BCIC
RETHINK INSURANCE

COMMERCIAL ALL RISKS POLICY

BRITISH CARIBBEAN INSURANCE COMPANY LIMITED

BRANCH OFFICE: SUITE #4, BUILDING 2, MANOR LODGE COMPLEX, GREEN HILL, ST. MICHAEL, BARBADOS W.I.

COMMERCIAL ALL RISKS POLICY

This Policy is subject to the Pro Rata Condition of Average

This Policy should be read carefully and its terms noted

Explanation of the Pro Rata Condition of Average

The Pro Rata Condition of Average is applied to the Policy when the sum insured is less than the current cost of replacing or rebuilding the property insured. In this instance, only a proportion of the replacement or rebuilding cost up to a maximum of the sum insured is paid. The cost of replacement or rebuilding the property insured is the cost at the time of loss, destruction or damage.

The proportion that will be paid is calculated using the formula below:

$$\frac{\text{Sum Insured}}{\text{Current rebuilding/ replacement cost of the property insured}} \times \text{The Amount of loss or damage} = \text{The Amount Payable}$$

For example: Assume the loss is $500,000

$$\frac{\$700{,}000}{\$1{,}000{,}000} \times \$500{,}000 = \$350{,}000$$

The amount payable is $350,000.

The Pro Rata Condition of Average will not apply where the property insured is totally lost or damaged.

The terms of the Policy should be reviewed carefully, including checking the adequacy of the sum insured for which the property is insured or to be insured. This will assist in identifying whether the Pro Rata Condition will be applied at the time of a loss.

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OPERATIVE CLAUSE

Whereas the Insured by the PROPOSAL which shall be the basis of and incorporated in this contract has applied to British Caribbean Insurance Company Limited (hereinafter called the "Insurer") for the insurance contained herein and has paid or agreed to pay the premium.

This Policy, Schedule and Endorsement shall be read together and any word or expression to which a specific meaning has been attached in any part of this Policy, Schedule or of the Endorsement shall bear such meaning wherever it may appear.

The Insurer agrees (subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon which shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the right of the Insured to recover hereunder) that if after payment of the first premium any of the property insured be accidentally physically lost destroyed or damaged other than by an excluded cause at any time before 4 o'clock in the afternoon of the last day of the period of insurance or of any subsequent period in respect of which the Insured shall have paid and the Insurer shall have accepted the premium required for the renewal of this Policy.

The Insurer will pay to the Insured the value of the property at the time of the happening of its accidental physical loss or destruction or the amount of such accidental physical damage (accidental physical loss destruction or damage being hereafter termed DAMAGE) or at its option reinstate or replace such property or any part thereof.

Provided that the liability of the Insurer in respect of any one loss or in the aggregate in any one period of Insurance shall in no case exceed: -

i. in respect of each item the sum expressed in the Schedule to be insured thereon or in the whole the total sum insured hereby

ii. any limit of liability shown in the Schedule

or such other sum or sums as may be substituted therefore by memorandum hereon or attached hereto signed by or on behalf of the Insurer.

The word PROPOSAL shall mean any signed proposal form and declaration and/or any information supplied by or on behalf of the Insured in addition thereto or in substitution therefor.

For and on behalf of
BRITISH CARIBBEAN INSURANCE COMPANY LIMITED

P. D. Levy
Managing Director

DEFINITIONS

Words and expressions to which a specific meaning is given in this Policy, or any endorsement shall have the same meaning wherever they appear.

BUILDINGS
The word Buildings shall mean:

a) All buildings including outbuildings and gate houses;

b) Landlord's fixtures, fittings and equipment therein or thereon;

c) Walls, gates, fences, patios, walkways, foundations and other paved areas;

d) All services and installations including external structures, storage tanks, fixtures, works, services and installations whether situated on the roof or otherwise and inclusive of (but not restricted to) sewage disposal units, underground tanks, piping, wiring and all ancillary equipment;

e) Marine containers for which the Insured is responsible.

CONTENTS
The word Contents shall mean the following whilst contained in the Buildings described in the Schedule:

a) All machinery, plant, equipment, tools and tanks of whatever nature not otherwise insured;

b) All office and other furnishings, fixtures, fittings and office supplies of whatever nature not otherwise insured;

c) Tenants improvements;

d) Customer's goods held in trust or on commission the property of the Insured or for which the Insured is legally responsible.

DAMAGE
The word "DAMAGE", in capital letters shall mean "loss or destruction of or damage to the Property Insured".

PERIOD OF INSURANCE shall mean
From the effective date until the expiry date (as specified in the Schedule) or any subsequent period for which the Company shall have accepted payment for renewal of this Policy.

PROPERTY INSURED

The word Property Insured shall mean the list of items specified in the Schedule of the Policy.

