

THE UNDERWRITERS

We want **You** to know how **We** protect the confidentiality of **Your** non-public personal information. **We** want **You** to know how and why **We** use and disclose the information that **We** have about **You**. The following describes our policies and practices for securing the privacy of **Our** current and former customers.

INFORMATION WE COLLECT

The non-public personal information that **We** collect about **You** includes, but is not limited to:

- Information contained in the Application for Insurance or other forms that **You** submit to **Us**, such as name, address, and social security number
- Information about **Your** transactions with **Our** affiliates or other third parties, such as balances and payment history
- Information **We** receive from a consumer-reporting agency, such as creditworthiness or credit history.

INFORMATION WE DISCLOSE

We disclose the information that **We** have when it is necessary to provide **Our** products and services. **We** may also disclose information when the law requires or permits **Us** to do so.

CONFIDENTIALITY AND SECURITY

Only **Our** employees and others who need the information to service **Your** account have access to **Your** personal information. **We** have measures in place to secure **Our** paper files and computer systems.

RIGHT TO ACCESS OR CORRECT YOUR PERSONAL INFORMATION

You have a right to request access to or correction of Your personal information that is in Our possession.

CONTACTING US

If **You** have any questions about this privacy notice or would like to learn more about how **We** protect **Your** privacy, please contact the agent or the **Insurance Broker** stated in the Schedule who handled this insurance. **We** can provide a more detailed statement of **Our** privacy practices upon request.

The provisions of this Privacy Policy Statement may be changed by an **Endorsement** issued by **Us** and made a part of this **Policy**, or by an attachment of a separate Privacy Policy Statement to this **Policy**.

The **Insured** must disclose to **Underwriters** every circumstance that is material to the risk.

- a. A circumstance is material if it would influence the judgment of a prudent underwriter in determining whether to take the risk and, if so, on what terms.
- b. The **Insured** has a duty to disclose all material circumstances (i) it knows, or (ii) that would have reasonably been revealed by a reasonable search of the information available to the **Insured** by the **Insured's** senior management and/or those responsible for the **Insured's** insurance.
- c. Disclosure of material information to **Underwriters** must be made in a clear and accessible manner.
- d. By accepting the risk under this **Policy** and in setting the terms and premium, the **Underwriters** have relied on the information given to them by the **Insured**.
- e. If the **Insured** becomes aware that material information provided to the **Underwriters** is inaccurate or has changed, then the **Insured** must inform the **Underwriters** as soon as practicable.
- f. If the **Insured** fails:
 - (i) to disclose every matter and circumstance that is material to the risk, or
 - (ii) to notify the **Underwriters** that information the **Insured** has provided is inaccurate, or
 - (iii) to notify the **Underwriters** of any changes to the information provided,then the insurance under this **Policy** may become invalid and/or the **Policy** may be voidable, with the consequence that the **Underwriters** may not be liable to indemnify the **Insured** and/or **Underwriters'** liability to indemnify the **Insured** may be reduced.

It is a condition of this Insurance, and the **Insured** agrees, that the provision of any cover, the payment of any claim and the provision of any benefit hereunder shall be suspended, to the extent that the provision of such cover, payment of such claim or provision of such benefit by the **Underwriters** would expose **Underwriters** to any sanction, prohibition, or restriction under any:

- a. United Nations' resolution(s); or
- b. the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, or United States of America.

Such suspension shall continue until such time as the **Underwriters** would no longer be exposed to any such sanction, prohibition, or restriction.

SECTION I Insuring Agreements

NOTICE TO THE INSURED - This **Policy** is non-cancellable except as detailed in General Condition E. (Cancellation) of Section V of this **Policy**.

The burden of proving that any loss, damage, or expense is recoverable under this **Policy** and that no limitation or exclusion of this **Policy** applies and the quantum of loss, damage, or expense shall fall upon the **Insured**, as detailed in General Condition R. (Onus of Proof) of Section V of this **Policy**.

In consideration of the payment of premium and subject to the Insuring Agreements, General Definitions, General Exclusions, Extensions and General Conditions of this **Policy**, the **Underwriters** agree as follows:

A. Insuring Agreement

To cover the **Insured Property** against physical loss or physical damage occurring during the **Policy Period** while located or contained within the **Territorial Limits**, and directly caused by an **Act of Terrorism** or an **Act of Sabotage**.

