

PROPERTY DAMAGE NAMED PERILS COVERAGE PART

COVERAGE:

If the Property Insured at the Situation or any part thereof shall suffer any Damage caused by fire, or lightning, or explosion of boilers or gas used for domestic purposes only, or any Extra Peril(s) specified in the Schedule at any time during the Period of Insurance, the Insurer agrees to pay the Insured the value of the Property Insured at the time of the happening of the Damage or at the Insurer's option reinstate or replace such property or any part thereof, provided that the liability of the Insurer shall in no case exceed:

1. in respect of any item its Sum Insured or in the whole the Total Sum Insured at the time of the Damage, or
2. if any other Damage shall have occurred during the same Period of Insurance, the Sum Insured remaining after payment for such Damage unless the Insurer shall have agreed to reinstate any such Sum Insured.

SPECIAL DEFINITIONS:

All Contents means Contents and Stock.

Building means the building (excluding foundation and drains) and all permanent fixtures attached to and forming a part thereof including the Insured's entire proportionate interest thereof if this insurance is in respect of portion of a building only, the property of the Insured or for which the Insured is responsible, whilst at the Situation.

Contents means the machinery, utensils and tools of trade but excluding moulds of any kind unless specifically insured, business furniture, fixtures, fittings and equipment, and improvement and betterment, the property of the Insured or for which the Insured is responsible, whilst at the Situation.

Damage means any physical loss, destruction or damage.

Household Goods and Personal Effects means household goods, personal effects (excluding watches and jewellery), furniture, fixtures and fittings, and improvement and betterment, property of the Insured or for which the Insured is responsible, whilst at the Situation.

Stock means stock of general merchandise, including raw materials, finished and semi-finished products, if applicable, the property of the Insured or held in trust or on commission or on joint account with others or sold and paid for but not delivered and for which the Insured is responsible, in no case exceeding the market value of the same immediately anterior to the loss, whilst at the Situation excluding stored or placed in the open area.

SPECIAL EXCLUSIONS:

This Coverage Part does not cover:

1. Damage directly or indirectly caused by or arising from or in consequence of any of the following:
 - A. fire or explosion resulting from earthquake, volcanic eruption or other convulsion of nature.
 - B. the Property Insured undergoing its own spontaneous fermentation or heating.
 - C. the Property Insured undergoing any process involving the application of heat.
 - D. burning whether accidental or otherwise of forest, bush, prairie, pampas or jungle, and the clearing of lands by fire.
 - E. the burning of the Property Insured by order of any public authority.
 - F. theft during or after the occurrence of a fire.
 - G. explosion other than explosion of boilers or gas used for domestic purposes only.

2. Damage to any electrical machine, apparatus or any portion of the electrical installation arising from or occasioned by its own over-running, excessive pressure, short circuiting, self heating, arcing or leakage of electricity arising from whatever cause (lightning included).
3. bullion, precious stones, precious metals, works of art, manuscripts, plans, drawings or designs, patterns, models, moulds, securities, obligations, documents, stamps, coined or paper money, cheques, books of accounts, business books, computer systems records, explosives.
4. consequential loss or damage of any kind or description.

SPECIAL CONDITIONS:

1. Any Damage to the Property Insured, as covered by Earthquake (Fire and Shock) (EP03A), Earthquake (Fire, Shock and Flood) (EP03B), Typhoon and Windstorm (excluding Flood) (EP09A), Typhoon and Windstorm (including Flood) (EP09B), Typhoon, Windstorm and Flood (EP09C) and/or Landslip and Subsidence (EP11A) in the Extra Perils Endorsement specified herein, if applicable to this Policy and Coverage Part, arising in any one period of seventy-two (72) consecutive hours shall be deemed to be one event and be constituted as one occurrence with regard to the application of Deductible of this Policy. For the purposes of the foregoing, the commencement of any such seventy-two (72) hours period shall be determined at the discretion of the Insured. There shall be no overlapping in any such seventy-two (72) hours period in the event of Damage occurring over an extended period of time of more than seventy-two (72) consecutive hours.
2. If any event giving rise to or likely to give rise to a claim comes to the knowledge of the Insured, the Insured shall:
 - A. immediately take steps to minimise the Damage and recover any missing property, and give notice in writing to the Insurer and to the police authorities having jurisdiction at the place where such Damage had occurred in the event of deliberate or malicious damage,
 - B. within thirty (30) days or such further time as the Insurer may in writing allow deliver to the Insurer a claim in writing for the Damage containing as particular an account as may be reasonably practical of all the several articles or items of property damaged and the amount of Damage thereto respectively, having regard to their value at the time of the Damage, and particulars of all other insurances, if any,
 - C. at all times at the Insured's expense provide to the Insurer all such information and available documents or proofs regarding the origin and cause of the Damage and the circumstances under which the Damage occurred, and any matter touching the liability or the amount of liability of the Insurer, as may be reasonably required by the Insurer together with a declaration on oath or in other legal form of the truth of the claim and any matters connected therewith.
3. On the happening of the Damage in respect of which a claim is made:
 - A. the Insurer and any person authorised by the Insurer may without hereby incurring any liability or diminishing any of the Insurer's rights:
 - 1) enter, take or keep possession of the Insured's premises at the Situation where such Damage had occurred.
 - 2) take possession of or require to be delivered to the Insurer any Property Insured and deal with such property for all reasonable purposes and in any reasonable manner.
 - B. no property may be abandoned to the Insurer whether taken possession of by the Insurer or not.

4. The Insurer may at its option repair or replace the property damaged or any part thereof instead of paying the amount of the Damage, or may join with any other persons, companies or insurers in so doing, but the Insurer shall not be bound to repair exactly or completely, but only as circumstances permit and in reasonably sufficient manner, and in no case shall the Insurer be bound to expend more in repair than it would have cost to repair any such property as it was at the time of the occurrence of such Damage, or more than the Sum Insured thereon.

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

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

5. If at the time of Damage, the Property Insured be collectively of greater value than the Sum Insured thereon, the Insured shall bear a share of the Damage corresponding directly to the proportion of underinsurance. Every item, if more than one, of the Property Insured shall be separately subject to this condition.

EXTRA PERILS ENDORSEMENT (APPLICABLE ONLY TO THE EXTENT SPECIFIED IN THE SCHEDULE):

The Insurer agrees to pay the Insured for Damage caused by the Extra Perils, but only with respect to such Extra Perils specified in the Schedule, described hereunder, provided always that all the conditions of this Policy and Coverage Part, except insofar as such Policy and Coverage Part may be hereby expressly varied, shall apply as if such Policy and Coverage Part have been incorporated herein and for this purpose any Damage by the specified Extra Perils shall be deemed to be Damage by fire within in the meaning of this Policy.

Aircraft (EP01A)

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

Bush Fire (EP02A)

Damage occasioned by or through or in consequence of the burning of forests, bush, prairie, pampas or jungle and the clearing of lands by fire but excluding such clearing by or on behalf of the Insured.

Earthquake (Fire and Shock) (EP03A)

Damage by fire or otherwise, directly caused by earthquake or volcanic eruption, but excluding in respect of

1. Damage caused other than by fire metal smoke stacks, awnings, blinds, signs or other outdoor fixtures and fittings unless specifically insured.
2. Damage caused by the escape of water from its normal confines whether natural or artificial, or inundation from the sea, whether resulting from earthquake or otherwise.

Earthquake (Fire, Shock and Flood) (EP03B)

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

specifically insured.

Explosion (EP04A)

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

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

Vehicle Impact (by third party vehicle) (EP05A)

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

Vehicle Impact (by any vehicle) (EP05B)

Damage by fire or otherwise, caused by impact by any road vehicle, horses or cattle.

Riot and Strike (EP06A)

Damage directly caused by:

1. the act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not),
2. the wilful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out,
3. the action of any lawfully constituted authority in suppressing or attempting to suppress or in minimising the consequences of any act mentioned in 1. and 2. above,

but excluding:

1. Damage occasioned through or in consequence, directly or indirectly, of:
 - A. any act of terrorism committed by any person acting on behalf of, or in connection with, any organization (for the purposes of this exclusion, "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public, or any section of the public, in fear).
 - B. civil commotion assuming the proportions of or amounting to a popular rising.
 - C. the malicious act of any person (whether or not such act is committed in the course at disturbance of the public peace) not being the wilful act of any rioter, striker or locked-out worker in furtherance of a riot or strike or in resistance to a lock-out.
2. Damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
3. Damage occasioned by:
 - A. permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority,
 - B. permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building,provided nevertheless that the Insurer is not relieved of any liability to the Insured in respect of physical damage to the Property Insured occurring before dispossession or during temporary possession.