STOCK

The word Stock shall mean the following whilst contained in the Buildings described in the Schedule or whilst on the premises in marine containers:

a) All raw materials in trade,

b) All work in progress,

c) All finished goods,

d) All spare parts and stores and items of a similar nature,

e) All labels, packaging and similar materials the property of the Insured or for which the Insured is legally responsible.

LOSS OCCURRENCE

The term "loss occurrence" shall mean all individual losses arising out of and directly occasioned by one event. However, the duration and extent of any "loss occurrence" so defined shall be limited to:

(a) 72 (seventy-two) consecutive hours as regards hurricane, cyclone, typhoon, windstorm, rainstorm, hailstorm and/or tornado;

(b) 72 (seventy-two) consecutive hours as regards earthquake, tsunami, seaquake, tidal wave and/or volcanic eruption;

(c) As regards riot, riot attending a strike, civil commotion, vandalism and malicious mischief, all individual losses sustained by the Insured, occurring during any period of 72 consecutive hours arising out of and directly occasioned by the same event. The maximum duration of 72 consecutive hours may be extended in respect of individual losses which occur beyond such 72 consecutive hours during the continued occupation of an Insured’s premises by strikers, provided such occupation commenced during the aforesaid period.

(d) 72 (seventy-two) consecutive hours as regards any "loss occurrence" which includes individual loss or losses from any of the perils mentioned in Sub-Sections (a), (b) and (c) above;

(e) 168 (one hundred and sixty-eight) consecutive hours for any "loss occurrence" of whatsoever nature which does not include individual loss or losses from any of the perils mentioned in Sub-Sections (a), (b) and (c) above;

and no individual loss from whatever insured peril, which occurs outside these periods or areas, shall be included in that "loss occurrence".

EXCLUSIONS

A. EXCLUDED CAUSES

This policy does not cover:

1. DAMAGE caused by:

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

ii. interruption of the water supply gas, electricity or fuel systems or failure of the effluent disposal systems to and from the Premises.

unless DAMAGE by a cause not excluded in the Policy ensues and then the Insurer shall be liable only for such ensuing DAMAGE.

b) i. collapse or cracking of Buildings

ii. corrosion, rust, extreme or changes in temperature, dampness, dryness, wet or dry rot, fungus, shrinkage, evaporation, loss of weight, pollution, contamination, change in colour, flavour, texture or finish, action of light, vermin, insects, marring or scratching,

unless such loss is caused directly by DAMAGE by a cause not excluded in the Policy.

c) i. theft including looting during or after the occurrence of an insured peril, except from a building if there is violent and forcible entry to or exit from such building

ii. acts of fraud or dishonesty

iii. disappearance, unexplained or inventory shortage, misfiling or misplacing of information, shortage in supply or delivery of materials or shortage due to clerical or accounting error

iv. cracking, fracturing, collapse or overheating of boilers, economizers, vessels, tubes or pipes, nipple leakage or the failure of welds of boilers

v. mechanical or electrical breakdown or derangement of machinery or equipment

vi. bursting, overflowing, discharging or leakage of water tanks apparatus or pipes when the premises are empty or disused

unless

i. DAMAGE by a cause not excluded in the Policy ensues and then the Insurer shall be liable only for such ensuing DAMAGE

ii. Such loss is caused directly by DAMAGE to the Property Insured or to premises containing such property by a cause not excluded in the Policy.

d) i. Coastal or river erosion

ii. Subsidence, ground heave or landslip

iii. Normal settlement or bedding down of new structures

iv. Wind, rain, hail, frost, snow, flood, sand or dust to moveable property in the open or in open sided buildings or to fences and gates

v. The freezing solidification or inadvertent escape of molten material.

2. DAMAGE caused by or arising from: -

a) any willful act or willful negligence on the part of the Insured or any person acting on his behalf.

b) cessation of work, loss of income, delay or loss of market or any other consequential or indirect loss of any kind or description whatsoever.

3. War and Civil War Exclusion

Notwithstanding anything to the contrary contained herein this Policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.
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4. Terrorism Exclusion Clause (NMA 2930b)

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is agreed that this Policy excludes loss, damage, cost or expense directly or indirectly caused by, contributing to by, resulting from, or arising out of or in connection with any act of terrorism, as defined herein, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

An act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organization(s) or government(s) de jure or de factor, and which:

a) involves violence against one or more persons; or

b) involves damage to property; or

c) endangers life other than that of the person committing the action; or

d) creates a risk to health or safety of the public or a section of the public; or

e) is designed to interfere with or to disrupt an electronic system.

This Policy also excludes loss, damage, cost, or expense directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with any action in controlling, preventing, suppressing, retaliating against, or responding to any act of terrorism.

Notwithstanding the above and subject otherwise to the terms, conditions, and limitations of this Policy in respect only of personal lines, this Policy will pay actual loss or damage (but not related cost or expense) caused by any act of terrorism provided such act is not directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with biological, chemical, or nuclear pollution or contamination.