B. Sum Insured

The maximum liability of the **Underwriters** in a single **Loss Occurrence**, regardless of the number of locations or coverage involved, is the amount stated in the Schedule, or as otherwise endorsed onto this **Policy**, as “each **Loss Occurrence**” subject always to the aggregate limit during the **Policy Period** specified in the Schedule.

However, when a Sub-Limit of Liability for a location or for a specified coverage is stated in the Schedule, such Sub-Limit of Liability will be the maximum amount payable for any physical loss or physical damage or costs or expenses under any Extension included in this **Policy** at such location or involving such specified coverage.

If any Sub-Limit of Liability stated in the Schedule shall be shown to be higher than the Limit of Liability stated in the Schedule, such Sub-Limit of Liability shall automatically be amended to reflect the lower Limit of Liability for this **Policy** for both the “each **Loss Occurrence**” limit and the aggregate limit; excepting where any additional costs of indemnifying the **Insured** to such Sub-Limit of Liability shall be met by a policy of insurance which is written specifically as excess insurance over this **Policy**.

If any Sub-Limit of Liability for a location or for any specified coverage is stated to be in the aggregate, the aggregate limit so indicated is the most the **Underwriters** will pay for any physical loss or physical damage or costs or expenses under any Extension included in this **Policy** at such location or for such specified coverage during the **Policy Period**.

C. Deductible

Each **Loss Occurrence** shall be adjusted separately, and from the amount of each adjusted **Loss Occurrence** the applicable sum stated in the Schedule shall be deducted.

In each case of direct physical loss or physical damage covered by this **Policy**, the **Underwriters** will be liable only if the **Insured** sustains a loss in a single **Loss Occurrence** greater than the applicable **Deductible**, and only for its share of that greater amount.

When this **Policy** insures more than one **Insured Property**, the **Deductible** will apply against the total loss covered by this **Policy** in any one **Loss Occurrence**.

D. Separation of Insureds

Where more than one party is named as the **Named Insured** in the Schedule, this **Policy** will apply separately to each such **Named Insured** in the same manner and to the same extent as if a separate policy had been issued to each **Named Insured** and, except as stated in General Condition W. (Subrogation) of Section V of this **Policy**, the **Underwriters** agree to waive all rights of subrogation against any of these parties, provided that (regardless of the number of parties named as the **Named Insured**) **Underwriters'** maximum liability in respect of each and every **Loss Occurrence** covered by this **Policy** does not exceed the Sum Insured stated in the Schedule and in the aggregate in respect of all **Loss Occurrences** covered by this **Policy**.

SECTION II General Definitions

Whenever used in this **Policy**, the following terms are defined as follows, unless stated otherwise:

- A. **Active Assailant Event** means a malicious act, involving the use of force or violence, of any person or groups of persons who is armed with a firearm, bladed weapon, blunt force weapon, land conveyance, including a vehicle, drone or unmanned aerial device, also referred to as a remotely piloted aircraft (RPA) by the International Civil Aviation Organization (ICAO) and also referred to as Unmanned Aircraft Systems by the Federal Aviation Administration (FAA), explosive device, acid or corrosive substance, any of which prevent the **Insured** from conducting their **Normal** operations.
For the purposes of this Definition, reference to acid or corrosive substance shall not be deemed to be a **Pollutant**.
- B. **Act of Sabotage** means a subversive act or series of acts committed for political, religious, or ideological purposes including the intention to influence any government and put the public in fear for such purposes.
- C. **Act of Terrorism** means an act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious, or ideological purposes including the intention to influence any government and put the public in fear for such purposes.
- D. **Actual Cash Value** means the lesser of:
1. the cost of repairing, replacing, or reinstating (whichever is the least) with material of like kind and quality, subject to the deduction of an appropriate amount to reflect accumulated depreciation; and
 2. the actual market value at the date and time of the loss.
- E. **Computer System** means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, **Data** storage device, networking equipment or back up facility, owned or operated by the **Insured** or any other party.
- F. **Cyber Act** means an unauthorized, malicious, or criminal act or series of related unauthorized, malicious, or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.
- G. **Data** means information, facts, concepts, code, or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted, or stored by a **Computer System**.
- H. **Deductible** means the amount stated as **Deductible** in the Schedule that shall be borne by the **Insured** in respect of each **Loss Occurrence**, before the **Underwriters** shall be liable to make any payment under this **Policy**.

