

Office Protection Package Policy

辦公室綜合保險單



QBE Hongkong & Shanghai Insurance Ltd.

昆士蘭聯保保險有限公司

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The Office Protection Package Insurance Proposal Form and / or Declaration signed by the Insured together with any information supplied by or on behalf of the Insured is the basis of this Policy.

In consideration of the payment of the Premium specified in the Schedule, QBE Hongkong & Shanghai Insurance Ltd. (the "Company") undertakes and agrees, subject to the Terms, Exclusions and Conditions specified in the Policy, to indemnify the Insured carrying on the Business specified in the Schedule to the extent and in the manner hereinafter provided in the respective Sections of Insurance in respect of events occurring during the Period of Insurance specified in the Schedule.

Provided that the due observance and fulfilment of the conditions of this Policy shall be a condition precedent to any liability of this Insurance.

GENERAL DEFINITIONS

- The Insured** : The party named as the Insured in the Schedule.
- Schedule** : The typed sheet attaching to the Policy which sets out the details of the Insured's Name, Business Premises and Sums Insured, the Period of Insurance, the Premium and the Sections of the Policy. It forms a part of and should be read in conjunction with the Policy.
- Business** : The usual work and activities carried on by the Insured pertaining to his business as specified in the Schedule and no others.
- Business Premises** : The premises occupied by the Insured as an office at the situation shown in the Schedule at which the Business of the Insured as specified in the Schedule is transacted.
- Employee** : Any person in the employ of the Insured as defined in the Employees' Compensation Ordinance.
- Money** : Cash, currency notes, bank notes, negotiable instruments, postage stamps not forming part of a stamp collection, cheques, postal or other money orders, travel tickets and luncheon vouchers.
- Period of Insurance** : The Period specified in the Schedule (at Hong Kong time).
- Personal Effects** : Articles of personal use specifically designed to be worn or carried but excluding:-
(a) Money (as defined above).
(b) Spectacles and/or contact lenses.
- Interpretation** : For the purposes of this Policy and where the context permits, words importing the singular number only also include the plural and vice versa and words importing the masculine gender only also include the feminine and vice versa.

SECTION 1 - OFFICE CONTENTS "ALL RISKS"

COVER

Accidental physical loss of or damage to Office Contents in the Business Premises PROVIDED THAT the Company's liability under this Section shall not exceed in respect of:

- Any one machinery and equipment.....HK\$200,000
- Computer Systems' Records against this Section10% of the Sum Insured
- Any one dead, document, card, tape, file or transparency
- any one item.....HK\$5,000
- in total under this Policy against this Section HK\$20,000/per year
(Provided cover in respect of property described under 2 & 3 above is limited to the value of materials together with the cost of clerical labour and computer time if any expended in reproducing such property as described 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, certification, contractual benefits or other value contained therein or attached thereto)
- Any one bottle of wine/split
- any one item.....HK\$1,000
- in total under this Policy against this SectionHK\$5,000/per year
- Any one set of Work of Art
- any one item.....HK\$10,000
- in total under this Policy against this Section..... HK\$50,000/per year
- Trade samples and/or Stock
- any one item.....HK\$30,000
- in total under this Policy against this Section10% of the Sum Insured
- All other loss or damage in any one eventthe Sum Insured as specified against this Section in the Schedule

EXTENSIONS TO SECTION 1

1. Accidental Breakage of Glass

The Company will pay for accidental breakage of fixed glass panes at the Business Premises and for the reasonable cost of any temporary boarding-up rendered necessary as a result of the breakage but not for the cost of lettering or decoration on the glass. Provided that the liability of the Company in no case shall exceed HK\$20,000 for any one event.

2. Loss of or Damage to Contents Temporarily Removed from the Business Premises

The Company will pay for loss of or damage to the Office Contents whilst temporarily removed

from the Business Premises for cleaning, renovation, repair or other similar purposes. Provided that the liability of the Company shall not exceed 15% of the Office Contents insured under this Section at any one time.

3. Loss of or Damage to Documents in Transit

In respect of any document, deed, map, plan or record which is lost or damaged whilst in transit anywhere in Hong Kong, Macau and/or Guangdong Province, the Company will pay for the cost only of reinstating such documents but not their intrinsic value. Provided that the Company's liability shall not exceed HK\$5,000 for any one loss occurrence.

4. Alterations or Repairs

Loss of or damage to the Contents as insured shall not be prejudiced by any alteration, repair, decoration or maintenance works performed at the Business Premises, provided that the contract value of each such works shall not exceed HK\$200,000.

5. Damage to Business Premises

Damage to the Business Premises for which you are responsible to repair following theft or attempted theft of Office Contents, involving forcible and violent means of entry into or exit from the Business Premises.

6. Removal of Debris

The costs of removing debris of the Contents following loss or damage insured by this Section, incurred with the consent of the Company, for an amount not exceeding 10% of the Sum Insured on Office Contents.

7. Personal Effects

Damage to the Personal Effects belonging to the Insured and to his employees up to HK\$5,000 in respect of any one person and subject to an aggregate limit of 15% of the Sum Insured on Office Contents.

8. Loss of or Damage to Portable Office Equipment

The Company will pay for loss of or damage to portable office equipment occurring outside Business Premises within Hong Kong provided that the Company's liability shall not exceed annual aggregate of HK\$25,000 with per article limit of HK\$10,000 for portable/laptop computer equipment and HK\$5,000 for others including mobile/personal digital device.

9. Architects' & Surveyors' Fee

The professional fees charged by architect, surveyor, consultant engineer in the reinstatement of the Business Premises following loss or damage insured by this Section up to annual aggregate of HK\$5,000.

10. Business Sign Board

The cost of repair or replacing business sign board installed at the lobby of the building where Business Premises located of which the Insured is liable for up to annual aggregate of HK\$2,000.

11. Roller Shutters and Gate

The cost of repair or replacing roller shutters and gate belonging to the Insured at Business Premises up to annual aggregate of HK\$20,000.

12. Fire Extinguish Expenses

The cost on extinguishment of fire reasonably and necessarily incurred following a fire or an explosion occurring inside Business Premises up to annual aggregate of HK\$10,000.

