever other than fire, lightning and explosion;
  - b) HK\$2,000 in respect of damage to neon signs and/or roller shutter doors;
  - c) HK\$1,000 in respect of each and every other loss, other than fire, lightning and explosion.

**Application of the excess:**

- a) all claims arising out of any one event shall be treated as one claim;
- b) in the event of more than one excesses applying to any one claim, such excesses shall not be cumulative and the highest excess only shall apply.

## **Section 2 Increased Cost of Working**

### **Cover**

If the Business of the Insured at the Business Premises is interrupted as a result of loss of or damage to property insured which is indemnified under Section 1, the Company will indemnify the Insured in respect of the Increased Cost of Working caused by the interruption up to the amount specified in the Schedule.

### **Extension Clauses applicable to Section 2**

#### **1. Accountants' Fees Clause**

Notwithstanding the provision of paragraph 3(e) of the General Conditions, the Company shall pay for the charges of professional accountants up to HK\$100,000 in respect of any one occurrence necessarily and reasonably incurred for producing information required by the Company for the purpose of dealing with a claim under Section 2.

#### **2. Denial of Access**

The Company will pay for the Increased Cost of Working resulting from the hindrance of access to or use of the Business Premises in consequence of the loss of or damage to the neighbouring property of the Business Premises directly caused by any peril insured under Section 1 of this Policy.

Provided that:

- i) such hindrance or prevention of access is for a continuous period of more than 48 hours
- ii) the maximum liability of the Company shall not exceed HK\$50,000 in respect of any one occurrence.

#### **3. Failure of Public Utilities**

The Company will pay for the Increased Cost of Working resulting from interruption of or interference with the Business in consequence of the loss of or damage to property directly caused by any peril insured under Section 1 of this Policy at the

1. Generating station(s) or substation(s) of public electricity supply undertaking from which the Insured obtains electricity
2. Land based premises of the public gas supply undertaking from which the Insured obtains gas
3. Water works or pumping station of the public water supply undertaking from which the Insured obtains water

shall be deemed to be loss resulting from damage to property used by the Insured at the Premises.

Provided that:

- i) such failure is for a continuous period of more than 48 hours
- ii) such failure does not result from the deliberate act of the government or local authority or supply authority not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's system or by the exercise by any such authority of its power to withhold or restrict or ration supply not necessitated solely by damage to the supply undertaking's generating or supply equipment by an insured peril.
- iii) the maximum liability of the Company shall not exceed HK\$50,000 in respect of any one occurrence.

## Definitions applicable to Section 2

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

## Conditions applicable to Section 2

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

## Limits of Liability

The Company's maximum liability under this section and its Extension Clauses shall not exceed the Sum Insured specified in the Schedule.

## Section 3 Money & Assault

### Cover

The Company shall indemnify the Insured against the loss of Money anywhere in the Hong Kong SAR, the Macau SAR or mainland China up to the Limits of Liability specified.

Cover includes:

	Limits of Liability (any one occurrence)
1. Loss of Money (other than crossed cheques, crossed postal orders, crossed money orders and crossed bankers drafts) whilst:	
a) in transit during Business hours	HK\$100,000 *
b) at Business Premises during Business Hours	HK\$100,000 *
c) at Business Premises out of Business Hours in a locked safe or strongroom	HK\$100,000 *
d) at Business Premises out of Business Hours not in a locked safe or strongroom	HK\$10,000 *
e) in transit to and from and whilst at the residence of an authorised Employee	HK\$5,000 *
2. Loss of Money consisting of crossed cheques, crossed postal orders, crossed money orders and crossed bankers drafts provided that these instruments are crossed to the effect of 'payable to the account payee only'	HK\$500,000 *
3. Damage to safes caused by theft or attempted theft	HK\$25,000

\* The Limits of Liability will be increased by 50% for the months of November, December, January and February.

## Extensions applicable to Section 3

In addition to the Cover above, this section provides cover for:

1. Loss up to HK\$50,000 (Money and/or Stock and Contents) per occurrence due to fraud or dishonesty by any Employee of the Insured discovered within three working days of the occurrence.

