

Business Package Insurance Policy

If You would like a copy of this Policy in large print, please contact Our Customer Care Centre at +852 2968 2288.

This Policy together with the enclosed Schedule and any endorsements subsequently issued should be read as if they are one document and form this Policy which is the contract between You and Us. The enrollment form and declaration which You completed and provided to Us are the basis of this contract.

We will insure You under those sections shown in the Schedule during any Period of Insurance for which We have accepted Your premium, provided that all the terms and conditions of this Policy are complied with.

You should inform Us of any changes to the information provided by You or on Your enrollment form as soon as these occur by contacting Your insurance adviser or calling Our Company, since any changes could affect Your insurance cover.

Please read this Policy and Schedule carefully. If they do not meet Your needs, please return them to Us immediately and We will be pleased to have Our professional insurance consultant to contact You or Your insurance adviser again to discuss the most appropriate protection with You.

MEANING OF WORDS

Certain terms in this Policy have specific meanings. These meanings are given below. These terms are capitalized in this Policy so that you can easily identify them.

Appliance

Any frozen food cabinet, deep freezer, cold room or cold storage which is not more than ten (10) years old and is situated on the Premises.

Bodily Injury

Injury, sickness, disease and mental injury or death resulting therefrom.

Business

The business shown in the Schedule.

Contents

Property kept inside Your Premises, including furniture, fixtures and fittings, Tenant's Improvements, Business machines and equipment, computer system and installation, telephone system, interior decoration, pipes, cables, blinds, signs and all other contents belonging to You or for which You are legally liable but excluding portable/mobile phones, Money and Stock.

Damage

Unforeseen and sudden accidental and physical loss, destruction or damage.

Employee/employee

Refer to definition of "Employee" and "employee" in Section 4.

Excess

The amount shown in this Policy for which You shall be responsible and which shall be deducted from the adjusted claim for any insured loss or damage.

Hong Kong

The territorial limits of the Hong Kong Special Administrative Region.

Income

The money paid or payable to You in the course of Your Business on the Premises for goods sold and delivered and services provided less the purchase costs of the goods, carriage, packing, freight, bad debts or discount allowed.

Indemnity Period

The period during which the Business is affected by the Damage up to twelve months after the occurrence of Damage (or any other period agreed by Us in writing and specified in the Schedule).

Money

Cash (notes and coins), postal orders, cheques, bankers' drafts, bills of exchange, unused units in postage stamp franking machines, postage stamps, revenue stamps, credit card sales vouchers, consumer redemption vouchers, and gift tokens accepted by You, all pertaining to the Business and belonging to You.

Period of Insurance

That period for which We have accepted Your premium as stated in the Schedule.

Premises

The building(s) or parts thereof at the locations described in the Schedule.

Schedule

The policy schedule which is attached to and which forms an integral part of this Policy.

Stock

Stock in trade consisting of merchandise belonging to You or in Your custody whilst on the Premises.

Tenant's Improvements

Building improvements, alterations and betterments made at Your expense to the Premises occupied by You.

We, Us, Our, Company, Insurer

Zurich Insurance Company Ltd

You, Your

The person(s) or company named in the Schedule as an Insured.

SECTION 1 – PROPERTY

Section 1.1/ 1.2/ 1.3/ 1.4 and/or 1.5 is/are only applicable if the same is shown as being operative in the Schedule.

1.1 Contents

If during the Period of Insurance Your Contents contained on the Premises suffer any Damage by an event covered by this section, We will, at Our option, pay the cost of reinstatement, repair or replacement of the damaged item(s), or will arrange for their replacement or for repair work to be carried out subject otherwise to the terms, conditions and exclusions of this Policy.

We will pay the cost of reinstatement or replacement of Contents to a condition similar to but not better nor more extensive than their condition when new.

We will deduct an amount for wear and tear if You do not repair or replace the damaged item(s).

1.2 Stock

If during the Period of Insurance Your Stock contained on the Premises suffers any Damage by an event covered by this section, We will pay the invoice price of the damaged item(s) subject otherwise to the terms, conditions and exclusions of this Policy.

1.3 Machinery

If during the Period of Insurance Your machinery (other than those Business machinery that falls within the definition of Contents) in relation to Your Business contained on the Premises suffers any Damage by an event covered by this section, We will indemnify You the damaged item(s) subject otherwise to the terms, conditions and exclusions of this Policy.

We will pay the cost of reinstatement or replacement of those machinery to a condition similar to but not better nor more extensive than their condition when new. We will deduct an amount for wear and tear if You do not repair or replace the damaged item(s).

1.4 Portable Equipment

If during the Period of Insurance Your portable equipment in relation to Your Business anywhere in the world suffers any Damage by an event covered by this section, We will indemnify You the damaged item(s) subject otherwise to the terms, conditions and exclusions of this Policy.

We will pay the cost of reinstatement or replacement of portable equipment to a condition similar to but not better nor more extensive than their condition when new. We will deduct an amount for wear and tear if You do not repair or replace the damaged item(s).

1.5 Fine Art Collections

Subject otherwise to the terms, conditions and exclusions of this Policy, if during the Period of Insurance any fine art collection item(s) contained on the Premises which belongs to You or belongs to Your directors, partners and/ or employees as declared by you suffers any Damage by an event covered by this section:

1.5.1 We may at Our sole discretion, arrange for repair or pay the cost of replacement or repair in respect of the item(s) insured that suffered Damage. If the item is lost or damaged beyond economical repair, We will pay the agreed value of the item(s) individually listed in the Schedule but not exceeding the fair market value of each item(s) as at the time of Damage. In the event of a claim, You shall adequately prove to Our satisfaction that the individual value given in respect of the insured item(s) represents no more than their current fair market value at the time of Damage.

1.5.2 For partial loss or damage to any item(s) insured, We will only pay the reasonable and necessary cost and expenses of restoration not exceeding the full fair market value or the agreed value of the item(s) whichever is lower. Under this section, the term 'fair market value' means the price that would reasonably be expected to be paid by a willing buyer to a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

1.5.3 If an insured item(s) forms part of a pair, set or collection and has a special or increased value by virtue of forming part of a pair, set or collection, We will take into account any such special or increased value but not exceeding the full value of that pair, set or collection. Following the payment of the full value of that pair, set or collection, We will become the full owners and reserve the right to take possession of the item, pair, set or collection.

Additional provisions applicable to Sections 1.1 to 1.5

We will automatically reinstate the sum insured from the date of the loss to the expiry of the Period of Insurance, provided that You pay the appropriate additional premium, unless We inform You in writing to the contrary before payment is made.

The amount We will pay is subject to the condition of average: if at the time of the Damage, the sum insured for the property is less than the value of the property insured under this section, the amount We agree to pay will be reduced in proportion to the amount of underinsurance.

For the avoidance of doubt, these additional provisions are only applicable to Sections 1.1 to 1.5 only and do not apply to the Extensions to Section 1.

Maximum Liability and Sum Insured

The maximum amount We will pay in respect of each of the sub-sections or extensions under Section 1 during the Period of Insurance is the amount stated in the Table of Benefits or such other maximum amount(s) as specified in the Schedule in respect of each occurrence.