13. Rental Relief

Loss in rental as a result of loss or damage occurred within Business Premises that causes necessary and unavoidable temporary closure of the Business for more than five (5) consecutive days for HK\$1,000 per day up to annual aggregate of HK\$5,000.

14. Computer Equipment and Data Media

In the event of any unforeseen and sudden physical loss of or damage to computer equipment (forming part of the Office Contents insured under Section 1) caused by mechanical or electrical breakdown due to fire or explosion in a manner necessitating repair or replacement, the Company will indemnify:

- in respect of such loss or damage, by payment in cash, replacement or repair, but not exceeding HK\$100,000 in annual aggregate;
- in respect of any additional expenditure incurred for the use of substitute computer equipment (not owned by the Insured) as a result of a total or partial interruption of operation of the computer equipment caused by loss or damage indemnifiable under (a) above, but not exceeding HK\$50,000 in aggregate for any one period of insurance, provided that
 - such interruption occurs during the period of insurance and shall not exceed 12 months;
 - such additional expenditure must be proved to have been incurred for the period of interruption during which the use of substitute computer equipment is essential;
 - the Company shall not be liable for any additional expenditure incurred during the first 48 consecutive hours of such interruption.

This Extension is subject otherwise to the terms, exceptions, provisions and conditions contained in or endorsed on the Policy, and is subject to the following Special Exclusions and Special Provisions.

Special Exclusions

This Extension does not cover:

- loss or damage for which a manufacturer, supplier, contractor or repairer is legally responsible by contract or otherwise;
- loss or damage due to faults or defects known to the Insured or any of its responsible employees at the time the contract was arranged and not disclosed;

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- (iii) loss or damage to parts which by their use and/or nature suffer a high rate of wear & tear or depreciation;
- (iv) repair or replacement necessitated by wear & tear, corrosion, erosion or any other direct consequences of progressive or continuous influences from working, or atmospheric or chemical action, rust or scratching of painted or polished surfaces;
- (v) damage due to imposition of abnormal conditions directly or indirectly resulting from testing, intentional overloading or experiments;
- (vi) derangement or malfunction not accompanied by loss or damage (as defined above in this Extension) to the computer equipment;
- (vii) any loss, damage or costs arising from false programming, punching, labelling or inserting, inadvertent cancellation of information or discarding of data carrying media, and from loss of information caused by magnetic fields;
- (viii) loss of use or consequential loss;
- (ix) the cost of reinstatement of data;
- (x) loss, damage or expenses recoverable under the maintenance agreement or which would be so recoverable but for a breach of obligations under the agreement;
- (xi) extra charges incurred for overtime, night work, work on public holidays, express freight or air freight;
- (xii) the cost of any alterations, additions, improvements or overhauls undertaken at the time of repair of loss or damage insured by this Extension, and the cost of any temporary repairs and the consequences thereof.

Special Conditions

- (i) It is warranted that the computer equipment is covered by a maintenance agreement at all times when the insurance under this Extension is in force.
- (ii) For the purpose of the insurance under this Extension, maintenance agreement means: - The agreement by which the Insured receives maintenance services for computer equipment from the suppliers or approved service providers.
- (iii) For the purpose of the insurance under this Extension, computer equipment means: - Those parts of electronic data or word processing installation including the central processing unit, data storage devices, control console, disc drives, magnetic tape transports, power pack and all input or output equipment, operating under the direct control of or connected to the central processing unit. Portable computer equipment, notebook, personal digital device, etc however are excluded.

DEFINITIONS (Applicable to Section 1 and its Extensions)

"SUM INSURED" shall mean the amount specified against Section 1 in the Schedule.

"OFFICE CONTENTS" shall mean:

The properties belonging to the Insured in connection with the Business as described in the Schedule or for which he is responsible, all contained in the Business Premises comprising:

- (a) Trade samples and/or Stock
- (b) Trade fixtures fittings machinery and all other contents including:
 - (i) Any telephone installation gas or electricity meter;
 - (ii) Business books but only for their value as stationery together with the cost of clerical labour expended in their reproduction, subject to an aggregate limit of 10% of the Sum Insured on Office Contents;
 - (iii) Landlord's fixtures and fittings, wallpapers, ceilings, panellings and the like, but only to the extent for which the Insured is liable to the landlord as tenant.

WHICH HOWEVER SHALL NOT INCLUDE:

Property more specifically insured, motor vehicles and fitted accessories, livestock, bonds, bills of exchange, promissory notes, securities, medals, coins or stamps forming part of a collection, manuscripts, plans, patterns, models, moulds, designs, explosives, Money and antiques, except as provided for in the terms of this Section.

EXCLUSIONS (Applicable to Section 1 and its Extensions)

- (a) The Company will not pay for loss or damage caused or contributed to by:
 - (i) Theft of stock unless accompanied by violence or threat of violence to persons, or forcible and violent entry into or exit from the Business Premises;
 - (ii) Loss of or damage to any electrical plant or appliance directly caused by its own over-running short circuiting excessive pressure or self-heating but should fire extend to cause loss of or damage to any other part of the plant or appliance or other property insured such loss or damage is not excluded;
 - (iii) Wear, tear, moths, vermin, insects, damp, rust, rot, corrosion, the action of light or atmosphere, or gradually operating causes;
 - (iv) Electrical or mechanical breakdown, failure or derangement;
 - (v) Any process of cleaning, repair or renovation, maintenance or dyeing;
 - (vi) Misuse or use contrary to manufacturer's instructions of office appliances and equipment, inherent defect or faulty design in materials, plan or specification;
 - (vii) Denting, chipping or scratching;
 - (viii) Breakage of glass or articles of fragile nature unless caused by Fire, Lightning or Explosion or covered under the Extension 1 of this Section;
 - (ix) The infidelity or dishonesty of Employees;
 - (x) Any disappearance or shortage of stock revealed only at the time of stocktaking or the making of an inventory and is not identifiable with a specific occurrence insured against under the terms of Section 1;
 - (xi) Any shortage arising from error or omission on the part of the Insured and / or his Employees;
 - (xii) Consequential Loss.
- (b) The Company will not be liable under Section 1 for loss of Money as defined in the General Definitions.
- (c) The Company will not pay for any loss of or damage to hand-held mobile phones.
- (d) The Company will not pay for the first HK\$1,000 of any claim as excess under this Section and its Extensions except for Extension 8 on Loss of or Damage to Portable Office Equipment where an excess of HK\$2,500 applies.