Provided that the aggregate limit during any one Period of Insurance is limited to HK\$100,000.

2. Personal assault - the Company will provide compensation for injury sustained by any Employee aged between 16 and 65 as a result of actual or attempted robbery or hold up which occurs while the Employee is engaged on the Business and which is the sole and independent cause of:

<b>Coverage</b>	<b>Compensation</b>
a. Death	HK\$100,000
b. Permanent and Total Disablement	HK\$100,000
c. Loss of both limbs	HK\$100,000
d. Loss of sight of both eyes	HK\$100,000
e. Loss of 1 limb and sight of 1 eye	HK\$100,000
f. Loss of 1 limb or sight of 1 eye	HK\$100,000

**Definitions applicable to Section 3**

1. 'Business Hours' shall mean the usual hours during which the Insured transacts or is open for Business at the Business Premises.
2. 'Money' shall mean cash, currency notes, bank notes, negotiable instruments, stored value cards, unused postage stamps not forming part of a stamp collection, cheques, postal or other money orders, non-refundable travel tickets and luncheon vouchers, petrol and other transportation related vouchers.
3. 'Employee' shall mean for the purpose of this section only any director or partner of the Insured or any other person in the employ of the Insured under a contract of service or apprenticeship or as defined in the Employees' Compensation Ordinance.
4. 'Permanent and Total Disablement' shall mean the Employee's complete inability after one year from the date of the occurrence to engage in any substantially gainful occupation or employment without hope of recovery.
5. 'Loss of limb' shall mean loss by physical separation at or above the wrist or ankle joint.
6. 'Loss of sight' shall mean the total and irrecoverable loss of all sight of an eye or eyes rendering the injured person absolutely blind beyond remedy by surgical or other treatment.

**Conditions applicable to Section 3**

1. The Insured shall keep proper written records of all Money insured and the Company has the right to inspect such records.
2. Compensation paid for injury to any one Employee shall not exceed HK\$100,000 in the aggregate and once payment is made no further payment shall be made for subsequent injury to that Employee however it arises.
3. In the event of injury the injured person must obtain and follow the advice of a qualified and registered medical practitioner designated by the Company.
4. The Company reserves the right to require that the injured person is examined at any time by a qualified and registered medical practitioner designated by the Company.

**Exclusions applicable to Section 3**

1. The Company will not cover:
  - a) any loss caused by depreciation in value, currency fluctuation, dishonoured cheques or the use of counterfeit Money;

- b) shortage due to clerical or accounting error or omission and not identifiable with a specific occurrence insured against under the terms of this section;
  - c) any loss from an unlocked and/or unattended vehicle;
  - d) any loss or damage occurring outside the Hong Kong SAR, the Macau SAR or mainland China;
  - e) any loss of Money entrusted to any person other than the Insured or an Employee of the Insured;
  - f) any loss during or due to transit by post;
  - g) any loss arising from fraud or dishonesty of any Employee not discovered within three working days of the occurrence.
2. The Company will not be liable for the first:
- a) HK\$1,000 in respect of loss of Money
  - b) HK\$2,500 due to fraud or dishonesty of any Employee

#### **Section 4 Public Liability**

##### **Cover**

The Company will indemnify the Insured against:

Legal liability for accidental bodily injury caused to any person other than an Employee and for accidental loss of or damage to property not owned or held in trust by the Insured or any Employee or in the Insured's care, custody or control; caused by negligence of the Insured or his Employees occurring within the Hong Kong SAR and the Macau SAR in connection with the Business provided that the liability of the Company for all compensation payable in respect of or arising out of any one occurrence or in respect of or arising out of all occurrences or a series of occurrences consequent on or attributable to one source or original cause shall not exceed the Limit of Liability as stated in the Schedule.

In addition, in respect of a claim to which the indemnity expressed in this section applies the Company will pay:

- a) all costs and expenses recovered by any claimant from the Insured; and
- b) all costs and expenses incurred by the Insured with the written consent of the Company.

Such costs and expenses are payable in addition to the Limit of Liability as stated in the Schedule.