- I. **Endorsement** means a change in the terms and conditions of the insurance provided by this **Policy**, agreed by the **Insured** and the **Underwriters**.
- J. **Evacuation** means the removal required by any public authority or the **Insured** of persons from a dangerous area to a designated safe area and the period of such **Evacuation** shall last until the said dangerous area is deemed safe to return either by any public authority, or the **Insured**.
- K. **Evacuation Expense** means reasonable travel expenses to designated areas, and the additional cost of food and accommodation within such areas consequent upon an **Evacuation**.
- L. **Excluded Territory** means:
1. Belarus (Republic of Belarus); and
 2. Russian Federation; and
 3. Ukraine (including any disputed regions of Ukraine and including the Crimean Peninsula); and
 4. Moldova (Republic of Moldova);
- M. **Insurance Broker** means the person or firm who acts on behalf of the **Insured** with regard the insurance afforded by this **Policy**, and named for that purpose in the Schedule.
- N. **Insured** means:
1. the entity stated in the Schedule as **Named Insured**; and
 2. any other entity as **Underwriters** have agreed to insure in this **Policy**.
- O. **Insured Property** means property owned by the **Insured**, and personal property of others in the **Insured's** care, custody, or control as per Values Declared to **Underwriters** and as stated on the Schedule. **Insured Property** shall also include property and locations of the type insured by this **Policy** in accordance with Extension A. (Acquisition) of Section IV of this **Policy**.
- P. **Loss Occurrence** means an **Act of Terrorism** and/or an **Act of Sabotage** arising out of one event. The duration and extent of any one **Loss Occurrence** shall be limited to all losses due to an **Act of Terrorism** and/or **Act of Sabotage** sustained by the **Insured** during any period of seventy-two (72) consecutive hours arising out of the same event. However no such period of seventy-two (72) consecutive hours may extend beyond the expiration date of this **Policy** unless the **Insured** shall first sustain direct physical loss or physical damage prior to the expiration date of this **Policy** and within the said period of seventy-two (72) consecutive hours nor shall any period of seventy-two (72) consecutive hours commence prior to the attachment of this **Policy**.
- Q. **Named Insured** means the entity designated as such in Schedule.
- R. **Normal** means the condition that would have existed had no physical loss or physical damage occurred.
- S. **Policy** means the policy document comprising the Schedule, Notice, its Insuring Agreements, General Definitions, General Exclusions, Extensions, General Conditions, and the Complaints and Other Enquiries

section, and any **Endorsement** applicable thereto, issued by the **Underwriters** to the **Named Insured** for the **Policy Period**.

The **Named Insured's** Application for Insurance, if any, shall be deemed to form a part of this **Policy**, even if such Application for Insurance is not physically attached to this **Policy**.

- T. **Policy Period** means the date and time when the insurance under this **Policy** starts and ends, as shown in the Schedule, unless this **Policy** is cancelled in accordance with the provisions of General Condition E. (Cancellation) of Section V of this **Policy**.
- U. **Pollutant** means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, dust, fumes, acids, alkalis, chemicals, and waste (waste is deemed to include materials to be recycled, reconditioned, or reclaimed).
- V. **Road Rage** means a sudden act of violence directed towards the driver and/or passenger of a road vehicle provoked by another driver and/or passenger of a separate vehicle whilst on a public road.
- W. **Territorial Limits** means the United States of America (including its territories and possessions).
- X. **Underwriters** means the Underwriters at Lloyd's comprising AEGIS Consortium 9348 or 4727, led by AEGIS Syndicate 1225, which is managed by AEGIS Managing Agency Ltd., a listing of which is attached as an **Endorsement** to this **Policy**.
- Y. **Us / We / Our** means the Underwriters at Lloyd's comprising AEGIS Consortium 9348 or 4727, led by AEGIS Syndicate 1225, which is managed by AEGIS Managing Agency Ltd., a listing of which is attached as an **Endorsement** to this **Policy**.
- Z. **You / Your** means the person or company stated in the Schedule as the **Named Insured**.