5. Industries, Seepage, Pollution and Contamination Exclusion Clause - Sudden and Accidental (NMA 1685)

This Policy does not cover any liability for:

a) Personal injury or bodily Injury or loss of, damage to, or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this exclusion shall not apply to liability for personal injury or bodily injury or loss of or physical damage to or destruction of tangible property, or loss of use of such property damaged or destroyed, where such seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this insurance.

b) The cost of removing, nullifying or cleaning-up, seeping polluting or contaminating substances unless the seepage, pollution or contamination is caused by sudden, unintended and unexpected happening during the period of this insurance.

c) Fines, penalties, punitive or exemplary damages.

This Clause shall not extend this Policy to cover any liability which would not have been covered under this Policy had this Clause not been attached.

6. Radioactive Exclusion Clause

Unless specially agreed for an insured loss involving nuclear material under determined circumstances, this insurance does not cover loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with nuclear energy or radioactivity of any kind including but not limited to any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.

b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof

c) any weapon or other device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

7. Absolute Mould, Fungus, Mildew and Spore Exclusion Clause

This insurance excludes absolutely any loss, damage, claim, cost, expense, sum or other obligation of any kind or description directly or indirectly caused by, contributing to, or resulting from mould, fungus, mildew or spores. This exclusion will apply regardless of whether or not the mould, fungus, mildew or spores is/are caused by, contributed to, or results from an insured peril.

8. Cyber Risks, As Per The Following Cyber Loss Limited Exclusion Clause No. 1 (LMA5410)

1. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto, this Policy excludes all loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

1.1 any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a Computer System, unless subject to the provisions of paragraph 2;

1.2 any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data.

2. Subject to the other terms, conditions and exclusions contained in this Policy, this Policy will cover physical damage to property insured under the Policy and any Time Element Loss directly resulting therefrom where such physical damage is directly occasioned by any of the following perils: Fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood, freeze or weight of snow.

Definitions

3. Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

4. Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

5. Time Element Loss means business interruption, contingent business interruption or any other consequential losses.

9. Limited Communicable Disease Exclusion Clause No. 2 (LMA5503)

1. Notwithstanding any provision to the contrary within this Policy, this Policy excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.

2. Subject to the other terms, conditions and exclusions contained in this Policy, this Policy will cover physical damage to property insured under the Policy and any Time Element Loss directly resulting therefrom where such physical damage is directly caused by or arising from any of the following perils:

   fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, rainstorm, hail, tornado, cyclone, typhoon, hurricane, earthquake, seaquake, seismic and/or volcanic disturbance/eruption, tsunami, flood, freeze, ice storm, weight of snow or ice, avalanche, meteor/asteroid impact, landslip, landslide, mudslide, bush fire, forest fire, riot, riot attending a strike, civil commotion, vandalism and malicious mischief.

Definitions

3. Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

   3.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

   3.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

   3.3 the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

4. Time Element Loss means business interruption, contingent business interruption or any other consequential losses.

B. EXCLUDED PROPERTY

This Policy does not cover:

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

   b) Glass {other than fixed glass) china, earthenware, marble or other fragile or brittle object

   c) Electronic installations, computers and data processing equipment

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

2. Unless specifically mentioned as insured by this policy goods held in trust or on commission, documents, contracts, records, manuscripts, business books, computer systems records, videotapes, video disks and other electronic recording media, patterns, models, moulds, plans, drawings or designs, and explosives.

3. a) Vehicle licensed for road use (including accessories thereon) caravans, trailers, railway, locomotives or rolling stock, watercraft, aircraft, spacecraft or the like

   b) employees' pedal cycles, clothing, tools and other personal effects

   c) property in transit other than within the premises specified in the schedule

   d) property or structures in course of demolition, construction or erection and materials or supplies in connection therewith

   e) land (including top soil, back-fill drainage or culverts) driveways, pavements, roads, parking lots, bays, lanes, runways, railway lines, dams, reservoirs, canals, rigs, wells, pipelines, tunnels, bridges, docks, piers, jetties, excavations, wharves, mining property, underground off-shore property

   f) livestock growing crops or trees

   g) property damaged as a result of its undergoing any process

   h) machinery during installation, removal or resitting {including dismantling and re- erection) if directly attributable to such operations

   i) property undergoing alteration, repair, testing, installation or servicing including materials and supplies thereof if directly attributable to the operations or work being performed thereon unless DAMAGE by a cause not otherwise excluded ensues and then Insurer will be liable only for such ensuing loss

   j) overhead transmission and distribution lines and their supporting structures

   k) property more specifically insured.

4. DAMAGE which at the time of the happening of such DAMAGE is insured by or would but for the existence of this Policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected.

5. DAMAGE to boilers, economizers, turbines or other vessels, machinery or apparatus in which pressure is used or their contents resulting from their explosion or rupture.

GENERAL EXCLUSIONS

The Policy does not cover:

1. Unlawful Occupation

   a) DAMAGE occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority

   b) DAMAGE occasioned by 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 under (a) or (b) above of any liability to the Insured in respect of DAMAGE occurring before dispossession or during temporary dispossession.