##### **Extension Clauses applicable to Section 4**

###### **1. Food &/or Drinks Poisoning Clause**

The Company will cover the Insured's legal liability arising out of any claim made in respect of poisoning of any kind arising from food and/or drinks sold or supplied by the Insured to any patrons or visitors provided that the Insured shall at all times take every possible precaution to prevent any food and/or drinks from deterioration, to ensure that they are free from contamination and fit for human consumption. The Company's Limit of Liability in respect of any one occurrence and in aggregate during any one Period of Insurance shall not exceed the Limit of Liability as stated in the Schedule.

###### **2. Independent Contractors Liability Clause**

The Company will cover all sums which the Insured shall become legally liable to pay as compensation for bodily injury or damage to property arising out of or caused by or in connection with the alteration of and/or addition to the Business Premises, provided that the contract value of such alteration and/or addition shall not exceed HK\$200,000. The Company shall not be liable for any claim which is recoverable under any other third party liability insurance or of any Contractors' All Risks policy held by the Insured or the Insured's contractors.

### **3. Overseas Visits Clause**

The indemnity provided under Section 4 shall extend to include the legal liability caused by negligence of an Employee arising from business visits outside the Hong Kong SAR and/or the Macau SAR in connection with the Insured's Business provided that such personnel are normally resident in the Hong Kong SAR or the Macau SAR.

### **4. Signboard Liability Clause**

The Company will cover all sums which the Insured shall become legally liable to pay as compensation for bodily injury or damage to property arising out of or caused by or in connection with the Insured's neon signs or advertising signs, at any location, provided that the signs are fixed in a legally approved position and that they are maintained in a safe condition.

### **5. Tenant's Liability Clause**

The Company will cover the Insured's legal liability as a tenant for claims made against the Insured for loss at the Business Premises caused by :

- a) fire or explosion;
- b) water which leaks, overflows or is discharged from any water system installed at the Business Premises;
- c) accidental breakage (excluding scratching, chipping or denting) of fixed glass, wash basins, sinks, lavatory pans or cisterns;
- d) theft or attempted theft by forcible and violent entry to or exit from the Business Premises.

### **Definitions applicable to Section 4**

1. 'Injury' shall mean bodily injury and shall include mental injury, anguish, shock, false arrest, invasion of the right of privacy, detention, false imprisonment and false eviction.
2. 'Damage' shall include loss.
3. 'Property' shall mean material property.
4. 'Business' shall include, for the purposes of this section only, the provision and management of canteens, social sports and welfare organizations for the benefit of the Insured's Employees and internal first aid, fire and ambulance services.
5. 'Employee' shall mean for the purpose of this section only:
  - a) a director or partner of the Insured;
  - b) a person under a contract of service or apprenticeship with the Insured;
  - c) a labour master and persons supplied by him;
  - d) a person employed by labour only sub-contractors;
  - e) a self-employed person;
  - f) a person hired or borrowed from any public authority, company, firm or individual while working for the Insured in connection with the Business.
6. 'Product Supplied' means any product sold, supplied, erected, repaired, altered, treated, installed, processed, manufactured or tested by the Insured in the course of the Business and no longer in the custody or control of the Insured together with containers, packaging and instructions supplied therewith.

## Exclusions applicable to Section 4

The Company will not cover :