Riot Fire (EP06B)

Damage by fire directly caused by:

1. the act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not),

2. the act of any lawfully constituted authority in suppressing or attempting to suppress or in minimising the consequences of any such act,

but excluding:

1. Damage occasioned through or in consequence, directly or indirectly, of:
 - A. any act of terrorism committed by any person acting on behalf of, or in connection with, any organization (for the purposes of this exclusion, "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public, or any section of the public, in fear).
 - B. civil commotion assuming the proportions of or amounting to a popular rising.
2. Damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.

Malicious Damage (EP06C)

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

1. Damage by explosion,
 2. Damage arising out of or in the course of theft or any attempt thereat,
- provided that cover under Extra Peril Riot and Strike (EP06A) is in force and subject to the application of the exclusions under that Extra Peril extension wording other than exclusion 1. C.

Deterioration of Goods (Cold Storage) Riot and Strike (EP06D)

Damage to the Property Insured caused by change of temperature resulting from damage directly caused by any of the Perils Insured against under Extra Peril Riot and Strike (EP06A) to refrigerating plant, machinery or equipment located in the same premises as the said goods, provided always that cover under Extra Peril Riot and Strike (EP06A) is in force and subject to the application of the terms and exceptions under that Extra Peril extension wording.

Deterioration of Goods Riot and Strike (EP06E)

Damage to the Property Insured caused by deterioration resulting from damage directly caused by any of the Perils Insured against under Extra Peril Riot and Strike (EP06A) to plant, machinery or equipment located in the same premises as the said goods, provided always that cover under Extra Peril Riot and Strike (EP06A) is in force and subject to the application of the terms and exceptions under that Extra Peril.

Deterioration of Goods (Cold Storage) Riot Fire (EP06F)

Damage to the Property Insured caused by change of temperature resulting from damage by fire directly caused by any of the Perils Insured against under Extra Peril Riot Fire (EP06B) to refrigerating plant, machinery or equipment located in the same premises as the said goods, provided always that cover under Extra Peril Riot Fire (EP06B) is in force and subject to the application of the terms and exceptions under that Extra Peril.

Deterioration of Goods Riot Fire (EP06G)

Damage to the Property Insured caused by deterioration resulting from damage by fire directly caused by any of the Perils Insured against under Extra Peril Riot Fire (EP06B) to plant, machinery or equipment located in the same premises as the said goods, provided always that cover under Extra Peril Riot Fire (EP06B) is in force and subject to the application of the terms and exceptions under that Extra Peril.

Terrorism (EP06H)

Damage directly caused by any act of terrorism committed by any person acting on behalf of, or in connection with, any organization (for the purposes of this extension, "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public, or any section of the public, in fear), provided always that cover under Extra Peril Riot and Strike (EP06A) is in force and subject to the application of the terms and exceptions under that Extra

Peril.

Spontaneous Combustion (EP07A)

Damage by fire only of or to the Property Insured caused by its own spontaneous fermentation, heating or combustion.

Sprinkler Leakage (EP08A)

Damage directly caused by water discharged or leaking from the automatic sprinkler installation installed in that part of the Situation occupied by the Insured but excluding Damage to the said installation, provided that:

1. such discharge or leakage of water shall be accidental and shall not be occasioned by or happen through:
 - A. heat caused by fire.
 - B. repairs or alterations to the buildings or premises.
 - C. repair, removal or extension of the said Installation.
 - D. the order of the Government or of any Authority.
 - E. explosion, the blowing-up of buildings or blasting.
2. the Insured shall at all times take all reasonable steps to prevent Damage to the said installation, and so far as the Insured's responsibility extends, to maintain the said installation, including the automatic external alarm signal, in efficient condition. In the event of any discharge or leakage from the said installation, the Insured shall do and permit to be done all things practicable, whether by removal or otherwise, to save and protect the Property Insured.
3. whenever it is intended to make any changes, repairs or alterations to the said installation, the Insured shall give written notice thereof to the Insurer.
4. the Insurer shall have access to the Situation at all reasonable times for purposes of inspection and if the Insurer shall notify the Insured of defects in the construction or condition of the said installation requiring alteration or repairs, the Insurer may also at their option by notice in writing suspend the insurance by this extension until such alteration or repairs shall be duly completed.