2. Sanction Limitation and Exclusion Clause

   The Insurer shall not provide cover, nor be liable to pay any claim nor provide any benefit here under to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Insurer or any of its reinsurers to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

3. Nuclear Energy Risk Exclusion Clause NMA 1975(a)(0l/04/94)

   This Policy shall exclude Nuclear Energy Risks:

   For the purposes of this Policy, Nuclear Energy Risks shall mean:

   a) All Property on the site of a nuclear power station.
   Nuclear Reactors, reactor buildings and plant and equipment therein on any site other than a nuclear power station.

   b) All Property, on any site (including but not limited to the sites referred to in (a) above) used or having been used for:

      (i) The generation of nuclear energy; or
      (ii) The production, use or storage of Nuclear Material.

   c) The supply of goods and services to any of the sites, described in (a) to (c) above, unless such insurances shall exclude the perils of irradiation and contamination by Nuclear Material.

   Except as undernoted, Nuclear Energy Risks shall not include:

   a) Any insurance in respect of the construction or erection or installation or replacement or repair or maintenance of decommissioning of Property as described in (a) above (including contractors' plant and equipment);

b) Any Machinery Breakdown or other Engineering insurance not coming within the scope of (a) above;

Provided always that such insurance shall exclude the perils of irradiation and contamination by Nuclear Material.

However, the above exemption shall not extend to:

a) The provision of any insurance whatsoever in respect of:

   (i) Nuclear Material;

   (ii) Any Property in the High Radioactivity Zone or Area of any Nuclear Installation as from the introduction of Nuclear Material or - for reactor installations - as from fuel loading or first criticality where so agreed.

b) The provision of an insurance for the undernoted perils:

   (i) Fire, lightning, explosion;

   (ii) Earthquake;

   (iii) Aircraft and other aerial devices or articles dropped therefrom;

   (iv) Irradiation and radioactive contamination;

in respect of any other Property not specified in (a) above which directly involves the Production, Use or Storage of Nuclear Material as from the introduction of Nuclear Material into such Property.

Definitions

"Nuclear Material" means:

a) Nuclear fuel, other than natural uranium and depleted uranium, capable of producing energy by a self-sustaining chain process of nuclear fission outside a Nuclear Reactor, either alone or in combination with some other material; and

b) Radioactive Products or Waste.

"Radioactive Products or Waste" means any radioactive material produced in, or any material made radioactive by exposure to the radiation incidental to the production or utilization of nuclear fuel, but does not include radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose.

"Nuclear Installation" means:

a) Any Nuclear Reactor;

b) Any factory using nuclear fuel for the production of Nuclear Material, or any factory for the processing of Nuclear Material, including any factory for the reprocessing of irradiated nuclear fuel; and

c) Any facility where Nuclear Materia l is stored, other than storage incidental to the carriage of such material.

"Nuclear Reactor" means any structure containing nuclear fuel in such an arrangement that a self-sustaining chain process of nuclear fission can occur therein without an additional source of neutrons.

"Production, Use or Storage of Nuclear material" means the production, manufacture, enrichment, conditioning, processing, reprocessing, use, storage, handling and disposal of Nuclear Material.

"Property" shall mean all land, Buildings, structures, plant, equipment, vehicles, contents (including but not limited to liquids and gases) and all materials of whatever description whether fixed or not.

"High Radioactivity Zone or Area" means:

a) For nuclear power stations and Nuclear Reactors, the vessel or structure which immediately contains the core (including its supports and shrouding) and all the contents thereof, the fuel elements, the control rods and the irradiated fuel store; and

b) For non-reactor Nuclear Installations, any area where the level of radioactivity requires the provision of a biological shield.

ADDITIONAL COVER

ALL OTHER CONTENTS

Notwithstanding Exclusion B (1a, 2 & 3b), 'All Other Contents' is deemed to include:

a) Money and stamps not otherwise specifically insured excluding stamp collections.

b) Documents, manuscripts and business books but only for the value of the material 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) Computer systems records, videotapes, videodisks and other electronic recording media for the value of the physical materials together with the cost of clerical labour and the cost of reproducing such records or electronic media (excluding any expenses in connection with the production of information to be recorded therein) and not for the value to the Insured of the information contained therein.

d) Patterns, models, moulds, plans and designs excluding the value to the Insured of the information contained therein.

e) Employees' pedal cycles, clothing, tools and other personal effects as far as they are not otherwise insured.

PROVIDED that the liability of the Insurer under this Cover shall not exceed the Limit(s) stated in the Schedule.

REMOVAL OF DEBRIS

The Sums Insured by each Item of this Policy are deemed to include costs and expenses necessarily incurred by the Insured with the consent of the Insurer in:

a) Removing debris from

b) Dismantling and/or demolishing of

c) Shoring or propping up

d) Security charges to protect the portion or portions of the Property insured by this Policy destroyed or damaged by an Insured Peril.