1. Liability in respect of injury to any person under a contract of service or apprenticeship with the Insured where the injury arises out of and in the course of such person's employment or service with the Insured or for compensation or claim against the Insured by an injured person or dependent under any Employees' compensation legislation or amendments thereto.
2. Liability assumed by the Insured by agreement unless such liability would have attached to the Insured in the absence of such agreement.
3. Liability in respect of or arising from damage to any land or property or building caused by vibration or the removal or subsidence or weakening of support.
4. Injury or damage caused by pollution unless due to a sudden unintended and unexpected occurrence.
5. Fines, penalties, or punitive or exemplary damages.
6. Liability arising directly or indirectly from faulty or inferior workmanship.
7. Liability in respect of loss of or damage to property:
  - a) belonging to or in the charge or under the control of the Insured or of any servant or agent of the Insured.
  - b) being that part of any property or land or building or structure on which the Insured or any servant or agent of the Insured is or has been working on unless otherwise provided under Extension 2 of this section.
8. Liability in respect of injury, loss or damage caused by or through or in connection with:
  - a) the ownership or possession or use by or on behalf of the Insured of:
    - (i) any vehicle (or machine) which is capable of self propulsion or attached to a self-propelled vehicle and used in circumstances to which the Road Traffic Ordinance applies;
    - (ii) any vehicle (or machine) which is insured for the benefit of the Insured under any form of motor insurance policy; or
    - (iii) any marine vessel and/or motor cycle, motor vehicle, locomotive, craft, crane, hoist, or other lifting machinery not specified in the Schedule.
  - b) remedial or professional or other advice or treatment (other than medical first aid treatment) given or administered or omitted by the Insured.
  - c) claims arising in connection with any Product Supplied other than food and drink supplied to any patron or visitor and/or in canteen sports and social clubs provided by the Insured for the use of Employees.
9. Liability arising directly or indirectly from libel and/or slander on the part of the Insured or any Employee.
10. Asbestos

All claims and losses based upon, arising out of, directly or indirectly resulting from or in consequence of, or any way involving:

- a) asbestos, or
- b) any actual or alleged asbestos related injury or damage involving the use, presence, existence, detection, removal, elimination or avoidance of asbestos or exposure or potential exposure to asbestos.

The Company shall not be liable for any payment for the investigation or defense of any loss, injury or damage or any cost, fine or penalty or for any expense or claim or suit related to any of the above.

## **Section 5 Employees' Compensation**

### **Cover**

If any Employee in the Insured's immediate employ as specified in the Schedule shall sustain bodily injury or death by Accident occurring or Disease contracted during the Period of Insurance within the Geographical Area and arising out of and in the course of his employment by the Insured in the Business the Company will subject to Policy Limit of Indemnity and to the terms, exclusions and conditions contained in or endorsed on this section of the Policy (all of which are hereinafter collectively referred to as 'the terms of this section') indemnify the Insured against his legal liability in respect of such bodily injury or death under the Ordinance and independently of the Ordinance to pay compensation and damages and claimant's costs and expenses and also indemnify the Insured against costs and expenses incurred by or on behalf of the Insured with the Company's written consent in connection therewith;

**Provided that** in the event of any change to the Ordinance during or subsequent to the Period of Insurance altering the legal liability of the Insured under the Ordinance the liability of the Company under this section of the Policy shall be limited to such sums as the Company would have been liable to pay if the Ordinance had remained unaltered;

### **Further Provided That:**

- a) the due observance and fulfilment of the terms of this section of the Policy in so far as they relate to anything to be done or not to be done or to be complied with by the Insured; and
- b) the truth of the statements and answers in the Proposal and Declaration and the Estimated Earnings Declaration and the Actual Earnings Declaration;

shall be conditions precedent to any liability of the Company to make payment or to provide indemnity under this section of the Policy.

**The Company will also** in the event of the death of the Insured indemnify the Insured's legal personal representatives in the terms of this Policy in respect of liability incurred by the Insured provided that such legal personal representatives shall as though they were the Insured observe fulfill and be subject to the terms of this section of the Policy in as far as they can apply.

### **Definitions applicable to Section 5**

For the purposes of this section of the Policy:

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

7. 'Geographical Area' means
  - i. the Hong Kong SAR
  - ii. Worldwide for Employees working temporarily overseas.
8. 'The Insured' means only the person or persons specified as such in the Schedule and no others.
9. 'Noise-Induced Deafness' has the same meaning as assigned to that expression in the Occupational Deafness (Compensation) Ordinance (Chapter 469 of the laws of Hong Kong).
10. 'The Ordinance' means the Employees' Compensation Ordinance (Chapter 282 of the laws of Hong Kong).
11. 'Pneumoconiosis' and 'Mesothelioma' have the same meaning as assigned to those expressions in the Pneumoconiosis and Mesothelioma (Compensation) Ordinance (Chapter 360 of the laws of Hong Kong).