Exclusions to Section 1 and its Extensions

Section 1 does not cover:

1. loss or damage to Money, securities and other negotiable instruments, watches, jewellery, furs, precious metals, precious stones, travel tickets, works of art, advertising signs, fixed glass or property more specifically insured elsewhere (except being covered under Section 1.5 and the extensions including 'Fixed Glass', 'Signboards', 'Money' and 'Works of Art' of Section 1).
2. loss or damage arising from mysterious disappearance, unexplained loss or shortage discovered upon stocktaking or making of an inventory.
3. loss or damage arising from fraudulent or dishonest act by You or Your partners, directors or employees or by Your family members (except being covered under the extension 'Money' of Section 1).
4. loss or damage arising from delay, loss of market, loss of use or consequential loss of any kind.
5. loss or damage arising from wilful, malicious or unlawful act of You or Your partners, directors or employees.
6. loss or damage to any property seized or confiscated by order of any public authority. In any action, suit or other proceedings where We allege that by reason of this condition any loss or damage is not covered by this Policy, the burden of proving that such loss or damage is covered shall be upon You.
7. loss or damage caused by wear and tear, gradual deterioration, chewing, scratching, denting, chipping, tearing or fouling by pets, vermin, corrosion, rot, mildew, fungus, atmospheric conditions, the action of light, any process of heating, drying, cleaning, dyeing, alteration, repair or misuse, loss or damage caused by change in temperature or humidity (except being covered under the extension 'Frozen Food' of Section 1) and latent defects.
8. loss or damage caused by mechanical or electrical breakdown or derangement unless fire ensues and in such event, only for the loss or damage caused by such ensuing fire (except being covered under the extension 'Equipment Loss due to Failure of Computer System' of Section 1).
9. loss or damage to any property on Premises which have been unoccupied for more than 30 consecutive days.
10. loss or damage to automatic sprinkler systems or associated control equipment (unless otherwise insured hereunder).
11. loss or damage to any living creatures or plants.
12. loss or damage to any property by theft not accompanied by forcible and violent entry to or exit from the Premises.
13. loss or damage to any property by theft or accidental loss/ disappearance that is not reported to the local police within 24 hours of discovery.
14. the first amount as stated as Excess for each of the sections or sub-sections as specified in the Schedule, in respect of each and every loss under Section 1 (this exclusion is not applicable to any extensions under Section 1).

Extensions to Section 1

Fixed Glass

We will pay the cost of replacing all fixed glass in windows, doors, fanlights, partitions, sanitary ware, showcases, counters and shelves on the Premises including silvered, lettered, bent, ornamental or other special glass which belongs to You or for which You are legally responsible following Damage caused by an event insured under Section 1, including the cost of temporary boarding up until the glass is replaced.

Payment for this extension will be subject to the settlement basis of Section 1.1 where applicable.

This extension does not cover:

1. cracked or scratched glass.
2. loss or damage resulting from repairs or alterations to the Premises.

Signboards

We will pay the cost of replacing any signboard in or pertaining to the Premises which belongs to You or for which You are legally responsible following Damage caused by an event insured under Section 1, including the cost of temporary boarding up until the signboard is replaced.

Payment for this extension will be subject to the settlement basis of Section 1.1 where applicable.

This extension does not cover any loss or damage resulting from repairs or alterations to the Premises.

Door, Gates and Locks

We will cover the costs of replacing doors, gates, shutter, locks and keys to the Premises or to any safes or strongrooms contained within the Premises belonging to You or for which You are legally responsible following Damage caused by an event insured under Section 1.

Payment for this extension will be subject to the settlement basis of Section 1.1 where applicable.

This extension does not cover any costs recoverable from Your landlord.

Outdoor Fixtures

We will pay for Damage to Your fixture in connection with Your Business whilst affixed outside but immediately to the Premises arising out of an event insured under Section 1.

Payment for this extension will be subject to the settlement basis of Section 1.1 where applicable.

This extension does not cover any loss or damage for property not intended to be in the open.

Contents Temporarily Removed

We will pay for Damage to Your Contents temporarily removed from the Premises, for the purpose of cleaning, renovation, repair of the Contents or other similar purposes, to any Premises within Hong Kong and whilst in transit within Hong Kong arising out of an event insured under Section 1.

Payment for this extension will be subject to the settlement basis of Section 1.1 where applicable.

This extension does not cover:

1. loss or damage caused by storm, flood or typhoon whilst the Contents are in the open.
2. Stock in trade.

Personal Effects

We will pay for Damage to clothing or personal effects belonging to You or Your directors, partners or employees whilst on the Premises arising out of an event insured under Section 1 or as a result of robbery, hold-up or other violent and criminal assault whilst You or Your directors, partners or employees are outside the Premises. This extension does not cover any loss or damage to portable/mobile phones, Money or credit cards.

Works of Art

We will pay up to the value of any painting or other works of art contained on the Premises as declared to Us and supported by sales receipt or valuation certificate issued by a competent assessor, following Damage arising out of an event insured under Section 1.

The coverage of this extension will cease if Section 1.5 of this Policy is operative.

Seasonal Increase

The sum insured in respect of Stock under Section 1.2 will automatically be increased by 20% during any part of the four months period from 1st November to 1st March within the Period of Insurance or for any other period to which We agree in writing.

Frozen Food

We will pay for Damage to Your frozen food contained in any Appliance on the Premises caused by a change in temperature resulting from:

1. mechanical or electrical breakdown of the Appliance.
2. accidental failure of the public electricity supply at the terminal points of the supply authorities' feeds to the Premises.

This extension does not cover:

- (a) loss or damage caused by the wilful negligence of You or any of Your employees.
- (b) loss or damage caused by the failure of the public supply of electricity due to the deliberate act of the supply authority.
- (c) loss or damage sustained within forty-eight (48) hours of the accident.
- (d) loss or damage arising from any Appliance which is more than ten (10) years old.

Damage to Sample Stocks

We will pay the cost of sample Stocks belonging to You not intended for sale following Damage arising out of an event insured under Section 1.

Goods in Transit

We will pay for Damage to Your goods in transit and in the course of collection and delivery anywhere in Hong Kong by You or Your employees, the Damage of which arises out of an event insured under Section 1.

This extension does not cover any loss or damage of Your goods on any unattended vehicle.

Equipment Loss due to Failure of Computer System

We will pay for Damage to Your Computer System contained within the Premises caused by its own electrical or mechanical breakdown or derangement, in a manner necessitating repair or replacement. We will indemnify You the cost of reinstatement, repair or replacement of the damaged item(s) or part(s) that caused the breakdown or derangement.

Under this extension, the meaning of 'Computer System' means computer hardware, associated input and output devices, data storage devices, networking equipment and other tangible components in connection with Your Business and for ordinary clerical purpose.

Payment for this extension will be subject to the settlement basis of Section 1.1 where applicable.