CONDITIONS (Applicable to Section 1 and its Extensions)

- (a) Where any insured item consists of articles in a pair or set, the Company will not pay more than the value of any particular part or parts which may be damaged or lost, without reference to any special value which such article or articles may have as part of such pair or set, nor more than a proportionate part of the value of the item relative to the value of the pair or set.
- (b) The Sum Insured on Stock in Trade and Goods in Trust shall represent the purchase value and the Sum Insured on other Office Contents shall represent the replacement cost, at the time of loss or damage. Otherwise claims will be paid on the basis of indemnity value, that is to say, after a deduction for wear, tear and depreciation, subject to Condition (d) hereunder.
- (c) In the event of loss or damage under this Section, the amount payable for such loss or damage shall be automatically reinstated from the time of the happening and the Insured shall pay an appropriate additional premium therefore, calculated pro-rata from the date of loss to the expiration of the Policy.
- (d) The sums insured of each and every item of Section 1 are declared to be separately subject to the following Condition of Average:-
If in the event of loss or damage the sum insured shall be less than the full value of the property insured the Insured shall be considered as being his own insurer for the difference and shall bear a ratable share of the loss. The total amount recoverable in respect of loss or damage shall not exceed the sum insured.

SECTION 2 - BUSINESS INTERRUPTION INSURANCE

COVER

Increase in Cost of Working caused by the interruption to the Business of the Insured resulting from

- (a) Loss of or damage to the Office Contents insured and payable under Section 1 of this Policy and/or
- (b) Denial of access
(hereafter termed "Damage") during the Indemnity Period provided that the Company's liability under this Section shall not exceed HK\$1,000,000 in annual aggregate.

EXTENSIONS TO SECTION 2

Accountant's Fee

The Company will pay for Professional Accountants' or Auditors' charges reasonably incurred up to HK\$50,000 for producing and certifying details of any claim as required by the Company under this Section.

Employer's Contribution on Mandatory Provident Fund (MPF)

In the event that the business interruption is caused by fire or explosion for more than 7 consecutive days indemnifiable under the Policy, the Company will pay for the actual MPF contribution the Insured is liable as employers up to 3 months provided that the maximum amount payable shall not exceed HK\$5,000 in annual aggregate.

DEFINITIONS (Applicable to Section 2 and its Extensions)

"INCREASE IN COST OF WORKING"

The additional expenditure necessarily and reasonably incurred by the Insured during the Indemnity Period with the aim of maintaining in the Period a turnover of business not exceeding that of the corresponding period in the twelve months immediately prior to the interruption.

"INDEMNITY PERIOD"

The period beginning with the occurrence of the Damage and ending not later than twelve (12) calendar months specified in the Schedule thereafter during which the increase in Cost of Working shall be incurred in consequence of the Damage.

"DENIAL OF ACCESS"

Access to the Business Premises is prohibited by order of the Government authorities or Building Management because of damage to neighbouring property or failure of Public Utilities/Supplies.

EXCLUSIONS (Applicable to Section 2 and its Extensions)

- (a) The Company will not indemnify the Insured for any loss resulting from denial of access less than 48 consecutive hours.
- (b) The Company will not be liable under this Section if the Business be wound up or carried on by a liquidator or receiver or be permanently discontinued notwithstanding anything contained in General Condition 6 to the contrary.

SECTION 3 - MONEY

COVER

Loss of Money, as defined in the General Definitions, belonging to the Insured anywhere in Hong Kong, Macau and/or Guangdong Province up to the following limits in respect of:

- (1) Any single incident of loss of Money (other than crossed cheques, crossed postal orders, crossed money orders and crossed bankers' drafts) whilst:
 - (i) In transit for the purpose of the Insured Business and in the custody of the Insured, its partner, Directors or Employee normally entrusted with Money... HK\$50,000
 - (ii) On the Business Premises during Business Hours..... HK\$50,000
 - (iii) On the Business Premises out of Business Hours in a locked safe and/or strong room..... HK\$50,000
 - (iv) On the Business Premises out of Business Hours in a locked drawer HK\$20,000
 - (v) On the Business Premises out of Business Hours not in a locked safe or strong room or locked drawer HK\$5,000
 - (vi) In the bank night safes and thereafter within bank premises until at banks' risk HK\$50,000
 - (vii) In the residence of the Insured including its Directors, partners or authorized Employees due to theft or hold-up involving violent means of entry or exit..... HK\$5,000
- (2) Any single incident of loss of Money consisting of crossed cheques, crossed postal orders, crossed money orders and crossed bankers drafts HK\$500,000
- (3) Loss of or Damage to Safes and Cash Register caused by any theft or attempted theft HK\$30,000
- (4) Loss of Money due to fraud or dishonesty act of Employees discovered within 3 days after the date of occurrence..... HK\$30,000

For the purpose of this Section "Business Hours" shall mean the usual hours during which the

Insured transacts business at the Business Premises and during which the Insured, any of his Partners, Directors or Employees normally entrusted with Money shall be actually in or on the Business Premises.

Provided always that when the Business Premise is left unattended the keys of any safe drawer and/or cash register containing Money are not left in the Business Premises.

EXCLUSIONS (Applicable to Section 3)

The Company will not pay for:

- (a) Loss due to theft dishonesty or fraud on the part of any Partners, Directors or Employees;
- (b) Shortages due to clerical or accounting error and omission;
- (c) Loss suffered as a result of a business transaction;
- (d) Loss from an unattended subject matter &/or vehicle;
- (e) Loss or damage occurring outside Hong Kong, Macau &/or Guangdong Province;
- (f) Loss of Money entrusted to any person other than the Insured or an Employee of the Insured.

SECTION 4 – MALICIOUS ATTACK

COVER

The Company will pay the sum or sums set out in the Table of Benefits hereunder in the event of the Insured or Employee whilst engaged in the Insured's Business sustained bodily injury by violent external and visible means arising or resulting from malicious attack or attempt thereof by any person stealing or attempting to steal Money or Office Contents occurring in the Business Premises.