SECTION III General Exclusions

The following Exclusions apply to all coverage under this **Policy**, unless specifically amended by **Endorsement**.

- A. This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment for, any claim directly or indirectly arising from or related to the following risks, regardless of any other contributing or aggravating cause or event that contributed concurrently or in any sequence to such claims:
1. **Asbestos**
the existence of, or any exposure to, asbestos or any asbestos containing materials in whatever form or quantity;
 2. **Cyber Act, and Loss of Data**
 - a. any electronic means including but not limited to a **Cyber Act** or the use of any electromagnetic weapon; or
 - b. any loss of use, reduction in functionality, repair, replacement, restoration, or reproduction of any **Data**, including any amount pertaining to the value of such **Data**.

This Exclusion shall not operate to exclude physical loss or physical damage to **Insured Property** arising from the use of any **Computer System** in the launch and/or guidance and/or firing mechanism of any weapon or missile as part of an **Act of Terrorism** or an **Act of Sabotage** otherwise insured by this **Policy**;
 3. **Dishonest, Fraudulent, Criminal, Malicious Acts**
any dishonest, fraudulent, criminal, or malicious act committed by or at the direction of any **Insured**, or its partners, officers, directors, or other employees, whether acting alone or in collusion with others.
This Exclusion shall not apply to any **Insured** that did not commit or participate in, or have knowledge of the dishonest, fraudulent, criminal, or malicious act;
 4. **Failure to Supply**
the **Insured's** failure to supply or the cessation, fluctuation or variation in, or insufficiency of, the supply of any oil, gas, electricity, chemicals, products, telecommunications, water, steam, biofuels, materials or other utilities or services.
This Exclusion does not apply where a valid claim for indemnity is provided in Extension T. (Service Interruption) of Section IV of this **Policy**;
 5. **Microorganism**
mold, mildew, fungus, spores or other microorganism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
 6. **Mysterious Disappearance**
mysterious disappearance or unexplained loss;

7. **Nuclear, Chemical, Biochemical, Radioactive Contamination, Electronic Weapons**

- a. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- b. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- c. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- d. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter;
- e. any chemical, biological, bio-chemical materials, whether weaponized or not; or
- f. any electromagnetic weapon.

The Exclusions in sub-clauses d. and e. do not extend to an **Act of Terrorism**, an **Act of Sabotage**, or an **Active Assailant Event** involving the use of acid or corrosive substances;

8. **Ordinance or Law**

loss, or damage or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of the **Insured Property**, or any building that is on the **Insured Property**.

This Exclusion does not apply where a valid claim for indemnity is provided in Extension H. (Decontamination Costs) or Extension I. (Demolition and Increased Cost of Working) of Section IV of this **Policy**;

9. **Pollution**

- a. the actual, alleged or threatened discharge, dispersal, release or escape of any **Pollutant**;
- b. (i) any request, demand, order or statutory or regulatory requirement that any **Insured** or others test for, monitor, abate, clean up, remove, contain, remediate, treat, detoxify, or neutralize or in any way respond to, or assess the effect of any **Pollutant**; or
(ii) any claim by or on behalf of any governmental authority for damages because of testing for, monitoring, abating, cleaning up, removing, containing, remediating, treating, detoxifying, or neutralizing, or in any way responding to or assessing the effects of any **Pollutant**.

This Exclusion does not apply where a valid claim for indemnity is provided in Extension O. (Land and Water Contaminant or Pollutant Cleanup, Removal, and Disposal) of Section IV of this **Policy**;

10. **Robbery, Burglary, Road Rage, Gang Related Crime, Act of a Sexual Nature**

- a. robbery or hold-up, burglary, housebreaking, looting, theft or larceny, or **Road Rage**;
- b. gang related crime or violence;
- c. the actual or alleged violation of the Organized Crime Control Act of 1970 (commonly known as "Racketeer Influenced And Corrupt Organizations Act" or "RICO"), as amended, or any regulation promulgated under the foregoing statute, or any similar federal, state, provincial, territorial, local or foreign laws in any other jurisdiction, whether such law is statutory, regulatory, civil, or common law; or
- d. any act of a sexual nature or any act undertaken with a sexual motive;

11. **Territorial - Belarus, Russia, Ukraine, Moldova**

- a. any entity domiciled, resident, located, incorporated, registered or established in an **Excluded Territory**;
- b. property or asset physically located in an **Excluded Territory**;
- c. individual that is physically located in an **Excluded Territory**;
- d. claim, action, suit, or enforcement proceeding brought or maintained in an **Excluded Territory**; or
- e. payment in an **Excluded Territory**.