This extension does not cover:

1. any portable device including but not limited to laptop/ tablet computer.
2. loss or damage resulting from any device which is more than five (5) years old.
3. loss or damage caused by defect or manufacturer's workmanship.
4. loss or damage which is covered under suppliers' or retailers' warranty at the time of the loss.
5. loss or damage resulting from repairs, maintenance or alterations.
6. loss or damage caused by the failure or interruption of any public utility supply.
7. loss or damage caused by false programming, punching, labelling or inserting, inadvertent cancelling of information or discarding of data media and from loss of information caused by magnetic fields.
8. consequential loss or liability of any kind or description.

This extension is subject to 'Software and Data-Related Losses' as stipulated under General Exclusion 6 of this Policy.

Computer System Records

We will pay the cost of restoring the records stored in Your Computer System following Damage to existing records arising out of an event insured under Section 1 (but excluding the peril covered by the extension 'Equipment Loss due to Failure of Computer System'). Such cost shall be limited to the value of the materials together with the cost of stationery, clerical labour and time cost incurred by any outsourcing professionals in reproducing such records.

This extension does not cover the intrinsic value of any Computer System records.

Removal of Debris

We will pay the costs and expenses incurred in the removal of debris of property insured under this section following Damage arising out of an event insured under Section 1.

Fire Fighting Equipment

We will pay the cost of refilling fire extinguishers fluid and/or replacing sprinkler heads belonging to You or for which You are legally responsible following a fire or an explosion taking place on the Premises.

This extension does not cover any costs recoverable from Your landlord.

Money

We will indemnify You against loss of Your Money held in connection with the Business within Hong Kong and any loss or damage to Your cash registers or safe on the Premises following Damage caused by an event insured under Section 1, provided always that all Money on the Premises must be kept in a securely locked safe, drawer, strongroom or cash register and whenever the Premises are unattended, all keys to the safe, drawer, strongroom or cash register must be removed from the Premises.

This extension does not cover:

1. any loss of Your Money on any unattended vehicle.
2. any shortage due to any accounting error or omission, or any depreciation in value.
3. any loss resulting from a safe, strongroom or any type of locked device being opened by a key, duplicate key or combination code unless such key or combination code is obtained by violence or the threat of violence to any person.
4. consequential loss of any kind.
5. any loss more specifically insured under any other insurance.

This extension further extends to cover fidelity guarantee:

We will indemnify You against any financial loss arising from any fraudulent or dishonest act of Your employees committed during the Period of Insurance, provided that:

1. such act must be discovered during the Period of Insurance or within fifteen (15) days after the expiration of this Policy, or within fifteen (15) days of the death, dismissal or expiration of any employment contract of the employee(s) concerned, whichever occurs earlier.
2. any Money due to the concerned employee(s) from You shall be deducted from the amount claimed.
3. discovery of any fraudulent or dishonest act must be reported to the police within twenty-four (24) hours of its discovery.
4. discovery of any fraudulent or dishonest act must be reported to Us within seven (7) days of its discovery.

This extension does not cover:

1. any fraudulent or dishonest act committed outside Hong Kong.
2. any loss arising outside Hong Kong.

Personal Accident

We will pay the sum or sums as set out in the Table of Benefits if You or Your directors, partners or employee sustain Bodily Injury within twelve (12) months of and as a result of fire, explosion, robbery, hold-up or other violent and criminal assault whilst on the Premises in connection with the Business.

We will not pay more than one benefit under benefits a) to d) as shown in the Table of Benefits for the same occurrence for the same person. Upon payment of benefit a), b), c) or d), benefit e) shall immediately be withdrawn.

SECTION 2 – BUSINESS INTERRUPTION

Section 2.1 and/or 2.2 is only applicable if it is shown as operative in the Schedule.

2.1 Increase in Cost of Working

In the event of any Damage occurring on the Premises covered by an event insured under Section 1, We will pay any extra and reasonable expenses incurred for the sole purpose of avoiding or diminishing any interruption of or interference with the Business up to a period of three months commencing on the date of such Damage.

Where We have agreed to pay a claim under this section, We will also pay any professional accountants charges reasonably incurred for producing details that We require for any claim under this section.

We will not pay more than the sum insured for this section as stated in the Table of Benefits or such other maximum amount(s) as specified in the Schedule in total per occurrence and in aggregate during the Period of Insurance.

This section does not cover:

1. any expenses in excess of any reduction in Income which would otherwise be incurred.
2. any additional expenses that would otherwise be covered by Section 2.2.

2.2 Loss of Income

If Your Contents and/or Stock and/or machinery contained on the Premises suffer any Damage by an event covered by Section 1 during the Period of Insurance, provided that payment shall have been made or liability admitted thereunder, and if Your Business is in consequence thereof interrupted or interfered, We will pay You:

1. the shortfall between the Income You would have received during the period which the Business is affected by the Damage up to twelve months after the occurrence of the Damage (or any other period agreed by Us in writing or specified in the Schedule) if there had been no Damage and the Income You actually received during that period.
2. business expenses necessarily and reasonably incurred by You for the sole purpose of minimizing such loss of Income, provided that the incurred expenses are not more than the reduction in Income which would otherwise have occurred.
3. professional accountants charges reasonably incurred for producing details that We require for any claim under this section.

This section does not cover losses due to Damage not covered by Section 1.

Maximum Liability and Sum Insured under Section 2.2

1. We will not pay more than the sum insured for this section and the maximum amount for each extension as stated in the Table of Benefits or such other maximum amount(s) as specified in the Schedule in total per occurrence and in aggregate during the Period of Insurance.
2. We will only pay any loss resulting from any one interruption event or occurrence over a period of 48 hours.
3. We will not pay for any loss or damage under this section if such loss or damage is being claimed under Section 2.1.
4. In calculating the amount to be paid We will take into account:
 - (a) any savings out of business expenses payable out of Income which stop or are reduced as a result of the Damage.
 - (b) any Income You earn from conducting the Business elsewhere.

Extensions to Section 2.2

This section extends to indemnify Your Income loss resulting from business interruption in direct consequence of one of the following occurrences, subject to the sum insured for this section and maximum amount for each extension as stated in the Table of Benefits or such other maximum amount(s) as specified in the Schedule in total per occurrence and in aggregate during the Period of Insurance.

Public Utilities Suspension

Loss of Income resulting from interruption of Your Business in consequence of Damage anywhere in Hong Kong to land based premises of any electric power station or sub-station, gasworks or waterworks of the public supply undertaking from which You directly obtains electric current, gas or water service for the usage of the Premises.

1. We will only pay any loss resulting from any one interruption event or occurrence over a period of forty-eight (48) hours.
2. Payment for this extension will be subject to the settlement basis of Section 2.2 where applicable.

Denial of Access

Loss of Income resulting from interruption of Your Business in consequence of Damage to property in the vicinity of the Premises caused by an insured peril under this Policy, which shall prevent or hinder the use thereof or access thereto the Premises.

1. We will only pay any loss resulting from any one interruption event or occurrence over a period of forty-eight (48) hours.
2. The maximum period that We will indemnify You under this extension is three (3) months.
3. Payment for this extension will be subject to the settlement basis of Section 2.2 where applicable.