TABLE OF BENEFITS

If bodily injury as defined above occurs during the currency of this Policy and is the sole and direct cause of:-

- | | |
|--|------------------|
| (A) Death within twelve months of the injury | HK\$100,000 |
| (B) Loss of one or more limbs and/or the total irrecoverable loss of sight of one or both eyes, within twelve months of the injury..... | HK\$100,000 |
| (C) Permanent total inability to attend to any occupation or business | HK\$100,000 |
| (D) Temporary total inability to attend to any occupation while under regular care or medical attendance by qualified doctor (up to 100 weeks from date of accident) | HK\$250 per week |

Provided always that

- (i) "Loss of limb" shall mean total loss by physical separation at or above the wrist or ankle or permanent total loss of use of an entire hand, arm, foot or leg;
- (ii) No Benefit shall be payable for (a) more than one of the Benefit (A), (B) or (C) for any one person, and (b) any subsequent injury caused to that person if one of such Benefits is payable.

SECTION 5 – PUBLIC LIABILITY

COVER

The Company shall indemnify the Insured against all sums which the Insured shall become legally liable to pay by way of compensation (excluding punitive or exemplary and/or aggravated damages and/or any additional damages resulting from the multiplication of compulsory damages) consequent upon

- (a) Bodily Injury
- (b) Property Damage

happening during the Period of Insurance caused by an Occurrence in connection with the Business of the Insured within the Territorial Limits as specified within the Policy Schedule.

With respect to the indemnity afforded by this policy the Company shall:

- (a) defend in the Insured's name and on their behalf any suit against the Insured alleging such Bodily Injury or Property Damage and seeking damages on account thereof even if such suit is groundless, false or fraudulent, and the Company may make such investigation, negotiation and settlement of any claim or suit as it deems expedient;
- (b) pay all expenses incurred by the Company, all costs taxed against the Insured in any such suit and all interest accruing after entry of judgment until the Company has paid tendered or deposited in court such part of such judgment as does not exceed the limit of the Company's liability specified in the schedule;
- (c) reimburse the Insured for all reasonable expenses, other than loss of earnings, incurred with the consent of the Company;

PROVIDED THAT

- (i) the Company shall not be obliged to pay any claim or judgment or to defend any suit after the Limit of Indemnity has been exhausted by payment of judgments or settlements,
- (ii) if a payment exceeding the Limit of Indemnity has to be made to dispose of a claim, the Company's liability to pay any legal costs and expenses in connection therewith shall be limited to such proportion of the legal costs and expenses as the Limit of Indemnity bears to the amount paid to dispose of the claim.

The amounts thus incurred, except payments in settlement of claims, suits and all costs awarded against the Insured are payable by the Company in addition to the applicable Limit of Indemnity of this Policy.

LIMIT OF INDEMNITY

The maximum liability of the Company in respect of any claim or any series of claims for Bodily Injury and/or Property Damage caused by or arising out of one Occurrence shall not exceed the Limit of Indemnity specified in the Schedule. All Bodily Injury and Property Damage arising out of continuous or repeated exposure to substantially the same general conditions shall be construed as arising out of one Occurrence.

EXCESS

When specifically indicated in the attached Schedule and/or Endorsements, each Occurrence arising under this Policy is subject to the excess shown.

EXTENSIONS (Applicable to Section 5)

The indemnity provided by this Section shall extend to include:-

1. Overseas Commercial Visits

In respect of legal liability incurred by directors, partners and Employees of the Insured for Bodily Injury &/or Property Damage arising from the occasional visits outside Hong Kong in connection with the Insured's Business provided that such personnel are normally resident in Hong Kong and who is not a manual worker or supervisor of work. PROVIDED ALSO THAT in respect of such personnel traveling in the U.S.A. or Canada, the maximum liability of the Company under this extension including all law costs and expenses which are to be paid by the Company shall not exceed the sum of HK\$10,000,000 for any one Period of Insurance.

2. Food And Drinks Poisoning

In respect of legal liability for Bodily Injury directly caused by food or drink poisoning, or the presence of deleterious matter in such food or drink, or the defective container of such food or drink, provided always that such food or drink are supplied free of charge as a service to any person in the Business Premises. The maximum liability of the Company under this Extension shall not exceed the sum of HK\$2,000,000 for any one Period of Insurance.

3. First Aid

In respect of legal liability arising out of the provision of first aid and other similar treatment rendered by the Insured (other than medical organization) including its Employees to its customers or other third parties but excluding any treatment rendered by duly qualified member of the medical profession and/or any registered and/or voluntary medical services.

4. Contractor's Liability

In respect of legal liability of the Insured for third party Bodily Injury or Property Damage up to the Limit of Indemnity for all sums including legal costs, charges and expenses arising out of decorations, alterations or repairs carried out inside the Business Premises by an independent contractor employed by the Insured for works not exceeding an amount of HK\$200,000 and a period not exceeding 60 consecutive days. Works involving external walls or the use of scaffolding are excluded.

5. Tenant's Liability

In respect of legal liability arising from loss of or damage to Business Premises (including fixtures and fittings) hired or rented by the Insured provided that this extension shall not apply to any liability assumed by the Insured under a tenancy or other agreement which would not have attached in the absence of such agreement.

6. Welfare, Social and Sports Club

In respect of legal liability of the Insured and/or the Insured's welfare social or sporting clubs and/or any individual members of such clubs whilst undertaking activities on behalf of such clubs (whether committee members or otherwise) for claims in respect of bodily injury or damage to property occurring as a result of an accident and happening in connection with their business as welfare social and/or sporting clubs.

Provided that

- (a) Such clubs and/or members are not entitled in indemnity under any other policy of insurance otherwise the indemnity granted herein will apply only in respect of an amount in excess of that provided by such other policy.
- (b) Such clubs and/or members shall as though they were the insured observe fulfil and be subject to the terms exclusion and conditions of this policy so far as they can apply.