This Exclusion will not apply to any coverage or benefit required to be provided by **Underwriters** by law or regulation applicable to those **Underwriters**, however, the terms of the Notice: Sanctions Suspension Clause forming a part of this **Policy** will prevail;

12. **War, Warlike Acts, Political Perils, Riot, Strike**

- a. war, invasion or warlike operations (whether war be declared or not), act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection, coup d'état, military or usurped power or martial law;
- b. confiscation, expropriation, nationalization, seizure, requisition, detention, legal occupation, embargo, quarantine, or any result of any order of public or government authority, that deprives the **Insured** of the use or value of the **Insured Property**;
- c. deliberate destruction or damage to the **Insured Property** by or by order of any public or governmental authority;
- d. illegal occupation, acts involving contraband, illegal transportation, or illegal trade; or
- e. riot, strike, protest, lockout, civil commotion, civil disturbance, vandalism, or malicious mischief.

B. This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment for, loss or damage, to the following types of property, regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to such loss or damage:

1. **Aircraft, Watercraft, Vehicles**

- a. aircraft or any other aerial device, or watercraft, unless such aircraft or other aerial device, or watercraft has been declared to **Underwriters**.

This Exclusion does not apply to any drone or unmanned aerial device, also referred to as a remotely piloted aircraft (RPA) by the International Civil Aviation Organization (ICAO) and also referred to as Unmanned Aircraft Systems by the Federal Aviation Administration (FAA), used to commit an **Act of Terrorism**, an **Act of Sabotage**, or an **Active Assailant Event**;

- b. any land conveyance, including vehicles, locomotives or rolling stock, unless such land conveyance has been declared to **Underwriters** in the Schedule of Values, and solely whilst operating in the **Territorial Limits** at the time of its damage;

2. **Animals, Plants and Living Things**

animals, plants and living things of all types;

3. **Land or land values**

land or land values;

4. **Non-Act of Terrorism, Act of Sabotage, or Active Assailant Event**

the **Insured Property** other than as a direct result of a peril insured by this **Policy**;

5. **Real or Personal Property**

real or personal property of any nature whatsoever, other than the **Insured Property**;

6. **Transit**

the **Insured Property** in transit.

This Exclusion does not apply where a valid claim for indemnity is provided in Extension V. (Transit) of Section IV of this **Policy**;

7. **Transmission lines**

power transmission, feeder lines or pipelines not on the **Insured Property**, unless such power transmission, feeder lines or pipelines have been declared to **Underwriters**., and except as provided in Extension T. (Service Interruption) of Section IV of this **Policy**.

C. This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment for, the following types of loss, damage, or injury, whether caused or contributed to, in whole or in part, directly or indirectly, by risks otherwise insured under this **Policy** or any of its Extensions:

1. **Consequential Loss**

loss of use, delay, or loss of markets, however caused or arising and despite any preceding loss insured in this **Policy**.

This Exclusion does not apply where a valid claim for indemnity is provided in Extension C. (Business Interruption), D. (Contingent Business Interruption and Contingent Extra Expense), G. (Debris Removal), H. (Decontamination Costs), J. (Denial of Access), K. (Expert Fees), L. (Extended Period of Liability), M. (Extra Expense), N. (Fire Brigade Charges and Extinguishing Expenses), Q. (Loss of Attraction), S. (Rental Income), T. (Service Interruption) or U. (Threat or Hoax) of Section IV of this **Policy**;

2. **Fines, Penalties**

- a. any awards or damages of a punitive or exemplary nature whether in the form of fines, penalties, multiplication of compensation awards or damages or aggravated damages or in any other form whatsoever; or
- b. fines or penalties, for which any **Insured** is liable by reason of failure to comply with any statute, rule or regulation.

SECTION IV Extensions

None of the Extensions in this Section IV form part of this **Policy** unless marked as either “Included” in the Schedule or a Sub-Limit of Liability for such Extension is stated in the Schedule.