Typhoon and Windstorm (excluding Flood) (EP09A)

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

1. in respect of Damage caused other than by fire:
 - A. metal smoke stacks, awnings, blinds, signs or other outdoor fixtures and fittings unless specifically insured.
 - B. premises in course of construction, alteration or repair except when all outside doors, windows and other openings are completed and protected against typhoon or windstorm unless specifically insured.
2. Damage caused by:
 - A. subsidence or landslip.
 - B. hail, whether wind driven or not.
 - C. rain entering the building other than through openings made in its fabric by the direct force of the typhoon or windstorm.
3. Damage caused by:
 - A. the escape of water from its normal confines whether natural or artificial,
 - B. inundation from the sea,whether resulting from typhoon or windstorm or otherwise.

Typhoon and Windstorm (including Flood) (EP09B)

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

1. in respect of Damage caused other than by fire:

- A. metal smoke stacks, awnings, blinds, signs or other outdoor fixtures and fittings unless specifically insured.
 - B. premises in course of construction, alteration or repair except when all outside doors, windows and other openings are completed and protected against typhoon or windstorm unless specifically insured.
2. Damage caused by:
- A. subsidence or landslip.
 - B. hail, whether wind driven or not.
 - C. rain entering the building other than through openings made in its fabric by the direct force of the typhoon or windstorm.
3. Damage caused by:
- A. the escape of water from its normal confines whether natural or artificial,
 - B. inundation from the sea,
- unless directly resulting from typhoon or windstorm.

Typhoon, Windstorm and Flood (EP09C)

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

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

Water Tanks, Apparatus and Pipes (EP10A)

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

1. Damage to water tanks, apparatus or pipes.
2. Damage caused by water discharged or leaking from any automatic sprinkler installation.

Landslip and Subsidence (EP11A)

Damage directly caused by subsidence of the site or landslip, but excluding:

1. Damage directly or indirectly occasioned by or through or in consequence of coastal or river erosion, heave or bedding down of structures or the settlement of made up ground within five (5) years of the completion of such works.
2. Damage to paths, drives, fences, gates, boundary and retaining walls caused by subsidence and/or landslip.
3. unless otherwise specifically insured, the cost of removal of subsidence and/or landslip debris or the making good of the site following subsidence and/or landslip except in so far as is necessary to repair the Property Insured.
4. Damage directly occasioned by or through defective design or workmanship or the use of defective materials.
5. consequential loss or damage of any kind or description.

Warranted that the Insured shall:

1. maintain the Property Insured in sound repair and shall take all responsible steps to prevent Damage from any of the perils insured against.
2. maintain any man-made slope and retaining walls for which the Insured is responsible in accordance with any and all laws, regulations, Codes and guidelines issued by or any department of the Government of Hong Kong Special Administrative Region.
3. notify the Insurer immediately:
 - A. any excavations are commenced beneath, around or in the vicinity of the Property Insured. In such event the Insurer shall have the right to vary or cancel the cover provided under this Policy.
 - B. of the operation of an insured peril affecting any part of the site (whether or not the Property Insured is involved) or its nearby surroundings.

Rainstorm (EP12A)

Damage by fire or otherwise, directly caused by Rainstorm but excluding:

1. in respect of Damage caused other than by fire:
 - A. metal smoke stacks, awnings, blinds, signs or other outdoor fixtures and fittings unless specifically insured.
 - B. premises in course of construction, alteration or repair except when all outside doors, windows and other openings are complete and protected against typhoon or windstorm unless specifically insured.
2. Damage caused by:
 - A. subsidence or landslip.
 - B. hail, whether wind driven or not.
 - C. rain entering the building other than through openings made in its fabric by the direct force of the typhoon or windstorm.
 - D. seepage of water.
3. Damage caused by:
 - A. the escape of water from its normal confines whether natural or artificial.
 - B. inundation from the sea.unless directly resulting from Rainstorm.
4. Damage caused by accumulation of water resulting from circumstances where the Insured could but has failed to take reasonable steps to prevent such accumulation.

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