#### **Limit of Indemnity applicable to Section 5**

1. In respect of any Accident or Disease giving rise to a claim or claims against the Insured for which indemnity is provided under this section of the Policy the Company's Indemnity to the Insured shall in the aggregate be limited to the amount specified in the Schedule as 'Policy Limit of Indemnity' irrespective of the number of Employees who may sustain bodily injury or death consequent on or attributable to the same occurrence of Accident or Disease.
2. In relation to any liability of the Insured in respect of a Disease contracted by an Employee due to the nature of his employment with the Insured which nature of employment applies during a period that extends over more than one Policy Period of Insurance:
  - a) the aggregate of the Company's Indemnity to the Insured under all insurance policies shall not exceed the limit of indemnity of the insurance policy that was in force at the time the nature of the Employee's employment to which such Disease was due first affected the Employee; and
  - b) subject to the limitation of paragraph 2a) hereof, the Company's Indemnity to the Insured under this Policy shall be limited to such proportion of the Insured's liability in respect of such Disease as that part of the Employee's period of employment falling within the Period of Insurance of this Policy bears to the total period of his employment to the nature of which such Disease was due.
3. If the occurrence of any Accident or Disease results in indemnity hereunder to more than one Insured, the limitations of the Company's liability specified in paragraphs 1. and 2. hereof shall apply to the aggregate of indemnity to all Insureds.
4. At any time after the occurrence of any Accident or Disease giving rise to a claim or claims against the Insured for which indemnity is provided under this Policy the Company may pay to the Insured the full amount of the Company's liability specified in paragraph 1. or 2. hereof (after the deduction of any sums already paid) or any lesser amount for which such claim or claims can be settled and shall relinquish the conduct of any defence settlement or proceedings relating to such claim or claims and shall not thereafter be responsible for any compensation damages or costs in respect thereof or for any costs or expenses whatsoever incurred by the Insured after the Company shall have relinquished such conduct or for any loss damage or expenses caused to the Insured in consequence of any act or omission of the Company in connection therewith or of the Company relinquishing such conduct.
5. If there should be any shortfall in the actual Earnings declared in accordance with paragraph 2. of Premium Adjustment of this section from the respective actual Earnings, the extent of the Company's Indemnity shall be reduced proportionately by the extent of under-insurance; and the balance shall be borne by the Insured himself. If no declaration of the actual Earnings by the Insured is received by the Company as prescribed, for the purpose of this Clause the Earnings estimated by the Insured as at the commencement of the Period of Insurance shall be used in lieu of the actual Earnings that should have been declared to determine the extent of the under-insurance if any.

## **Extension Clauses applicable to Section 5**

### **1. Catering Facilities Clause**

This Policy covers Employees as specified in the Schedule whilst using the catering facilities provided by the Insured.

### **2. Emergency Transportation Clause**

The Company will pay costs for medical assessment and emergency transportation required as a result of serious injury sustained by the Insured's Employees as specified in the Schedule arising out of and in the course of their employment provided that the limit of liability shall not exceed HK\$50,000 in respect of any one Accident.

### **3. Extra-Ordinary Weather Condition Clause**

An Accident to an employee as specified in the Schedule shall be deemed to have arisen out of and in the course of his employment and the Company will pay compensation if the Accident happens to the Employee as specified in the Schedule when, within the duration of a gale warning (tropical cyclone warning signal No.8 or above), or of a rainstorm warning (Red or Black signal), he is travelling between his place of residence and his place of work:

- a) to his place of work, by a direct route within a period of 4 hours before the time of commencement of his working hours for that day or to his place of residence, within a period of 4 hours after the time of cessation of his working hours for that day; or
- b) in such other circumstances as the court thinks reasonable.

### **4. Employees Inter-Sports Social & Welfare Activities Clause**

If an Employee as specified in the Schedule of the Insured is injured when participating in any extra-curricular activities organised and sponsored by the Insured, any Accident occurring in such circumstances shall be deemed as arising out of and in the course of employment by the Insured.