DEFINITIONS (Applicable to Section 5 and its Extensions)

- Occurrence** : means an event, including continuous or repeated exposure to substantially the same general conditions which results in Bodily Injury or Property Damage, neither expected nor intended from the standpoint of the Insured.
- Bodily Injury** : means bodily injury, sickness or disease sustained by any person which occurs during the Period of Insurance, including death at any time resulting therefrom.
- Property Damage**: means (1) physical injury to or destruction of tangible property including the loss of use thereof at any time resulting therefrom, or (2) loss of use of tangible property which has not been physically injured or destroyed provided such loss of use is caused by an Occurrence.
- Vehicle** : means any type of machine on wheels or on self laid tracks made or intended to be propelled by other than manual or animal power and any trailer or other attachment made or intended to be drawn by such machine.
- Watercraft** : means any vessel, craft or thing made or intended to float on or in or travel on or through water.
- Aircraft** : means any vessel, craft or thing made or intended to fly or move in or through the atmosphere or space.
- Pollutants** : means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.
- Policy** : means this document and each memorandum issued by the Company and attached, or intended to be attached, to it.
- Territorial Limits** : means the territory of Hong Kong unless otherwise stated in the Schedule.
- Business** : means the nature of trade or occupation of the Insured specified in the Schedule

EXCLUSIONS (Applicable to Section 5 and its Extensions)

This Policy does not cover liability in respect of

1. Bodily Injury to
 - (a) any person employed under a contract of service or apprenticeship with the Insured if such Bodily Injury arises out of and in the course of the employment;
 - (b) any person by whom or by whose dependants any claim is brought against the Insured under any Employees' Compensation legislation.
2. Property Damage to
 - (a) property belonging to the Insured or held in trust by or in the custody or control of the Insured;
 - (b) property held in trust by or in the custody or control of a person in the service of the Insured by virtue of such service.
3. The cost of performing completing, correcting or improving any work undertaken by the Insured.
4. Any agreement by the Insured to pay any sum by way of indemnity or otherwise unless such liability would have attached in the absence of such agreement.

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5. Property Damage caused by vibration removal or weakening of or interference with support to land buildings or any other property.
6. Bodily Injury or Property Damage caused by or arising out of the ownership possession operation control maintenance or use by or on behalf of the Insured of any Vehicle or trailer (unless such Vehicle or trailer is specified as Plant in the Schedule) or any Aircraft or Watercraft but this Exclusion shall not apply to Bodily Injury or Property Damage caused by or in connection with the loading or unloading of any Vehicle or trailer except in so far as such loading or unloading is covered by a policy of Motor insurance.
7. Bodily Injury or Property Damage caused by
 - (a) any manually-operated lifting tackle with a lifting capacity exceeding ten hundred weight or any power-operated lift elevator crane hoist or other lifting tackle (unless such lifting tackle is specified as Plant in the Schedule);
 - (b) flood fumes atmosphere or water pollution subsidence landslip or subterranean damage (other than to pipes cables and the like);
 - (c) the nature or condition of any goods or the containers thereof sold or supplied by the Insured.
8. Bodily Injury or Property Damage caused by or resulting from the explosion or collapse of
 - (a) any economiser owned or used by the Insured working in conjunction with a steam boiler;
 - (b) any boiler vessel or other apparatus owned or used by the Insured which is intended to operate under internal pressure due to steam.
9. War invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection riot military or usurped power or expropriation including lawful seizure resumption confiscation nationalisation destruction or damage to property by or under the order of any Government or public or local authority.

In any claim and in any action suit or other proceeding where the Company alleges that by reason of this Exclusion any liability is not covered by this Policy the burden of proving that such liability is covered shall be upon the Insured.
10. Bodily Injury or Property Damage directly or indirectly caused by or arising from or in consequence of or contributed to by
 - (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this Exclusion combustion shall include any self-sustaining process of nuclear fission;
 - (b) nuclear weapons material.
11. Professional liabilities of whatsoever kind including Directors and Officers Errors and Omissions and Medical Malpractice.
12. Sub-contractors to the Insured or persons engaged in or upon the service of such subcontractors.
13.
 - (a) Bodily Injury or Property Damage caused by or arising out of the discharge, dispersal, release or escape of Pollutants into or upon land, the atmosphere, or any water course or body of water. Provided this Exclusion does not apply if such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place;
 - (b) Any costs and expenses incurred in the prevention, removing, nullifying, or clean-up of such contamination or Pollution. Provided this Exclusion shall not apply to clean-up, removal or nullifying expenses, which are consequent upon a sudden, identifiable, unexpected, unintended happening taking place in its entirety at a specific time and place which results in Bodily Injury or Property Damage.
14. Any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.
15. Punitive damages and/or exemplary damages and/or aggravated damages and/or any additional damages resulting from the multiplication of compensatory damages.
16. Fines, penalties or liquidated damages.
17. Work performed on offshore gas and oil platforms.
18. Claims made and actions instituted outside the Jurisdiction of Hong Kong.
19. Liability arising out of the publication or utterance of a libel or slander.
20. Product liability in regard to claims arising directly or indirectly out of any defect or deficiency in goods sold or supplied (which expression includes containers) after such goods have passed from the control and actual physical custody of the Insured or of any person in the direct service of the Insured other than goods sold or supplied at or from a canteen provided by the Insured primarily for the use of Employees of the Insured.
21. Loss of use of tangible property which has not been physically injured or destroyed resulting from a delay in or lack of performance by or on behalf of the Insured of any contract or agreement.
22. Terrorism

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, death, injury, illness, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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

This endorsement also excludes loss, damage, death, injury, illness, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.
23. Information Technology Hazards, Computer Data, Program and Storage Media

Bodily injury or property damage arising, directly or indirectly, out of, or in any way involving the Insured's "Internet Operations".

This exclusion does not apply to bodily injury or property damage arising out of any material which is already in print by the manufacturer in support of its product, including but not limited to product use and safety instructions or warnings, and which is also reproduced on its site.

Nothing in this exclusion shall be construed to extend coverage under this policy to any liability which would not have been covered in the absence of this exclusion.

Property damage to computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:

- (a) The use of any computer hardware or software;
- (b) The provision of computer or telecommunication services by the Insured or on the Insured's behalf;
- (c) The use of computer hardware or software belonging to any third party, whether authorised or unauthorised including damage caused by any computer virus.

"Internet Operations" means:

- (i) Use of electronic mail systems by the Insured or the Insured's employees, including part-time and temporary staff, contractors and others within the Insured's organisation;
 - (ii) Access through the Insured's network to the worldwide web or a public internet site by the Insured's employees, including part-time and temporary staff, contractors and others within the Insured's organisation;
 - (iii) Access to the Insured's intranet (meaning internal company information and computing resources) which is made available through the worldwide web for customers of the Insured or others outside the Insured's organisation; and
 - (iv) The operation and maintenance of the Insured's web site.
24. The first HK\$1,000 of any claim for loss of or damage to property.