Non-material Damage Denial of Access

Loss resulting from interruption of Your Business in consequence of an event which shall prevent or hinder the use of or access to the Premises, regardless of any loss or damage to the property at or in the vicinity of the Premises.

1. We will only pay whenever Your Business is closed and cannot operate for a period of at least seven (7) consecutive days due to the above mentioned interruption event.
2. We will only pay an one-off fixed allowance as stated in the Table of Benefits or such other amount(s) as specified in the Schedule in total per occurrence and in aggregate during the Period of Insurance.
3. This extension will not cover any loss which is more specifically insured under other section and/ or extension of this Policy.
4. This extension will not cover any loss directly or indirectly arising from any consequential loss including but not limited to depopulation/ loss of attraction of the affected area.

SECTION 3 – PUBLIC LIABILITY

3.1 Liability to Third Parties

We will indemnify You against any amounts which You become legally liable to pay as compensation for an accident causing Bodily Injury to third parties or damage to property belonging to third parties occurring within Hong Kong during the Period of Insurance in connection with the Business.

Maximum Liability and Sum Insured

The maximum amount We will pay for any claim or claims arising from any one occurrence shall not exceed the Limit of Liability stated in the Schedule including all costs and expenses agreed by Us in writing.

Exclusions to Section 3 and its Extensions

- A) This section does not cover any liability arising directly or indirectly from:
 1. Bodily Injury sustained by any employee, director or partner in the course of their employment in connection with the Business.
 2. any duties or assignments away from the Premises for installation, erection, demolition or other engineering works unless otherwise being extended under this Policy.
 3. professional or other advice, examination, prescription or treatment given, administered or omitted by You.
 4. any goods sold, supplied, repaired, renovated, let on hire or handled by You and no longer in Your possession or control (except being covered under the Food and Drink extension).
 5. the cost of replacing, reinstating, rectifying, recalling or guaranteeing the performance of any goods sold, supplied, repaired or serviced or of any work done by You in connection with the Business.
 6. property which is leased, rented, hired or lent to You or under the care, custody or control of You or any of Your director, partner or employee (except being covered under the tenant's Liability extension of this section).

7. fines, penalties, punitive or liquidated or exemplary damages.
 8. any liability assumed under a contract or an agreement.
 9. the ownership, possession or use by You or on Your behalf of any mechanically propelled vehicle or trailer attached thereto or of any craft designed to travel in, on or through water, air or space.
 10. any act or omission which is insured under any other policy.
 11. (a) the transmission of any computer code, program or other data.
(b) the unauthorized taking of or access to data.
 12. the infringement of plans, copyright, patent, trade mark or registered design or other intellectual property.
 13. human implants.
 14. Urea Formaldehyde; Polychlorinated Biphenyl; 8-Hydroxyquinoline derivatives; Contraceptives; Tobacco; Vaccine; Diethylstilbestrol; RU486 and any other Chemical Abortifacients.
 15. libel or slander committed by You or any of Your director, partner or employee.
- B) Electromagnetic Fields (“EMF”) / Electromagnetic Interference (“EMI”)
This section does not cover anything in respect of any liability of whatsoever nature in connection with, directly or indirectly, caused by or contributed to by or arising from EMF or EMI.
- C) Asbestos
This section does not cover any liability arising directly or indirectly out of or consequent upon or contributed to or by asbestos, asbestos products or asbestos contained in any products.
- D) Genetically Modified Organisms (GMO)
The section does not cover anything in respect of any liability of whatsoever nature in connection with, directly or indirectly caused by or contributed to by or arising from a Genetically Modified Organism (GMO).
For the purpose of this exclusion, Genetically Modified Organism (GMO) means: Organisms (meaning any biological or molecular unit either living or capable of reproducing or replicating itself, including but not limited to animals, plants, micro-organisms, cells, cell cultures and cell organelles, as well as biological units incapable of independent sexual reproduction, including but not limited to viruses, viroids, sterile domesticated animals, and cultured plants that are either sterile or solely capable of vegetative reproduction, as well as their seeds) which have undergone, or whose precursors have undergone, or parts of which have undergone, a genetic engineering process which resulted in their genetic change in a manner unachievable through traditional breeding methods or natural genetic recombination.
- E) This section does not cover the first amount as stated as Excess for each section in the Table of Benefits or such other deductible(s) or excess(es) as specified in the Schedule, in respect of each and every loss under this section.

Extensions to Section 3

Overseas Visits

We will indemnify You against any amounts that You become legally liable to pay as compensation for an accident causing Bodily Injury to third parties or damage to property belonging to third parties occurring during occasional visits outside Hong Kong during the Period of Insurance by You, Your partners, directors or non-manual employees in connection with the Business, provided that such personnel are normally residing in Hong Kong.

Tenant’s Liability

We will indemnify You against any amounts which You as tenant become legally liable to pay as compensation for damage to the Premises or to landlord’s fixtures and fittings caused by an event not excluded by Section 1 occurring during the Period of Insurance in connection with the Business.

Indemnity to Director, Partner or employee

We will indemnify any of Your director, partner or employee while acting on Your behalf in the course of Your employment in respect of liability for which You would have been entitled to claim under this section if the claim had been made against You, provided that all such persons will as though they were You.

Food and Drink

We will indemnify You against any amounts which You become legally liable to pay as compensation for Bodily Injury to third parties arising solely and independently from food or drink supplied free of charge by You on the Premises in connection with the Business.

Fire and Explosion

We will indemnify You against any amounts that You become legally liable to pay as compensation for an accident causing Bodily Injury to third parties or damage to property belonging to third parties arising from fire and/or explosion (other than explosion or rupture of any steam boiler or pressure vessel) occurring at the Insured’s Premises.

Fire Extinguishment

We will indemnify You against any amounts that You become legally liable to pay as compensation for an accident causing damage to property belonging to third parties caused by or arising out of the use of water or chemicals by the fire brigade to extinguish a fire on Your Premises.

Loading and Unloading

Except to the extent that indemnity is granted by another insurance, We will indemnify You against any amounts that You become legally liable to pay as compensation for an accident causing Bodily Injury to third parties or damage to property belonging to third parties arising from the loading or unloading of any vehicle in the care or custody or legal control of You which is used in work undertaken by or on behalf of You.

Visitors Effects

We will indemnify You against any amounts that You become legally liable to pay as compensation for an accident causing damage to personal effects (excluding vehicles and their contents) belonging to directors, visitors or employees of You.

Strike, Riot and Civil Commotion

We will indemnify You against any amounts that You become legally liable to pay as compensation for an accident causing Bodily Injury to third parties or damage to property belonging to third parties arising from strike, riot or civil commotion.

SECTION 4 – EMPLOYEES’ COMPENSATION

Section 4 is only applicable if it is shown as operative in the Schedule.

4.1 Employees’ Compensation

Now this Policy witnesseth that if the Employee (as specified in the Schedule and defined above) in the Insured’s immediate employ 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.

Subject to the Policy Limit of Indemnity, the maximum amount We will pay for any one event shall not exceed the Limit of Liability stated in the Schedule including all legal costs and expenses incurred by all parties involved.