## **Exclusions applicable to Section 5**

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

1. the Insured's liability to employees of contractors to the Insured;
2. any liability of the Insured which attaches by virtue of an agreement but which would not have attached in the absence of such agreement;
3. any sum which the Insured would have been entitled to recover from any party but for an agreement between the Insured and such party;
4. any liability arising from Pneumoconiosis or Mesothelioma or Noise-Induced Deafness;
5. the Insured's liability to any person who is not an Employee of the Insured within the meaning of the Ordinance;
6. any late payment surcharge fines penalties or punitive aggravated or exemplary damages for which the Insured may become liable under the Ordinance or independently of the Ordinance;
7. any injury by Accident or Disease attributable to war invasion act of foreign enemy hostilities or warlike operations (whether war be declared or not) civil war mutiny rebellion revolution insurrection or military or usurped power;
8. any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
  - a) nuclear weapons material;
  - b) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel and for the purposes of this Exclusion combustion shall include any self-sustaining process of nuclear fission;

9. any injury by Accident or Disease where the Company has not been given sufficient notice of the institution of proceedings in a court or tribunal to enable the Company to be added as a party to the proceedings.

10. Asbestos

All claims and losses based upon, arising out of, directly or indirectly resulting from or in consequence of, or any way involving:

- a) asbestos, or
- b) any actual or alleged asbestos related injury or damage involving the use, presence, existence, detection, removal, elimination or avoidance of asbestos or exposure or potential exposure to asbestos

The Company shall not be liable for any payment for the investigation or defense of any loss, injury or damage or any cost, fine or penalty or for any expense or claim or suit related to any of the above.

11. Sanction Limitation and Exclusion Clause

No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restrictions under United Nations resolutions or the trade or economic sanction, laws or regulations of the European Union, United Kingdom or United States of America.

12. the Insured's liability to any employee who has not been specified in the Schedule.

**Conditions applicable to Section 5**

**1. Avoidance of Certain Terms and Right of Recovery**

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

**2. Premium Adjustment**

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

- e) If the Insured fails to cooperate with the Company in submitting the completed Premium Adjustment and Declaration of Earnings Form, without prejudice to any other rights of the Company, the Company shall retain the discretion not to renew this insurance upon expiry of the Policy.

### **3. Waiver of Claims**

The Insured shall not become a party to any agreement the effect of which is that the Insured waives any claim which the Insured would otherwise have against any person in respect of or arising out of any occurrence resulting in liability on the part of the Insured for which indemnity is provided by this Policy or whereby any such claim is limited or qualified in any way.

### **4. Precautions**

The Insured shall take all reasonable precautions to prevent Accidents and Diseases and shall comply with all relevant statutory requirements and obligations including but not limited to the provisions of the Factories and Industrial Undertakings Ordinance (Chapter 59 of the laws of Hong Kong) and any regulations rules or notices issued made or promulgated thereunder.

### **5. Right of Inspection**

The Company shall have the right and opportunity at all reasonable times to inspect the works, machinery plant and appliances used in the Business.

### **6. Terrorism Clause**

Notwithstanding any provision to the contrary in this Policy or any endorsement thereto it is hereby agreed that in respect of any bodily injury or death by Accident or Disease directly or indirectly caused by, resulting from or in connection with any act of terrorism or any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to any bodily injury or death by Accident or Disease:

- a) the Limit of Indemnity shall be such amount which the Company actually receives from the Government of the Hong Kong Special Administrative Region of the People's Republic of China ("The Government") pursuant to an agreement for provision of facility dated July 1, 2002 between the Government and the Company under which the Government agreed to make available to the Company and other direct insurance companies authorised to underwrite Employees' Compensation Insurance business in Hong Kong a facility to enable them to meet claims under Employees' Compensation Insurance policies in respect of death and injury arising out of an event of terrorism ("The Facility Agreement");
- b) the Company will only be required to make payment after it has received from the Government:
  - i) an approval letter confirming that the Company should settle the claim; and
  - ii) payment under The Facility Agreement; and
- c) for the avoidance of doubt, the Company shall have no obligation to make payment if for whatever reason it does not receive payment from the Government under The Facility Agreement, whether or not due to the Government's contention that any bodily injury or death by Accident or Disease does not fall within the scope of The Facility Agreement or the Company's breach of The Facility Agreement;
- d) the indemnity in respect of terrorism shall not apply to any extended benefits under this section of the Policy above the minimum cover required under the Ordinance.