CONDITIONS (Applicable to Section 5 and its Extensions)

1. Where more than one party comprises the Insured each of the parties shall be considered as a separate and distinct unit and the word Insured shall be considered as applying to each party in the same manner as if a separate policy had been issued to each of the said parties provided that nothing in this clause shall result in an increase of the Company's Limit of Liability in respect of any one Occurrence.
2. The Insured shall exercise reasonable care that only competent employees are employed and shall take all reasonable steps to prevent accidents and to comply with all statutory or other obligations and regulations imposed by any Authority and shall maintain the Premises and all ways works machinery of plant in sound condition. In the event of the discovery of any defect or danger the Insured shall forthwith cause such defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require.
3. The Company may at any time pay to the Insured in respect of all claims against the Insured arising directly or indirectly from one source or original cause the amount of the Limit of Indemnity or such other limit specified in respect thereof (after deduction of any sum or sums already paid as compensation in respect thereof), or any lesser sum for which the claim or claims can be settled and upon such payment the Company shall relinquish conduct or control of and be under no further liability under the Policy in connection with such claims except for costs, charges and expenses (a) recoverable from the Insured for all part of the period prior to the date of such payment; (b) incurred by the Company; (c) incurred by the Insured with the written consent of the Company prior to the date of such payment.

SECTION 6 - EMPLOYEES' COMPENSATION (Operative only if indicated in the Schedule)

COVER

For the purpose of this Section of Insurance, the Insured carries on the Business described in the Schedule and no other.

If any Employee 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, the Company will subject to Limit of Indemnity and to the Terms of this Section indemnify the Insured against his legal liability in respect of such bodily injury or death under the Ordinance and independently of the Ordinance to pay compensation and damages and claimant's costs and expenses and also indemnify the Insured against costs and expenses incurred by or on behalf of the Insured with the Company's written consent in connection therewith.

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

Further Provided that:

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

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

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

DEFINITIONS (Applicable to Section 6)

- (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) "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).
- (e) "The Ordinance" means the Employee's Compensation Ordinance (Chapter 282 of the Laws of Hong Kong).
- (f) "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).

- (g) "This Section" means this Employees' Compensation Insurance Section the Schedule and any memoranda and endorsements contained herein or endorsed hereon which shall be read together as one document and any word or expression to which a specific meaning has been assigned shall bear such meaning throughout.
- (h) "The Proposal and Declaration" means any signed proposal form and declaration and any information supplied by or on behalf of the Insured in addition thereto or in substitution therefor.

LIMIT OF INDEMNITY (Applicable to Section 6)

- (a) In respect of any Accident or Disease giving rise to a claim or claims against the Insured for which indemnity is provided under this Section 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 the amount specified in the Schedule as "Limit of Indemnity" irrespective of the number of Employees who may sustain Bodily Injury or death consequent on or attributable to the same occurrence of Accident or Disease.
- (b) In relation to any liability of the Insured in respect of a Disease contracted by an Employee due to the nature of his employment with the Insured which nature of employment applies during a period that extends over more than one policy period of insurance:
 - (i) 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 this Section 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
 - (ii) Subject to the limitation of paragraph (b)(i) hereof, the Company's indemnity to the Insured under this Section 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 employment to the nature of which such Disease was due.
- (c) 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.
- (d) 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 Section 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 for any costs or expenses whatsoever incurred by the Insured after the Company shall have relinquished such conduct or for any loss damage or expenses caused to the Insured in consequence of any act or omission of the Company in connection therewith or of the Company relinquishing such conduct.
- (e) 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.

EXCLUSIONS (Applicable to Section 6)

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

- (a) The Insured's liability to employees of contractors to the Insured;
- (b) Any liability of the Insured which attaches by virtue of an agreement but which would not have attached in the absence of such agreement;
- (c) Any sum which the Insured would have been entitled to recover from any party but for an agreement between the Insured and such party;
- (d) Any liability arising from Pneumococcosis or Mesothelioma or Noise-Induced Deafness;
- (e) The Insured's liability to any person who is not an employee of the Insured within the meaning of the Ordinance;
- (f) Any late payment surcharge fines penalties or punitive aggravated or exemplary damages for which the Insured may become liable under the Ordinance or independently of the Ordinance;
- (g) Any injury by Accident or Disease attributable to war invasion act of foreign enemy hostilities or warlike operations (whether war be declared or not) civil war mutiny rebellion revolution insurrection or military or usurped power;
- (h) Any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - (i) nuclear weapons material;
 - (ii) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel and for the purposes of this Exception combustion shall include any self-sustaining process of nuclear fission;
- (i) Any injury by Accident or Disease where the Company has not been given sufficient notice of the institution of proceedings in a court or tribunal to enable the Company to be added as a party to the proceedings.

CONDITIONS (Applicable to Section 6)

1. AVOIDANCE OF CERTAIN TERMS AND RIGHT OF RECOVERY

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

2. INSURANCE PREMIUM

- (a) Prior to the commencement of the Period of Insurance, the Insured shall supply the Company with a declaration estimating the Earnings of the Employees employed in the Business during the Period of Insurance (which declaration is referred to herein as "the Estimated Earnings Declaration") on the basis of which a deposit premium becomes payable to the Company.
- (b) The Insured shall within thirty (30) days after the expiry of the Period of Insurance or upon cancellation of the Policy supply the Company with a completed Premium Adjustment and Declaration of Earnings Form stating the actual Earnings of Employees and provide the relevant supporting documents during the Period of Insurance (which

declaration is referred to herein as "the Actual Earnings Declaration"). If the actual Earnings shall differ from the estimated Earnings the difference in premium shall be met by a further proportionate adjustment premium to be paid to the Company or by a premium refund to the Insured as the case may be.