Important Notice

The Employees’ Compensation Ordinance requires an employer to take out an insurance policy covering all employees engaged in his business with a minimum amount of insurance coverage.

It is important to note that only those employees named or employees that fall within the categories of occupation specified in the Schedule (i.e. Employees as defined below) are insured under this Policy. Unless otherwise specified, this Policy covers only the Employees of the Insured specified in the Schedule and shall not be broadly construed to cover all employees of the Insured.

It is the Insured’s responsibility to ensure that the requirements under the Ordinance are complied with. In the event of a subsequent change in the number of employees, the Insured should consult his insurance consultants or the Insurers immediately.

For the purpose of this section:

- (a) “Accident” means an accident or a series of accidents arising out of one event.
- (b) “Disease” means a disease contracted by an Employee of the Insured as a result of his exposure 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 Policy.
- (c) “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.
- (d) “Employee” (uppercase “E”) has the same meaning as assigned to that expression in the Employees’ Compensation Ordinance but limited to the employees named or employees that fall within the categories of occupation specified in the Schedule. Unless otherwise specified, this section of the Policy covers only the Employees of the Insured and shall not be broadly construed to cover all employees of the Insured.
For the avoidance of doubt, “employee” (lowercase “e”) referred to in this Policy means any person that falls within the meaning of employee in the Ordinance. An “employee” is not insured under this section of the Policy unless his/her name or category of occupation is specified in the Schedule.

Exclusions to Section 4

This section does not cover:

1. Your legal liability to contractor’s employees.
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; or any sum which the Insured would have been entitled to recover from any party but for an agreement between the Insured and such party.
3. Your legal liability to any person who does not fall within the definition of Employee under this section of the Policy.
4. any liability arising from Pneumoconiosis or Mesothelioma or Noise-Induced Deafness (“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). “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)).
5. any fines or late payment charges which You may be legally liable to pay.
6. any liability resulting from existence, mining, handling, processing, manufacture, sale, distribution, storage or use of asbestos, asbestos products and/or products containing asbestos.

Other Exclusions to Section 4 - Applicable if specifically mentioned in the Schedule or Continuation Schedule

- W1 This Policy does not indemnify the Insured in respect of any claim arising in connection with the use of woodworking machinery driven by steam, gas, water, electricity or other mechanical power. The expression “woodworking machinery” shall not be deemed to include lathes, fret-saws, boring machines, sanding machines; or mechanically-driven portable tools applied to the work by hand, other than pendulum and swing saws.
- W7 This Policy does not indemnify the Insured in respect of any claim arising in connection with the carting or delivery of goods other than by hand or handcart.
- W8 This Policy does not indemnify the Insured in respect of any claim arising in connection with the use of machinery driven by steam, gas, water, electricity or other mechanical power.
- W12 It is a condition of this Policy that the indemnity granted is in respect of indoor staff only.
- W13 This Policy does not indemnify the Insured in respect of any claim arising in connection with work away from the Insured’s shop or yard other than transport work.

- W18 This Policy does not indemnify the Insured in respect of any claim arising in connection with the handling of any unit exceeding 5 pounds in weight when completed for use.
- W21 This Policy does not indemnify the Insured in respect of any claim arising in connection with any building or decorating work.
- W24 This Policy does not indemnify the Insured in respect of any claim arising in connection with the use of machinery for cutting or pressing metal.
- W32 This Policy does not indemnify the Insured in respect of any claim arising in connection with work at a height exceeding 9 metres above ground or floor level.
- W34 This Policy does not indemnify the Insured in respect of any claim arising in connection with any manufacturing process.
- W44 This Policy does not indemnify the Insured in respect of any claim arising in connection with press-packing other than by manual power; or in connection with press-packing of metal.
- W49 This Policy does not indemnify the Insured in respect of any claim arising in connection with
- Employees receiving from or delivering to vessels or craft of any description, or Employees on dock quayside or wharf;
 - stevedores or lightermen;
 - the carting or delivery of goods other than by hand or handcart.
- W51 This Policy does not indemnify the Insured in respect of any claim arising in connection with
- any work of demolition (except the demolition of buildings not exceeding 9 metres in height from the lowest point of the foundations to the highest point of the building, including chimneys, when such demolition is carried out by Employees in the direct employ of the Insured and forms part of a contract for reconstruction, alteration or repair);
 - the construction, alteration or repair of towers, steeples, blast furnaces, chimney shafts, viaducts, bridges, wells over 6 metres in depth from the surface, docks, railways, canals or tunnels;
 - blasting operations, quarrying or sand or gravel getting;
 - water diversion (other than work of a temporary and minor nature in respect of occasional surface water only), dam construction or work within or behind dams, pile driving, work in compressed air or diving.
- W58 This Policy does not indemnify the Insured in respect of any claim arising in connection with castings exceeding 28 pounds in weight.
- W71 This Policy does not indemnify the Insured in respect of any claim arising in connection with
- Employees receiving from or delivering to vessels or craft of any description or Employees on dock quayside or wharf;
 - stevedores or lightermen.
- W81 This Policy does not indemnify the Insured in respect of any claim arising in connection with the printing of newspapers or the manufacture of paper.
- W97 This Policy does not indemnify the Insured in respect of any claim arising in connection with fitting, installing, repairing or testing away from the premises of the Insured.
- W100 This Policy does not indemnify the Insured in respect of any claim arising in connection with the handling of any unit exceeding 550 pounds in weight when completed for use.
- W102 This Policy does not indemnify the Insured in respect of any claim arising in connection with the employment of stevedores.
- W300 This Policy does not indemnify the Insured in respect of any claim arising in connection with window cleaning at a height exceeding 10 feet above ground or floor level.
- W301 This Policy does not indemnify the Insured in respect of any claim arising in connection with any work at a height exceeding 30 feet above ground or floor level without wearing a safety belt.
- W302 This Policy does not indemnify the Insured in respect of any claim arising in connection with any welding work without wearing protective eye goggles.
- W303 This Policy does not indemnify the Insured in respect of any claim arising out of or in connection with any work or duties in construction sites.
- (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 are specified in the Schedule) shall be properly recorded by You and retained in a safe place so that a record exists of all persons who are Employees covered by this Policy and You shall at all reasonable times allow Us to inspect and obtain copies of such records.
- (e) If You fail to cooperate with Us in submitting the completed Premium Adjustment and Declaration of Earnings Form, without prejudice to any other rights of Us, We shall retain the discretion not to renew this insurance upon expiry of this Policy.

2. Policy Limit of Indemnity

- In respect 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's indemnity to the Insured including costs and expenses incurred by or on behalf of the Insured with the Company's written consent shall in the aggregate be limited to HKD100,000,000 or otherwise specified in this Policy 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.
- In relation to any liability of the Insured in respect of a disease contracted by an Employee due to the nature of his/her employment with the Insured during a period that extends over more than one Policy Period of Insurance.
 - the aggregate of the Company's indemnity to the Insured under all insurance policies including costs and expenses incurred by or on behalf of the Insured 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
 - subject to the limitation of paragraph (b) (i) hereof, the Company's indemnity to the Insured under this Policy including costs and expenses incurred by or on behalf of the Insured 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/her employment to the nature of which such Disease was due.
- 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 (a) and (b) hereof shall apply to the aggregate of indemnity to all Insureds.
- 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 (a) or (b) 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 of 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.
- If there should be any shortfall in the actual Earnings declared in accordance with paragraph (b) of Insurance Premium of this Policy 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.