For the purpose of the above, an act of terrorism means the use of force or violence or other means or the threat thereof, of any person or persons, whether acting alone or on behalf of or in connection with any organization or government, for political, religious, or ideological purposes with an intention to influence any government and/or to put the public, or any section of the public, in fear.

If the Company alleges that any bodily injury or death by Accident or Disease does not fall within the scope of this Terrorism Clause, the burden of proving the contrary shall be upon the Insured.

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

Words and expression in this Terrorism Clause shall have the same meaning as in this section of the Policy.

## **7. Changes in Risk.**

The Insured shall immediately notify the Company in writing of any material change in the risk insured hereunder made by the Insured or any other person during the Period of Insurance including but not limited to:

- i. any merger with or acquisition of another company or business;
- ii. the Insured or any subsidiary or holding company of the Insured being placed in voluntary liquidation receivership or liquidation or entering into a composition with its creditors or being unable to pay its debts from its own resources;  
or
- iii. any material change in the nature of the Business.

## **PART II GENERAL EXCLUSIONS APPLICABLE TO SECTIONS 1 TO 4 OF THIS POLICY**

The Company shall not be liable under Sections 1 to 4 of this Policy in respect of :

1. any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
  - a) nuclear weapons material;
  - b) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purposes of this exclusion combustion shall include any selfsustaining process of nuclear fission.
2. any accident, loss, damage, expense, liability or bodily injury occasioned by or through or in consequence directly or indirectly of:
  - a) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
  - b) mutiny, riot, military or popular uprising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.

In any action, suit or other proceedings where the Company alleges that by reason of the provisions of this General Exclusion 2 any accident, loss, damage, expense, liability or bodily injury is not covered by this Policy, the burden of proving that such accident, loss, damage, expense, liability or bodily injury is covered shall be upon the Insured.

3. any accident, loss, damage, expense, liability or bodily injury occasioned by or through or in consequence directly or indirectly of confiscation, commandeering, nationalisation, requisition or destruction of or damage to the property insured by order of the Government de jure or de facto or any public, municipal or local authority of the country or area in which the Business Premises is situated.
4. any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from pressure waves caused by aircraft and other aerial devices.
5. consequential loss or damage of any kind except as provided in Part I – Section 2.

6. any damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure.

Consequently the following are excluded from this Policy:

- a) Loss of or damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered.
  - b) Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.
7. any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This Policy also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

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

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

#### 8. Sanction Limitation and Exclusion Clause

No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restrictions under United Nations resolutions or the trade or economic sanction, laws or regulations of the European Union, United Kingdom or United States of America.

### **PART III GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS OF THIS POLICY**

1. The Insured shall exercise all reasonable precautions for maintenance and safety of the property insured.
2. This Policy shall be voidable by the Company in the event of misrepresentation, misdescription or nondisclosure in any material particulars by the Insured.
3. If an event occurs which may give rise to a claim under this Policy, the Insured or his personal representative:
  - a) shall give notice as soon as possible in writing to the Company and, at his own expense supply the Company with full particulars in writing of the loss or damage;
  - b) if there has been theft or any attempted theft thereof, shall give notice to the police as soon as possible;
  - c) shall, if a claim arises under Section 4 and/or Section 5, send to the Company any writ, summons or other legal proceedings issued or commenced against and received by the Insured and shall give all necessary information and assistance to enable the Company to settle or resist any claim or to institute proceedings;
  - d) shall not incur any expense in making good any loss or damage without the written consent of the Company and shall not negotiate, pay, settle, admit or repudiate any claim without such consent;