- (c) It is hereby declared that the Premium payable by the Insured in consideration of the indemnity provided under this Policy is the sum of the deposit premium and the adjustment premium calculated pursuant to paragraphs (a) and (b) hereof.
- (d) The name Hong Kong Identity Card number class of employment and Earnings of every Employee of the Insured employed in the Business from time to time during the Period of Insurance shall be properly recorded by the Insured and retained in a safe place so that a record exists of all persons who are Employees of the Insured for the purposes of this Section and the Insured shall at all reasonable times allow the Company to inspect and obtain copies of such records.
- (e) If the Insured fails to cooperate with the Company in submitting the completed Premium Adjustment and Declaration of Earnings Form, without prejudice to any other rights of the Company, the Company shall retain the discretion not to renew this insurance upon expiry of the Policy.

CLAIMS SETTLEMENT CONDITIONS (Applicable to Section 6)

(a) Claims Notification Demands etc.

In the event of any occurrence which may give rise to a claim under this Policy the Insured shall immediately give notice thereof in writing to the Company with full particulars.

The Insured shall also give the Company notice in writing immediately the Insured becomes aware of any intention to prosecute the Insured any impending prosecution inquest or fatal inquiry in connection with any occurrence which may give rise to a claim under this Policy. Every letter claim writ summons and process shall be forwarded to the Company immediately on receipt.

(b) Claims Control by the Company

The Company shall be entitled upon notice to the Insured to take over and conduct in the Insured's name the defense or settlement of any claim demand or proceedings against the Insured. In that event:

- (i) The Insured shall provide all such information and assistance including the latest earnings of all employees duly certified as being correct by an independent auditor and forward all such documents and other records to the Company for the conduct of such claim demand or proceedings as the Company in its discretion may from time to time require; and
- (ii) the Insured shall not without the written consent of the Company incur any expenditure in connection with any such claim demand or proceedings or make any payment admission offer or enter into any settlement whatsoever.

(c) Claims Payments by the Insured

Where the Insured pays all or any part of a claim for which he is liable and for which indemnity is provided by this Policy the Insured shall obtain duly witnessed signed receipts for such payments and shall retain in a safe place all such signed receipts and records and documents relating to such payments and the Insured shall at all reasonable times allow the Company to inspect and obtain copies of such records and documents.

(d) Other Insurance

If at the time a claim is made by the Insured under this Policy there is any other insurance covering the same liability the Company shall not be liable to pay or contribute more than its rateable proportion of any such claim and costs and expenses in connection therewith.

(e) Waiver of Claims

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

(f) Subrogation

The Company shall be entitled at its sole discretion to prosecute in the name of the Insured any claim for damages, costs, indemnity contribution or otherwise against any person who may be liable to the Insured in respect of any liability on the part of the Insured for which indemnity is provided by this Policy and shall have full discretion in the conduct of any such proceedings and in the settlement of any such claim. The Insured shall give all such information and assistance as the Company may from time to time require and execute any necessary documents for the purpose of vesting such rights in the Company. Any moneys recovered pursuant to the exercise of such rights shall be applied firstly for the benefit of the Company to the extent of the amount paid by the Company in respect of any claim including any costs and expenses paid or incurred by the Company and costs and expenses incurred in prosecuting such recovery action.

GENERAL CONDITIONS (Applicable to all Sections)

1. This Policy and the Schedule (which forms an integral part of this Policy) shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear such specific meaning whenever it may appear.
2. The Insured shall exercise all reasonable precautions for maintenance and safety of the property insured.
3. If the Insured or anyone acting on his behalf makes any claim under this Policy knowing the claim to be fraudulent, this Policy shall become void and all benefit forfeited.
4. This Policy may be cancelled at any time at the request of the Insured in writing to the Company and the Premium will be adjusted on the basis of the Company receiving or retaining the customary Short Term Premium or Minimum Premium. The Policy may also be cancelled by the Company giving seven day's notice in writing to the Insured at his last known address and the Premium will be adjusted on the basis of the Company receiving or retaining Pro Rata Premium.
5. If a change of circumstances after the commencement of the insurance increases the risk of loss, injury or damage or the Insured's interest ceases except by will or operation of law, this Policy will be voidable unless the Company has agreed in writing to accept such alteration.
6. In the event of the death of the Insured the Company will indemnify the Insured's legal personal representatives in respect of liability previously incurred by the Insured provided they conform with the terms of this Policy.
7. The Insured shall duly comply with and observe all provisions requirements and regulations of
 - i Fire Services Department

- and/or ii Labour Department
- and/or iii Dangerous Goods Ordinance
- and/or iv Factories and Industrial Undertaking Ordinance
- and/or v any other Statutory obligation

including any notice given and requirements made pursuant to same the breach and disregard of which may affect or increase the risk hereby insured except only that this Condition shall not apply in respect of any Ordinance Regulation Notice or Requirement expressly waived by the Insurers by endorsement on this Policy.