3. Terrorism Endorsement

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 ("the Loss") 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 or terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the Loss:

- the Policy Limit of Indemnity shall be such amount which the Company actually receives from the Government of Hong Kong ("the Government") pursuant to an Agreement for Provision of Facility dated 20th November 2003 between the Government and the Company under which the Government agreed to make available to the Company and other direct insurance companies authorized 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 bodily injury arising out of an event of terrorism ("the Facility Agreement");
- 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
- 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 the Loss does not fall within the scope of the Facility Agreement or the Company's breach of the Facility Agreement or the Loss does fall within the Exceptions or any other conditions leading to no payment for the Loss of the Facility Agreement, or the Facility Agreement ceases in the event that the remaining balance under the Facility is exhausted or the termination of the Facility Agreement by the Government.

Change in the Ordinance

In the event of any change in the Employees' Compensation Ordinance, Our liability under this section shall remain in force but limited to such sums We would have been liable for as if the Ordinance had not been altered.

Avoidance of Certain Terms and Rights of Recovery

If We are obliged by the legislation to pay any amount which We would not otherwise be liable for under this section, You will repay the amount to Us.

Special Conditions to Section 4

1. Insurance Premium

- Prior to the commencement of the Period of Insurance, You shall supply Us 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 Us.
- You shall within ninety (90) days after the expiry of the Period of Insurance or upon cancellation of this Policy supply Us with a completed Premium Adjustment and Declaration of Earnings Form stating the actual Earnings of the Employees covered by this Policy (whose particulars are 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 Us or by a premium refund to You as the case may be.
- It is hereby declared that the premium payable by You 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.

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 the Loss falls within the scope of this Endorsement, the burden of proving the contrary shall be upon the Insured. In the event any part of this Endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect. Words and phrases in this Endorsement shall have the same meaning as in this Policy.

Extensions to Section 4

Worldwide Cover for Overseas Visits

In consideration of an additional premium being paid, it is hereby agreed that the cover by this section is expressly extended to apply in respect of any staff who is normally engaged in the immediate service of You in Hong Kong and sustains bodily injury arising out of and in the course of such service whilst working overseas and/or in China. In the event of any injury by an accident or a disease sustained by such Employee in the course of Your employment whilst working outside Hong Kong, We shall indemnify You as though such injury by accident or disease was sustained in Hong Kong.

Except to the extent that the provisions of this extension are hereby modified, the Policy terms, conditions and exclusions shall apply.

Extraordinary Weather

In the event of Your Employee whose attendance at his place of employment is required by You during extraordinary weather conditions being injured or killed whilst proceeding directly to his place of employment or returning therefrom to his home, such death or injury shall be deemed to have arisen out of and in the course of the Employee's employment for the purposes of this Policy.

For the purposes of this clause the expression "Extraordinary Weather Conditions" shall be deemed to be limited to the situation where the "red and black" rainstorm warning is triggered and the hoisting of typhoon signal no. 8 or higher or immediately following the lowering of such signal.

Social Functions and Activities

In the event of Your Employee being killed or injured when participating in any social functions and any other extra-curricular activities organised by You in Hong Kong, the death or injury of Your Employee in such circumstances shall be deemed as arising out of and in the course of the Employee's employment.

Emergency Transportation

We will indemnify You in respect of the cost of transportation incurred for the purposes of emergency treatment received by Your Employee who is seriously injured as a result of an accident arising out of and in the course his/her employment, subject to a maximum limit of HKD50,000 per any one accident in any one period.

To and From Work

In the event of Your Employee being instructed by You to work outside normal hours of work and is killed or injured whilst travelling to or from their place of work by any means of transportation including any public transportation, such death or injury shall be deemed as arising out of and in the course of the Employees' employment. The operative time of each journey (to or from residence) is limited to 3 hours.

Meal and Lunch Time

In the event of Your Employee staying within Your Premises during meal and lunch time being injured or killed, such injury or death shall be deemed to arise out of and in the course of the Employee's employment, provided such extension is subject to the provisions and/or limitations of the Employees' Compensation Ordinance. Under no circumstances should the injury or death be self-inflicted or attributable to the Employee's addiction to drugs or under influence of alcohol or attributable to or resulting from serious and wilful misconduct of the Employees.

GENERAL EXCLUSIONS (APPLICABLE TO ALL SECTIONS - UNLESS STATED OTHERWISE)

This Policy does not cover:

- any event arising from war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military force or coup.
- any loss or damage arising directly from pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.
- any expense, consequential loss, legal liability or loss or damage to any property directly or indirectly arising from:
 - ionizing radiation or contamination by radioactivity from any nuclear fuel or from nuclear waste from the combustion of nuclear fuel.
 - the radioactive, toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component.

In any action, suit or other proceedings where We allege that by reason of the provisions of this condition any loss or damage is not covered by this Policy the burden of proving that such loss or damage is covered shall be upon You.

- any loss or damage or liability arising from pollution, contamination or seepage.
- HIV-related illness including AIDS and/or any mutant derivatives or variations thereof however caused or named.
- Software and Data-Related Losses (applicable to Sections 1 & 2)
 - the insurance by this Policy excludes any "Software Loss" except:
 - "Software Loss" resulting solely from direct physical loss of or direct physical damage to the equipment, hardware, media or device on which the programme, computer software or operating systems, programming instructions, or data are transported, processed or contained.
 - direct physical loss or direct physical damage to tangible property by fire or explosion that results from a "Software Loss". For the purposes of this exclusion, electronic data, programme(s), computer software or operating system(s) programming instruction(s) and data are not tangible property.

- "Software Loss" means loss of or damage to any programme(s), computer software or operating system(s), programming instruction(s) or data arising out of or resulting from any failure, malfunction, deficiency, deletion, fault, "virus", deletion or corruption or any loss of use, reduction in functionality, cost, expenses or liability resulting therefrom.
"Software Loss" includes, but is not limited to, loss or damage resulting from any authorized or unauthorized access in, of or to any computer, communication system, file server, networking equipment, computer system, computer hardware, data processing equipment, computer memory, microchip, microprocessor (computer chip), integrated circuit or similar device in computer equipment, any program, computer software or operating systems, programming instructions or data.
 - "Virus" means software, data or code that affects the operation of functionality of any computer, communications system, file server, networking equipment, computer system, computer hardware, data processing equipment, computer memory, microchip, microprocessor (computer chip), integrated circuit or similar device in computer equipment, program, computer software or operating systems, programming instructions or data including, but not limited to, any destructive program, computer code, computer virus, worm, logic bomb, denial of service attack, smurf attack, vandalism, trojan horse or any other data introduced into any electronic system causing deletion, destruction, degradation, corruption, malfunction or compromise of or to data, software or electronic business systems.
- Terrorism (applicable to all sections except Section 4)
 - We shall not be liable for loss, damage, death, injury, disablement, liabilities, costs or expenses of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, or arising out of 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.
 - any action in controlling, preventing, suppressing, retaliating against or responding to any such act of terrorism.
 - for the purpose of this exclusion, an act of terrorism includes any act, preparation or threat of action of 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 facto committed for political, religious, ideological, or similar purposes including the intention to influence any government de jure or de facto of any nation or any political division thereof and/or to intimidate the public or any section of the public of any nation and which:
 - involves violence against one or more persons; or
 - involves damage to property; or
 - endangers life other than that of the person committing the action; or
 - creates a risk to the health or safety of the public or a section of the public; or
 - is designed to interfere with or disrupt an electronic system.
 - in any action, suit or other proceedings where We allege that by reason of the provisions of this condition any loss or damage is not covered by this Policy the burden of proving that such loss or damage is covered shall be upon You.