The Insurer will not pay for any costs or expenses:

(i) Incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site.

(ii) Arising from pollution or contamination of property

PROVIDED that the liability of the Insurer under this Additional Covers hall not exceed the limit(s) stated in the Schedule.

PROFESSIONAL FEES

The Sums Insured on Buildings and Contents are deemed to include an amount not exceeding ten (10%) of the sum insured by each item in respect of Architects', Surveyors', Engineers' fees for estimates, plans, specification, quantities, tenders and supervision and Legal and Municipal Plan Scrutiny fees necessarily incurred in the reinstatement or replacement of the Property Insured following DAMAGE by any Insured Peril except insofar as the Insurer elects to reinstate or replace wholly or in part any property so damaged or destroyed.

It is understood and agreed that the amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the Insured’s claim.

CAPITAL ADDITIONS (not applicable to stock items)

The insurance hereby extends to include alterations, additions and improvements (but not appreciation in value in excess of the Sum Insured) to the Property insured (other than stock in trade or merchandise) for an amount not exceeding in the aggregate 10% (ten percent) of the Sum Insured by such Items.

Provided that the Insured undertakes as a continuing Warranty to advise the Insurer each quarter of any such alterations, additions and improvements and to pay the appropriate additional premium thereon.

LANDLORD/TENANTS CLAUSE

The insurance hereby shall not be prejudiced by any act or omission unknown to or beyond the control of the Insured on the part of any landlord or tenant occupying or using the premises, provided that the Insured, immediately they become aware thereof, shall give notice in writing to the Insurer and pay an additional premium if required.

CONTRACT PRICE

In respect only of goods sold but not delivered for which the Insured is responsible and with regard to which under the conditions of the sale, the sale contract is cancelled by reason of any of the Insured Perils either wholly or to the extent of the DAMAGE, the liability of the Insurers shall be based on the contract price, and for the purpose of Average the value of goods to which this Cover would, in the event of DAMAGE, be applicable shall be ascertained on the same basis. This Cover does not apply if a Business Interruption Policy exists.

INTERIM PAYMENTS

It is hereby declared and agreed that following any request by the Insured for an Interim Payment in the event of DAMAGE, the Insurer may, at its discretion, make such Interim Payments but subject always to the following conditions: -

a) Any such Interim Payment or Payments made will not exceed either singly or collectively 50% of the total anticipated claim.

b) Any such Interim Payment or Payments will be made only after the appointed Loss Adjuster recommends such payment or payments.

c) Any such Interim Payment or Payments made shall in no circumstances be treated as evidence of any indication of offer to make further payments. In the event that any claim in respect of which any Interim Payment or Payments have been made and such claim is subsequently proven to be invalid, the Insured will repay such Interim payment or payments to the Insurer.

TEMPORARY REMOVAL-INLAND

This insurance extends to cover the property insured whilst temporarily removed to any premises in Barbados and whilst in transit to or from that premises, subject to

a) 10 percent of the sum insured by such Item, or

b) the amount that would have been recovered if the DAMAGE had occurred at the premises from which the property is temporarily removed.

Temporary Removal means removed for a particular purpose, with the intention that the property be returned to the premises from which it has been removed once that purpose has been served.

WORKMEN

Workmen are allowed to work in the Buildings for the purposes of carrying out any repairs and/or minor additions and alterations and/or decorations without prejudice to this insurance.

FINANCIAL INTEREST

If the financial interest of any Mortgagee or other party in the Property Insured, or any part of it, is noted on the Schedule, claims will be paid to such Mortgagee or other party to the extent of their interest and their signature will be a valid release of any such claim payment. Provided premiums are paid up to date, the Insurer undertakes not to cancel this Policy without providing 30 days written notice to the party having the financial interest nor to invalidate this Policy in respect of such party for a change of risk.

The party having the financial interest undertakes to notify the Insurer immediately they become aware of a change of risk and to pay any additional premium required.

CONTRACTING PURCHASER'S INTEREST (BUILDINGS)

If at the time of DAMAGE the Insured shall have contracted to sell the interest of the Insured in any building hereby insured and the purchase shall not have been but shall be thereafter completed, the purchaser on completion of the purchase (if and in so far as the property is not otherwise insured against such DAMAGE by the purchaser or on behalf of the purchaser) shall be entitled to benefit under this Policy without prejudice to the rights and liabilities of the Insured or the Insurer until completion.