8. Upon learning of any circumstances likely to give rise to a claim the Insured shall unless otherwise expressed in Section 6,
 - (a) Give immediate notice to the Company and give all assistance that the Company may reasonably require;
 - (b) Immediately notify the Police in respect of any loss or damage by burglary or theft or any attempt thereat or by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances and malicious persons;
 - (c) Forward immediately to the Company any writ or summons issued against the Insured by a Third Party;
 - (d) Within 30 days or in respect of Section 2 within 30 days after the expiry of the Indemnity Period and at his own expense supply full details of the claim in writing together with any supporting evidence that may be required by the Company;
 - (e) Take immediate action to minimize the loss or damage and to avoid interruption or interference with the business and to prevent further damage or injury.
9. The Company at its option may indemnify the Insured by payment, reinstatement, replacement or repair in respect of any property lost or damaged or any part thereof. If the Company elects to reinstate or replace any property, it shall not be bound to reinstate or replace exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the sum insured thereon.
10. The Company shall have the right to enter the building where the loss or damage has occurred and to take and keep possession of any of the property insured and to deal with salvage in a reasonable manner. All benefit under this Policy shall be forfeited if this condition is not observed.
11. No admission offer promise payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company which shall be entitled if it so desires to take over the conduct in the name of the Insured the defence or settlement of any claim or to prosecute in the name of the Insured for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.
12. The Company shall be entitled to
 - (a) Take benefit of any rights of the Insured against any other party before or after the Insured has received payment under this Policy;
 - (b) Take over the defense or settlement of any claim made upon the Insured by any other party.
13. If in the event of a claim arising under this Policy except Section 6, there shall be in force any other insurance covering the same property and/or contingencies.
 - (a) The liability of the Company shall be limited to its ratable proportion of such claim.
 - (b) But which is subject to any provision excluding it from ranking concurrently with this Policy either in whole or in part or from contribution ratably to the claim then the liability of the Company shall be limited to such proportion of the claim as the Sum Insured bears to the value of the property.
14. If any difference shall arise as to the amount to be paid under this Policy, such difference shall be determined by arbitration in Hong Kong in accordance with the prevailing Arbitration Ordinance. If the parties fail to agree upon the choice of arbitrators or umpires, then the choice shall be referred to the Chairman for the time being of the Hongkong International Arbitration Centre. It is hereby expressly stipulated that it shall be a condition precedent to any right of action or suit upon this Policy that an arbitration award shall be first obtained. If the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
15. The Company shall have the right at all reasonable times to inspect and examine any machine or to arrange for such inspections and examinations to be carried out on its behalf. The dismantling and reassembling in connection with any examination shall be carried out by the Insured on such date or dates as the Company and the Insured shall agree for the making of such examination. The Company shall furnish to the Insured reports on the results of such inspections and examinations.
16. The due observance and fulfilment of the Terms of this Policy in 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 Company to make any payment under this Policy.
17. Notwithstanding anything contained herein to the contrary of the policy, in the event of any policy amendment including cancellation requested by the insured after policy inception, the premium retained by the Company shall be subject to a minimum and non-refundable amount of HK\$1,000 unless stated otherwise in the schedule or endorsement.
18. This Policy shall be subject to the jurisdiction of Hong Kong and construed in accordance with the laws of Hong Kong.

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. The Insured should ensure that this policy complies with the ordinance requirements. A subsequent change in number of employees may result in a higher amount of insurance coverage being required under the Ordinance. In this event, the Insured should consult the Company immediately.

ENDORSEMENT (Applicable to Section 6)

ETEC 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 of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- (a) the policy limit of indemnity shall be such amount which the Company actually receives from the government of the Hong Kong Special Administrative Region of the People's Republic of China ("the Government") pursuant to an agreement for provision of facility dated 11th January 2002 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 injury arising out of an event of terrorism ("the facility agreement");
- (b) the Company will only be required to make payment after it has received from the Government (i) an approval letter confirming that the Company should settle the claim and (ii) payment under the facility agreement; and
- (c) for the avoidance of doubt, the Company shall have no obligation to make payment if for whatever reason it does not receive payment from the Government under the facility agreement, whether or not due to the Government's contention that the loss does not fall within the scope of the facility agreement or the facility agreement not being complied with by the Government or by the Company.

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 the Policy.

EL60 Absolute Asbestos Exclusion

This Policy shall not apply to and does not cover any actual or alleged liability whatsoever for any claim or claims in respect of losses directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

GENERAL EXCLUSIONS (Applicable to all Sections)

The Company shall not be liable in respect of:

1. Any contingency caused by or happening through or in consequence of:
 - a) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
 - b) mutiny, riot, military or popular rising, insurrection, revolution, military or usurped power, martial law or state of siege or any of the events of causes which determine the proclamation or maintenance of martial law or state of siege.
2. Loss of or damage to any property or any resultant loss or expense or any consequential loss or legal liability directly or indirectly arising from
 - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
3. Any accident, loss damage expense, liability or bodily injury occasioned by or through or in consequence directly or indirectly of confiscation, commandeering, requisition or destruction of or damage to the property insured by order of the Government de jure or de facto or any public, municipal or local authority of the country or area in which the Business Premises is situated.
4. Consequential loss or damage of any kind except as provided in Section 2.
5. Judgements which are not in the first instance delivered by or obtained from a court of competent jurisdiction in Hong Kong. ☹

SAMPLE

Personal Information Collection Statement 收集個人資料聲明

The information you provide to us is collected to enable us to carry on insurance business and may be used for the purpose of any insurance or financial related product or service or any alterations, variations, cancellation or renewal of such product or service; any claim or investigation or analysis of such claim; and exercising any right of subrogation, and may be transferred to 1) any related company or any other company carrying on insurance or reinsurance related business or an intermediary or a claims or investigation or other service provider providing services relevant to insurance business for any of the above or related purposes; 2) any association, federation or similar organization of insurance companies ("Federation") that exists or is formed from time to time for any of the above or related purposes or to enable the Federation to carry out its regulatory functions or such other functions that may be assigned to the Federation from time to time and are reasonably required in the interest of the insurance industry or any member(s) of the Federation, and 3) any members of the Federation by the Federation for any of the above or related purposes.

Moreover, we are hereby authorized to obtain access to and/or to verify any of your data with the information collected by the Federation from the insurance industry. You have the right to obtain access to and to request correction of any personal information concerning yourself held by us. Requests for such access can be made in writing to the General Administration Officer, QBE Hongkong & Shanghai Insurance Limited, 17/F, Warwick House, West Wing, Tai Koo Place, 979 King's Road, Quarry Bay, Hong Kong (Telephone: 2877 8488, Fax: 3607 0300).

閣下提供的資料，為本公司提供保險業務所需，並可能使用於：任何與保險或可保有關的產品或服務，或該等產品或服務的任何更改、變更、取消、或續期；或任何索償、或該等索償的調查或分析；或行使任何代位權之用。以上資料，及可能轉移予：1) 任何有關的公司，或任何其他從事與保險或再保險業務有關的公司，或與保險業務有關的中介人或索償或調查或其他服務提供者，以達到任何上述或有關目的；2) 現時或不時成立的任何保險公司協會或聯會或類同組織（「聯會」），以達到任何上述或有關目的，或以使聯會執行其監管職能，或其他基於保險業或任何聯會會員的利益而不時在合理要求下賦予聯會的職能；及 3) 透過聯會轉予任何聯會的會員，以達到任何上述或有關目的。此外，本公司亦將此類授權由聯會從保險業內收集的資料中查閱及/或核對閣下任何資料。閣下有權查閱及要求更正由本公司持有有關閣下的個人資料。如有需要查詢，可寫信至香港德輔道西979號太古坊大廈西翼17樓（電話：2877 8488，傳真：3607 0300）向本公司行政總監提出。