GENERAL CONDITIONS (APPLICABLE TO ALL SECTIONS)

1. Observance of Conditions

Our liability will be conditional on the observance by You of the terms, provisions, conditions and endorsements of this Policy and the truth of the information supplied by You in connection with the risk.

2. Entire Contract

This Policy including all relevant documents will constitute the entire contract between You and Us. No agent or other person has the authority to change or waive any provision of this Policy. No changes in this Policy shall be valid unless approved by Our authorized officer and evidenced by endorsement of such amendment. For avoidance of doubt, the relevant documents will form part of the renewed policy contract and information contained are deemed to remain true and valid as at the time of renewal unless otherwise instructed by You.

3. Precautions

You shall take all reasonable steps to protect the property and prevent Accidents, bodily injury or Damage.

4. Change in Risk

Every change materially affecting the facts or circumstances existing at the commencement of or during the course of this Policy, or at any subsequent renewal date, shall be notified to Us as soon as such change comes to the notice of the Insured. We reserve the right to accept or deny coverage at the time of such notification and to establish a separate rate and premium for any such coverage.

5. Misrepresentation or Non-disclosure

If You or anyone acting on behalf of You makes a statement in the application or in connection with any claim knowing that the statement is false, or fails to act in utmost good faith, We will not be liable for any claim and all covers and benefits under this Policy shall cease immediately. We will not be liable to refund any premium paid.

6. Premium Charge

We reserve the right to revise or adjust the premium according to Our applicable premium rate at the time of premium due date by giving thirty (30) days' written notice to You.

7. Termination

We have the right to terminate this Policy or any section or part of it by giving thirty (30) days' notice in writing by registered post to Your last known address. You may terminate this Policy at any time by giving Us a written notice. In these circumstances, a pro-rata premium for the period starting at the time of termination to the last day of the Period of Insurance shall be refunded provided that no claim has been made during such Period of Insurance of this Policy.

8. Subrogation

We have the right to proceed at Our own expense in the name of You against third parties who may be responsible for an occurrence giving rise to a claim under this Policy and You shall concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by Us for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which We are entitled by virtue of Our right hereunder.

9. Other Insurance

If at the time of any claim there is any other policy covering the same property or occurrences insured by this Policy, We shall be liable only for Our proportionate share.

If any other such policy has a provision preventing it from contributing a proportionate share, then Our share of the claim shall be limited to the proportion that the sum insured bears to the value of the property insured.

10. Alternative Dispute Resolution

In the event of a dispute arising out of this Policy, You and Us may settle the dispute through mediation in good faith in accordance with the relevant Practice Direction on civil mediation issued by the Judiciary of Hong Kong and applicable at the time of dispute. If You and Us are unable to settle the dispute through mediation within ninety (90) days, the You and Us shall refer the dispute to arbitration administered by the Hong Kong International Arbitration Centre ('HKIAC') under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted. The law of this arbitration clause shall be Hong Kong law and the seat of arbitration shall be Hong Kong. The number of arbitrators shall be one (1) and the arbitration proceedings shall be conducted in English.

It is expressly stated that the obtaining of an arbitral award is a condition precedent to any right of legal action arising out of this Policy. Irrespective of the status or outcome of any form of alternative dispute resolution, if We deny or reject liability for any claim under this Policy and You do not commence arbitration in the aforesaid manner within twelve (12) calendar months from the date of Our disclaimer, Your claim shall then for all purposes be deemed to have been withdrawn or abandoned and shall not thereafter be recoverable under this Policy.

11. Recipient

All payment of claims in this Policy shall be in Hong Kong dollars and are payable to You after the receipt of due proof. In the event of Your death, if applicable, any benefit payable to you as a result of an insured event occurred during the Period of Insurance and before your death will be paid to Your legal representative, subject to his or her compliance with the terms of this Policy.

12. Claims

- (a) Upon learning of any circumstances likely to give rise to a claim You must:
 - (i) tell Us as soon as reasonably possible and give Us all the assistance We may reasonably require.
 - (ii) report to the police as soon as reasonably possible if the loss or damage is caused by theft or attempted theft or by riot, civil, labour or political disturbances or by vandals or malicious act.
 - (iii) as soon as reasonably possible send to Us any writ or summons issued against You.
 - (iv) supply at Your own expense full details of the claim in writing including any supporting evidence and information that We require within thirty (30) days of the occurrence.
 - (v) take action to minimize the loss or damage and to avoid interruption or interference of the Business and to prevent further accidents.
- (b) We shall have the right to enter the Premises where the loss or damage has occurred and to take and keep possession of any of the property insured.
- (c) We shall have the right to settle a claim by:
 - (i) cash payment;
 - (ii) reinstatement or replacement of the property lost or damaged; or
 - (iii) repair of the property damaged.
- (d) If We decide to reinstate, replace or repair property lost or damaged, We shall do so in a reasonable manner but not necessarily to its exact previous condition or appearance. You shall obtain duly witnessed signed receipts for such settlements and retain in a safe place all such signed receipts and records and documents relating to such settlements.
- (e) We shall not spend on any one item more than its sum insured.
- (f) We shall have the right to the salvage of any insured property.
- (g) You must not admit, deny, negotiate or settle any claim without Our written consent.

13. Clerical Error

Our clerical errors shall not invalidate insurance otherwise valid nor continue insurance otherwise not valid.

14. Rights of Third Parties

Other than You or as expressly provided to the contrary, a person who is not a party to this Policy has no right to enforce or to enjoy the benefit of any term of this Policy. Any legislation in relation to third parties' rights in a contract shall not be applicable to this Policy. Notwithstanding any terms of this Policy, the consent of any third party is not required for any variation (including any release or compromise of any liability under) or termination of this Policy.

15. Compliance with Policy Provisions

Failure to comply with any of the provisions contained in this Policy shall invalidate all claims hereunder.

16. Statement of Purpose for Collection of Personal Data

All personal data collected and held by Us will be used in accordance with Our privacy policy, as notified to You from time to time and available at this website: <https://www.zurich.com.hk/en/services/privacy>

You shall, and shall procure all other insured person covered under this Policy to, authorize Us to use and transfer data (within or outside Hong Kong), including sensitive personal data as defined in the Personal Data (Privacy) Ordinance (Cap.486), Laws of Hong Kong, for the obligatory purposes as set out in Our privacy policy as applicable from time to time.