PUBLIC AUTHORITIES

It is understood and agreed that the insurance by this Policy extends to include such additional cost of reinstatement of the destroyed or damaged property insured as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or famed in pursuance of any Law or Statute or with By-laws of any Municipal or Local Authority provided that:

a) The amount recoverable under this Cover shall not include:

   i) The cost incurred by complying with any of the aforesaid Regulations or By-laws

      a) In respect of destruction or damage occurring prior to the granting of this Cover;

      b) In respect of destruction or damage not insured by the Policy;

      c) Under which notice has been served upon the Insured prior to the happening of the destruction or damage;

      d) In respect of undamaged property or undamaged portions of property;

   In respect of Buildings or sections thereof constructed or modified in contravention of such Regulations, or By-laws in existence at the time of such construction or modification.

   ii) The additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the 'aforesaid Regulations or By-laws not arisen.

   iii) The amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owners thereof by reason of compliance with any of the aforesaid Regulations or By-Laws.

b) The work of reinstatement must be commenced and carried out with reasonable dispatch and in any case must be completed within twelve months after the destruction or damage or within such further time as the Insurer may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or By-Laws so necessitate) subject to the liability of the Insurer under this Cover not being thereby increased.

c) If the liability of the Insurer under (any Item of) the Policy apart from this Cover shall be reduced by the application of any of the terms and conditions of this Policy then the liability of the Insurer under this Cover (in respect of any such Item) shall be reduced in like proportion.

d) The total amount recoverable under any Item of this Policy shall not exceed the Sum Insured thereby.

INTERNAL REMOVAL CLAUSE

It is understood and agreed that the insurance by this Policy shall not be prejudiced by the removal of the Property Insured (or any of it) from one building to another or from one premises to a not her without the Insurer's prior consent.

PROVIDED that

i) the building or premises to which such Property Insured is removed is described in the Schedule.

ii) the Insured notifies the Insurer within 30 days of such removal and, if the Insurer consents thereto, pays such additional premium, if any, as may be required in respect thereof.

iii) In the event of DAMAGE prior to the Insurer consenting to such removal, the amount recoverable in respect of each Item shall not exceed the amount that would have been recoverable if the DAMAGE had occurred at the building or premises from which such Property Insured has been removed.

It is further understood and agreed that all protection under this Clause shall

a) be forfeited if the Insured fails to notify the Insurer of such removal within the 30days mentioned above,

b) cease immediately the Insurer communicates to the Insured his refusal to consent to such removal.

Subject otherwise to the terms, exclusion, provisions and conditions of this Policy.

NEWLY ACQUIRED PROPERTY

It is understood and agreed that this Policy extends to include additional Buildings and Contents acquired by the Insured (not being additions and improvements to existing Buildings and Contents) at any premises, whether described in this Policy or not, within Barbados up to the amount stated in the Schedule.

PROVIDED that the Insured advises the Insurer within 30 days of such acquisition the details of all property coming within the protection of this extension and pays such additional premium as may be required in respect thereof.

It is further understood that should the Insured fail to notify the Insurer of such acquisitions within the 30days mentioned above, all protection under this Extension in respect of such newly acquired property shall be forfeited and of no effect and coverage in respect of such property shall then not commence until such time that the Insurer is advised of the full details of the property and agrees to include it in this Policy.

Subject otherwise to the terms, exclusions, provisions and conditions of this Policy.

GENERAL CONDITIONS

1. IDENTIFICATION

It is understood that the description given is sufficient to identify the property to be covered and that it is the only property so described in which the Insured has an interest. Notice is to be given to the Insurer of any changes affecting the description.

2. MISDESCRIPTION

This Policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure in any material particular. However, this Policy shall not be prejudiced by any innocent misdescription of occupancy and/or of the Property Insured.

The Insured shall give notice to the Insurer immediately they become aware of such misrepresentation, misdescription or non-disclosure and shall pay the additional premium if required from the date of the inception of the increased hazard.

3. CANCELLATION

a) This insurance may be cancelled at any time at the request of the Insured, in which case the Insurer will retain the customary short period rate for the time the Policy has been in force.

b) This insurance may also be cancelled at the option of the Insurer by issuing thirty (30) days' notice to that effect to the Insured's last known email address or by registered letter to the last known mailing address, in which case the Insurer shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.

c) Notwithstanding General Condition 3b), the insurance may be cancelled by the Insurer giving seven (7) days' notice in writing for non-payment of premium.

4. ALTERATIONS AND REMOVALS

Under any of the following circumstances the insurance ceases to attach as regards the property affected unless the Insured, before the occurrence of any DAMAGE obtains the sanction of the Insurer signified by Endorsement upon the Policy and paid an additional premium if required:

a) If the trade or manufacture carried on be altered, or if the nature of the occupation of or other circumstances affecting the building or containing the insured property be changed in such a way as to increase the risk of DAMAGE.

b) If the Property Insured be removed to any building or place other than that in which it is stated herein to be insured.

c) If the interest in the Property Insured passes from the Insured otherwise than by will or operation of law.

5. DESIGNATION

For the purpose of determining, where necessary, the heading under which any property is insured the Insurer agrees to accept the designation under which such property has been entered in the Insured's books.