- e) shall at his own expense give the Company all such records, books of account or documents or other such information as the Company may reasonably require for investigating or verifying a claim.
  - f) shall, if a claim arises under Section 5, provide all such information and assistance including the latest earnings of all employees duly certified as being correct by an independent auditor and forward all such documents and other records to the Company for the conduct of such claim demand or proceedings as the Company in its discretion may from time to time requires.
4. The Company or its appointed representatives shall be entitled:
- a) if there is any loss or damage for which indemnity is provided under Section 1, 2 and/or 3, to enter any building where the loss or damage has happened and to take and keep possession of the property insured and to deal with the salvage in a reasonable manner. This Policy or any copy thereof certified by the Company shall be proof of leave and licence for such purpose but no property may be abandoned to the Company;
  - b) to undertake in the name and on behalf of the Insured the absolute conduct, control and settlement of any proceedings instituted by a third party against the Insured or the Insured's personal representative in respect of any liability covered by this Policy;
  - c) to take proceedings at its own expense and for its own benefit, but in the name of the Insured, to recover compensation or secure indemnity from any third party in respect of anything covered by this Policy;
  - d) to pay at any time to the Insured the Limit of Liability under Part I – Section 4 or any lesser amount for which any claim or claims can be settled and upon such payment the Company shall relinquish conduct and control of and be under no further liability under that section in connection with such claim or claims except for costs and expenses recoverable from the Insured or incurred with the written consent of the Company in respect of the conduct of such claim or claims before the date of such payment.
5. If an event occurs giving rise to any loss, damage, expense or liability for which indemnity is provided under this Policy, and there shall be any other insurance against such loss, damage, expense, or liability or any part thereof, the Company shall not be liable for more than its rateable proportion thereof.
6. If any claim under this Policy shall be in any respect fraudulent or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this Policy, all benefits hereunder shall be forfeited.
7. Unless otherwise expressly stated nothing contained herein shall give any rights against the Company to any person other than the Insured. Further the Company shall not be bound by any passing of the interest of the Insured otherwise than by the death or operation of law unless and until the Company shall by endorsement declare the Insurance to be continued. The extension of the Company's liability in respect of the property of any person other than the Insured shall give no right of claim hereunder to such person, the intention being that the Insured shall in all cases claim for and on behalf of such person and the receipt of the Insured shall in any case absolutely discharge the Company's liability hereunder.
8. This Policy may be cancelled at any time at the request of the Insured and the Premium shall be adjusted on the basis of the Company receiving or retaining the customary short term premium or minimum premium. The Policy may also be cancelled by the Company giving thirty days' notice in writing to the Insured at his last known address and the Premium shall be adjusted on the basis of the Company receiving or retaining pro rata premium.
9. All differences arising out of this Policy shall be referred to the decision of an arbitrator to be appointed by the parties in difference or if they cannot agree upon a single arbitrator to the decision of two arbitrators, one to be appointed in writing by each party. In the event of disagreement between the arbitrators the differences shall be referred to the decision of an umpire who shall have been jointly appointed in writing by the arbitrators before entering upon the reference. An award made following these proceedings shall be a condition precedent to any right of action against the Company. In the event that the Company disclaims liability to the Insured for any claim made under the Policy and such claim is not referred to arbitration within 12 calendar months from the date of such disclaimer, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

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

It is further provided that indemnity shall not be provided for a judgement or order obtained in the Hong Kong SAR for the enforcement of a judgement obtained elsewhere.

11. Any person or entity who is not a party to this Policy shall have no rights under the Contracts (Rights of Third Parties) Ordinance (Cap 623 of the Laws of Hong Kong) to enforce any terms of this Policy.

Levy collected by the Insurance Authority has been imposed on this policy at the applicable rate. For further information, please visit [www.axa.com.hk/ia-levy](http://www.axa.com.hk/ia-levy) or contact AXA at (852) 3070 5000.

**Important Notes:**

The above policy is underwritten by **AXA General Insurance Hong Kong Limited ("AXA")**, which is authorised and regulated by the Insurance Authority of the Hong Kong SAR. AXA will be responsible for providing your insurance coverage and handling claims under your policy. The Hongkong and Shanghai Banking Corporation Limited is registered in accordance with the Insurance Ordinance (Cap. 41 of the Laws of Hong Kong) as an insurance agent of AXA for distribution of general insurance products in the Hong Kong SAR.