When information about a third party is provided by You to Us, You warrant that proper consents from the relevant data subjects have been obtained before the personal data are provided to Us, enabling Us to assess, process, issue and administer this Policy, including without limitation, conducting any due diligence, compliance and sanction checks on such data subjects.

17. Governing Law and Jurisdiction

This Policy shall be governed by and interpreted in accordance with the laws and regulations of Hong Kong. Subject to the Alternative Dispute Resolution clause herein, the parties agree to submit to the exclusive jurisdiction of the Hong Kong courts. The Insurers shall not be liable under this Policy in respect of judgments against the Insured which are not in the first instance delivered by or obtained from a court of competent jurisdiction of Hong Kong.

18. Notification

Without prejudice to the scope of cover as defined in the insuring clause under section 4 and the Schedule, the Insured shall immediately notify the Insurer in writing of any material change in the number of the Insured's employees. For the avoidance of doubt, such notification shall not vary the coverage and the terms under this Policy unless it is expressly agreed by the Insurer in writing. The Insurer reserves the right to accept or deny any variation of coverage and to adjust the Premium in accordance with such variation, if any.

19. Sanction Clause

Notwithstanding any other terms under this Policy, no insurer, including Us, shall be deemed to provide coverage or will make any payments or provide any service or benefit to any insured or other party to the extent that such cover, payment, service, benefit and/or any business or activity of the insured, including You, would violate any applicable trade or economic sanctions law or regulation.

20. Languages

This policy is available in the Chinese and English languages. In the event of any conflict between the two versions, the English language version shall prevail.

NOTIFICATION TO EMPLOYER

EMPLOYEES' COMPENSATION INSURANCE – EARNINGS DECLARATION

It is very important that all employers must report actual Earnings information of their Employee to the Insurers, in order to comply with the Employees' Compensation Ordinance ("ECO"), Chapter 282, and to ensure full indemnification to meet their liability to the Employees for Accidents arising out of and in the course of the employment.

Employers are reminded that:

- (a) Within ninety days after the expiry of the Period of Insurance or upon cancellation of the employees' compensation insurance ("ECI"), they shall supply the Insurers with the completed Premium Adjustment & Declaration of Earnings Form stating the **actual** Earnings of their Employees as well as the relevant supporting documents during the Period of Insurance.
- (b) According to clause (e) of the policy Limit of Indemnity contained in the employees' compensation section of this Policy, under-reporting of Earnings may result in proportionate reduction in indemnity for compensable claims. In such cases, employers will have to bear the proportionate share of indemnity for the injured Employees insured under the ECI policy by themselves. If no declaration of the actual Earnings by the employer is received by the Insurers as prescribed in (1) above, for the purpose of this clause the Earnings estimated by the employer 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 underinsurance if any.
- (c) Furthermore, an employer failing to insure in accordance with Section 40(1) of the ECO commits an offence and is liable to conviction up to the maximum fine of HKD 100,000 and imprisonment for two years.

Zurich Insurance Company Ltd (a company incorporated in Switzerland with limited liability)
25-26/F, One Island East, 18 Westlands Road, Island East, Hong Kong

Telephone: +852 2968 2288 Fax: +852 2968 0639 Website: www.zurich.com.hk



Business Protection Package Insurance

Table of Benefits

Section	Coverage	Maximum amount/Limit of liability (HKD)
1	Property The following section(s) is operative only if sum insured is shown in this table 1.1 Contents 1.2 Stock 1.3 Machinery 1.4 Portable Equipment 1.5 Fine Art Collections	As per Schedule As per Schedule As per Schedule As per Schedule As per Schedule
	Extensions to Section 1 Per any one accident/occurrence Category A – Fixtures and belongings related benefits <ul style="list-style-type: none"> Fixed glass Signboards Doors, gates and locks Outdoor fixtures Contents temporarily removed Personal effects Works of art Category B – Stock related benefits <ul style="list-style-type: none"> Seasonal increase Frozen food Damage to sample stocks Goods in transit Category C – Aftermath protection <ul style="list-style-type: none"> Equipment loss due to failure of computer system Computer system records Removal of debris Fire fighting equipment Category D – Money <ul style="list-style-type: none"> On the premises (except crossed cheques) While in transit within Hong Kong (except crossed cheques) At your home or of that of any authorized employee within Hong Kong (except crossed cheques) Crossed cheques Loss or damage to cash registers/safe on the premises Fidelity guarantee Category E – Personal Accident <ul style="list-style-type: none"> Death Total loss of or loss of use of one or more limbs(s) Total loss of sight of one or more eye(s) Permanent Total Disability to attend to your usual occupation or business Temporary Total Disability to attend to your usual occupation or business <ul style="list-style-type: none"> Permanent Total Disability: Total and permanent disability to attend to your usual occupation or any other occupation for which you are fitted by knowledge and training, which within twelve months of the date of the bodily injury is proved to our satisfaction to be permanent. Temporary Total Disability: Total disablement certified by a registered medical practitioner which temporarily prevents you from engaging in or giving attention to your usual occupation. 	20,000 5,000 5,000 50,000 15% of sum insured under 1.1 3,000 per any one person 20,000 Increase 20% on sum insured under 1.2 10,000 10% of sum insured under 1.2 50,000 30,000 (5,000 per device) 20,000 10% of sum insured under Section 1 5,000 As per Schedule As per Schedule 5,000 500,000 5,000 30,000 50,000 50,000 50,000 50,000 250 per week (up to 104 weeks)
2	Business Interruption The following section(s) is operative only if Sum Insured is shown in this table For any one loss or series of losses arising out of any one event or occurrence 2.1 Increase in Cost of Working <ul style="list-style-type: none"> Professional accountants charges 2.2 Loss of Income <ul style="list-style-type: none"> Professional accountants charges <u>Sub-limit for extensions</u> <ul style="list-style-type: none"> Public utilities suspension Denial of access Non-material damage denial of access 	As per Schedule 20,000 As per Schedule (daily limit: 10% of sub-section 2.2) 20,000 Full limit of sub-section 2.2 Full limit of sub-section 2.2 50,000 (one fixed allowance)

<p>3</p>	<p>Public Liability For any one claim or claims arising from any one occurrence and any one period of insurance</p> <p>3.1 Liability to Third Parties</p> <ul style="list-style-type: none"> • Per any one occurrence • Per any one period of insurance <p><u>Extensions</u></p> <ul style="list-style-type: none"> • Overseas visits • Tenant's liability • Indemnity to director, partner or employee • Food and drink • Fire and explosion • Fire extinguishment • Loading and unloading • Visitors effects • Strike, riot and civil commotion 	<p>As per Schedule Unlimited</p>
<p>4</p>	<p>Employees' Compensation</p> <p>4.1 Limit of Liability</p> <ul style="list-style-type: none"> • Per any one accident or disease 	<p>As per Schedule</p>

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BIP-OBT-09-2018E



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