6. UNOCCUPANCY

In the event of the premises herein being left unoccupied for more than thirty {30) days during the currency of this Policy (expect for the perils of Burglary and Housebreaking where this period of thirty {30) days shall become a period of five consecutive days and nights) the insurance herein contained will be automatically suspended in respect of any period or periods during which the premises may be unoccupied in excess of the aforesaid thirty (30) days or five days in respect of burglary or housebreaking.

7. WARRANTIES

Every Warranty to which the Property Insured or any Item thereof is, or maybe made, subject shall from the time the Warranty attaches apply and continue to be in force during the whole currency of this Policy, and non-compliance with any such Warranty shall be a bar to any claim in respect of such property or Item.

8. REASONABLE PRECAUTIONS

The Insured shall maintain the Property Insured in a proper state of repair and take all reasonable precautions to prevent DAMAGE thereto.

9. COMMUNICATIONS IN WRITING

Every notice and other communication to the Insurer required by these Conditions must be written or printed.

10. PREMIUM RECEIPT

No payment in respect of any premium shall be deemed to be payment to the Insurer unless a printed form of receipt for the same signed by an Official or duly appointed Agent of the Insurer shall have been given to the Insured.

CLAIMS CONDITIONS

1. ACTION BY THE INSURED

If any event giving rise to or likely to give rise to a claim under this Policy comes to his knowledge the Insured shall:

a) Immediately

   i. take steps to minimize the DAMAGE and recover any missing property
   ii. give notice in writing to the Insurer and
   iii. give notice to the police in the event of burglary, housebreaking, deliberate or malicious damage

b) Within 30 days (or such further time as the Insurer may in writing allow) to deliver to the Insurer

   i. 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 lost or damaged and the a mount of DAMAGE thereto respectively, having regard to their value at the time of the DAMAGE.

   ii. Particulars of all other insurances, if any.

The Insured shall at all times at his own expense produce, procure and give to the Insurer all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies thereof, proof and information with respect to the claim and 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 reasonable required by or on behalf of the Insurer together with a declaration on oath or in other legal form of the truth of the claim and any matters connected therewith.

2. INSURERS' RIGHTS FOLLOWING A LOSS

On the happening of any DAMAGE the Insurer may:

a) Enter and take and keep possession of the building or premises where the DAMAGE has happened.

b) Take possession of or require to be delivered to it any property of the Insured in the buildings or on the premises at the time of the DAMAGE.

c) Keep possession of any such property and examine, sort, arrange, remove or otherwise deal with the same.

d) Sell any such property or dispose of the same for account of whom it may concern.

The powers conferred by this Condition shall be exercised by the Insurer at any time until notice in writing is given by the Insured that he makes no claim under this Policy or, if any claim is made, until such claim is finally determined or withdrawn, and the Insurer shall not by any act done in the exercise of its powers hereunder, incur any liability to the Insured or diminish its rights to rely upon any of the Conditions of this Policy in answer to any claim.

If the Insured or any person acting on his behalf shall not comply with the requirements of the Insurer, or shall hinder or obstruct the Insurer in the exercise of its powers hereunder, all benefits under this policy shall be forfeited.

The Insured shall not in any case entitled to abandon any property to the Insurer whether taken possession of by the Insurer or not.

3. BASIS OF CLAIMS SETTLEMENT

The Insurer may at its option, repair or replace the property damaged or destroyed, or any part thereof, instead of paying the amount of the DAMAGE, or may join with any other Company or Insurers in so doing, but the Insurer shall not be bound to repair exactly or completely, but only as circumstances permit and in reasonable sufficient manner, and in no case shall the Insurer be bound to expend more in repair than it would have cost to repair such property as it was at the time of the occurrence of such DAMAGE, nor more than the sum insured thereon.

If the Insurer so elects to repair or replace any 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 replacement shall be seemed an election by the Insurer to repair or replace.

If in any case the Insurer shall be unable to repair or replace the property insured, because of any municipal or other 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 sum as would be required to repair or replace such property if the same could lawfully be repaired to its former condition.

4. TIME LIMIT

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

5. PROOF OF LOSS

In any action, suit or other proceedings where the Insurer alleges that any DAMAGE is not covered by this insurance, the burden of proving that such DAMAGE is covered shall be upon the Insured.

6. AVERAGE (UNDERINSURANCE}

If the property insured, shall at the time of any DAMAGE, be collectively of greater value than the sum insured thereon, then the Insured shall bear a share of the loss corresponding directly to the proportion of underinsurance. Every item, if more than one, of the Schedule shall be separately subject to this Condition.

7. DECLARATION

The due observance and fulfilment of the terms of this Policy so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the PROPOSAL shall be conditions precedent to any liability of the Insurer to make any payment hereunder.

8. DEDUCTIBLE CLAUSE

It is hereby declared and agreed that the Insurer shall not be liable for the first part (the Deductible, as stated below) of each claim otherwise payable under the terms of this Policy. If the Deductible so calculated is greater than the amount otherwise payable under this Policy, then no amount shall be payable by the Insurer.