Any and all Extensions included in this **Policy** are:

1. subject to the applicable Sub-Limit of Liability stated in the Schedule;
2. within, and not in addition to, the Limit of Liability and any aggregate Sub-Limit stated in the Schedule; and
3. subject to all terms, definitions, exclusions, and conditions of this **Policy**, except and unless specifically stated otherwise.

A. Acquisition

The **Underwriters** agree to insure property and locations of the type insured by this **Policy** at any location rented, leased, purchased, or acquired by the **Insured** after the Inception Date of this **Policy**, provided such property or location does not exceed 10% of the Values Declared to **Underwriters** as stated on the Schedule, and are within the **Territorial Limits**.

The indemnity provided in this Extension shall apply for a period of one hundred and twenty (120) consecutive days from the date of rental, lease, purchase, or acquisition of such property or location, but will not exceed the expiration date of the **Policy**.

The **Insured** must report the newly acquired, purchased, leased, or rented property to the **Underwriters** within this one hundred and twenty (120) day period.

If however, the **Insured** require such additional property or location to be covered by this **Policy** for longer than the one hundred and twenty (120) day period as above, then, as long as the **Insured**:

1. pay any additional premium; and
2. accept such terms;

as may be required by **Underwriters**, then this **Policy** shall continue to apply to such additional property or location.

The **Underwriters** reserve the right not to continue the insurance of the newly acquired, purchased, leased, or rented property or location beyond the one hundred and twenty (120) day period.

No coverage shall be provided under this Extension for any additional property or location the **Insured** may acquire, purchase, lease or rent that exceeds the 10% amount stated above, unless the **Insured** have reported such additional property or location to **Underwriters** and the **Underwriters** have agreed to provide such additional coverage.

This Extension does not apply to any property or location which are first rented, leased, purchased, or acquired by the **Insured** within the following Zip Codes:

Boston:	02108 - 02117, 02135, 02142, 02199, 02201, 02203, 02210, 02215, 02222, 02241;
The Bronx:	10451 - 10460, 10462, 10463, 10466 - 10469, 10471 - 10473;
Brooklyn:	11201, 11207, 11215, 11217;
Chicago:	60601 - 60612, 60654, 60661;
Houston:	77030;
Las Vegas:	89101, 89109, 89119, 89158;
Los Angeles:	90013, 90014, 90017, 90045, 90048, 90069, 90071, 90083;
Manhattan:	10001 - 10286;
Miami:	33111, 33130, 33131, 33132;

Philadelphia: 19102 - 19107, 19109;
Queens: 11101 - 11103, 11109, 11369 - 11373, 11377, 11423, 11427, 11435;
San Francisco: 94102 - 94112;
Seattle: 98101, 98104, 98144, 98164;
Washington: 20001, 20002, 20004 - 20006, 20024, 20036, 20037.

Any additional property or locations rented, leased, purchased, or acquired by the **Insured** in the above listed Zip Codes must be agreed by **Underwriters** prior to cover being in place, and charged at additional premium if deemed applicable.

B. **Active Assailant Event**

Notwithstanding Exclusion B.4. (Non-Act of Terrorism, Act of Sabotage or Active Assailant Event) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to cover the **Insured Property** against physical loss or physical damage occurring during the **Policy Period** while located or contained within the **Territorial Limits**, and directly caused by an **Active Assailant Event**.

The indemnity provided in this Extension shall include any **Evacuation Expense**, incurred by or on behalf of the **Insured** as a consequence of such **Active Assailant Event**, and shall additionally include any physical damage caused by law enforcement or security forces responding to an **Active Assailant Event**, at the **Insured Property**.

Provided always that:

1. the **Insured** informs the local authorities at the time of the **Active Assailant Event**;
2. the local authorities inform the **Insured** of an **Active Assailant Event**;
3. an **Active Assailant Event** is made directly to the **Insured** at the **Insured Property**;
4. there is reasonable assumption made by the **Insured** of an **Active Assailant Event** which is directed toward the **Insured** at the **Insured Property**;
5. there is a spontaneous unconfirmed **Active Assailant Event** which is made by a third party which is then retrospectively agreed by the **Insured** and the **Underwriters**, that the actions taken were appropriate as if paragraphs 3. or 4. of this Extension had took place.