For the purposes of this Deductible Clause:

Location shall mean the premises at the address specified in the Schedule and shall be deemed to include all other land adjoining thereto which is owned and/or occupied by the Insured.

Items are defined as being one of the following:

1) Buildings as defined in this Policy provided that each building at the same Location that is separated from each other by at least 30 feet will be treated as a separate item for the purpose of the calculation of this Deductible;
2) Contents as defined in this Policy;
3) Stock as defined in this Policy;
4) Plant and/or Machinery as defined in this Policy;

Any item not specified as Buildings, Contents, Stock or Plant and/or Machinery will be deemed to be Contents for the purposes of this Deductible Clause and subject to the Deductible.

Contents, Stock and Plant and/or Machinery contained in Buildings at least 30 feet apart at the same Location will also be treated as separate Items for the purposes of the Deductible calculation.

For the purposes of paragraph 1 (below) of this Deductible Clause, the extent and duration of an incident shall be limited to 72 (seventy-two) consecutive hours as stated in the Loss Occurrence definition of the Policy. Thereafter this Deductible Clause shall apply afresh.

Each Loss Occurrence shall be adjusted separately, and from the amount of each adjusted loss occurrence, the applicable deductible stated in the Policy shall be deducted.

The Deductible:
In respect of each **incident** of loss and/or damage arising directly or indirectly from:

1. The Perils of:
    a) Hurricane, Cyclone, Typhoon, Windstorm, Rainstorm, Hailstorm and/or Tornado, including collapse and water damage therefrom;
    b) Earthquake, Tsunami, Seaquake, Tidal Wave and/or Volcanic Eruption;
    c) Fire and/or Flood (including Overflow of the Sea) caused by the Perils stated in 1 a) or 1 b) above:

    a Deductible equivalent to 2% (two percent) of the Sum Insured for each **Item** which shall apply separately to each **Item** as defined above, subject to a minimum amount per **Item** of $2,500 (two thousand five hundred dollars).

    Notwithstanding the description given of the **Item** or the list of insured items provided by the Insured to the Insurer, the Deductible will apply to the total value of the **Item** as defined above.

2. Burglary, Housebreaking or Theft — As Per Schedule

3. Accidental Damage — As Per Schedule

4. Any other insured Peril (other than Fire or Lightning) a sum equivalent to 1% (one percent) of the amount of loss, subject to a minimum Deductible of $1,000 (one thousand dollars) and a maximum Deductible of $8,500 (eight thousand five hundred dollars). This shall apply to each **Location** as defined above.

9. FORFEITURE

All benefits under this Policy shall be forfeited:

a) if any claim made under this Policy be in any respect fraudulent or if any false declaration be made or used in support thereof, or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this Policy

Or

b) if any claim be made and rejected and an action or suit be not commenced within three months after such rejection, or (in case of an arbitration taking place in pursuance of Condition No. 12 of this Policy) within three months after the arbitrator or umpire shall have made their award.

10. SUBROGATION

Any claimant under this Policy shall, at the expense of the Insurer do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Insurer for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the Insurer shall be or would become entitled or subrogated, upon its paying for or making good any DAMAGE under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Insurer.

11. CONTRIBUTION

If at the time of any DAMAGE happening to any property hereby insured, there be any other subsisting insurance or insurances whether effected by the Insured or by any other person or persons, covering either such loss or any part of it or the same property the Insurer shall not be liable to pay or contribute more than its rateable proportion of such DAMAGE.

12. ARBITRATION

If any difference shall arise as to the amount to be paid under this Policy such difference shall independently of all other questions be referred to the decision of an arbitrator, to be appointed in writing by the parties in difference, or, if they cannot agree upon a single arbitrator, to the decision of two disinterested persons as arbitrators, of whom one shall be appointed in writing by each of the parties within two calendar months after having been required to do so in writing by the other party.

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

12. PHYSICAL DAMAGE PROVISION CLAUSE

1. The Insurer's obligation to indemnify under this policy shall be restricted to claims payments resulting from:

    - This property insurance, insofar as it covers financial losses arising from the physical loss of or physical damage to the tangible insured property caused by an insured peril; and

    - property business interruption insurance, if applicable, insofar as it covers interruption directly caused by physical loss of or physical damage to the tangible insured property caused by an insured peril.

The indemnity trigger for Contingent Business Interruption extensions is subject to physical loss of or physical damage to:

(i) the tangible property at the premises of a customer or supplier for customers' and/or suppliers' extensions;

(ii) the tangible property belonging to or being under the control of any company or authority producing necessary utilities used by the insured for public utilities failure coverages;

(iii) a tangible property in the vicinity of the insured's property for denial of access coverages; caused by an insured peril.

2. "Physical damage" is understood to mean a detrimental change in tangible property substance through physical or chemical impact.

3. For the avoidance of doubt, a pure loss of use, such as the inability to use or restrictions in the use of a building or an object, as well as the simple non-functioning of an object shall not constitute a physical loss or damage.