With respect to indemnity provided in this Extension only, any reference in this **Policy** to the term **Loss Occurrence**, shall also include the term **Active Assailant Event**.

Additional Exclusions

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to the following:

1. when the **Insured** fails to give written notice of loss to the **Underwriters** within ninety (90) days after the **Active Assailant Event** being reported;
2. the initial two (2) hour period after the **Active Assailant Event** becoming known to the **Insured**; or
3. an **Active Assailant Event** occurring away from the **Insured Property**.

C. **Business Interruption**

Notwithstanding Exclusion C.1. (Consequential Loss) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to cover the actual loss sustained by the **Insured** resulting from the necessary interruption of business arising out of direct physical loss or physical damage insured by this **Policy** occurring during the **Policy Period**.

The **Underwriters** shall be liable for the actual loss sustained by the **Insured** resulting directly from such necessary interruption of business, but not exceeding the reduction in **Gross Earnings**, less charges and expenses which are not necessary during the interruption of business, for a period not to exceed the lesser of:

1. such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the **Insured Property** as has been destroyed or damaged; or
2. twelve (12) calendar months;

commencing with the date of such physical loss or physical damage and not limited by the expiration date of this **Policy**.

Due consideration shall be given to the continuation of **Normal** charges and expenses, including payroll expenses, to the extent necessary to resume operations of the **Insured** with the same operational capability as existed immediately before the loss.

Additional Definitions

With respect to indemnity provided in this Extension only:

Finished Stock means stock manufactured by the **Insured** which in the ordinary course of the **Insured's** business is ready for packing, shipment, or sale.

Gross Earnings means, for the assessment of premium and for adjustment in the event of loss, the sum of:

1. total net sales value of production or sales of merchandise; and
2. other earnings derived from the operations of the business;

less the cost of:

- a. **Raw Stock** from which production is derived;
- b. supplies consisting of materials consumed directly in the conversion of such **Raw Stock** into **Finished Stock**, or in supplying the services sold by the **Insured**;
- c. **Merchandise** sold including packaging materials therefor;
- d. materials and supplies consumed directly in supplying the service(s) sold by the **Insured**;
- e. service purchased from outsiders (not employees of the **Insured**) for resale which do not continue under contract;
- f. the difference between the cost of production and the net selling price of **Finished Stock** which has been sold but not delivered;

No other costs shall be deducted in determining **Gross Earnings**.

In determining **Gross Earnings** due consideration shall be given to the experience of the business before the date of the physical loss or physical damage and the probable experience thereafter had loss not occurred.

Merchandise means goods kept for sale by the **Insured** which are not the product of manufacturing operations conducted by the **Insured**.

Raw Stock means material in the state in which the **Insured** receives it for conversion into **Finished Stock**.

Stock in Process means **Raw Stock** which has undergone any ageing, seasoning, mechanical or other process of manufacture at the **Insured Property** but which has not become **Finished Stock**.

Additional Exclusions

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to:

1. **Increase in Loss**

any increase in loss:

- a. following the interference at the **Insured Property**, by strikers or other persons, with rebuilding, repairing, or replacing the **Insured Property** or with the resumption or continuation of operation; or
- b. caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured interruption of business, and then the **Underwriters** shall be liable for only such loss as affects the **Insured's** earnings during, and limited to, the period of indemnity covered under this Extension; or

2. **Loss of Market**

loss of market or any other consequential loss.

Additional Conditions

1. Direct Damage

Other than as respects Extension U. (Threat or Hoax) of this Section of the **Policy**, no claim shall be payable under this Extension unless and until a claim has been paid, or liability admitted, in respect of direct physical loss or physical damage of the **Insured Property** and which gave rise to the necessary interruption of business.

This Additional Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a **Deductible** which excludes liability for losses below a specified amount.

2. Expense to Reduce Loss

This Extension also covers such expenses as are necessarily incurred for the purpose of reducing loss under this Extension (except expenses incurred to extinguish a fire), and, in respect of Manufacturing Risks, such expense, in excess of **Normal**, as would necessarily be incurred in replacing any **Finished Stock** used by the **Insured** to reduce loss under this Extension; but in no event to exceed the amount by which loss under this Extension is thereby reduced. Such expenses shall not be subject to the application of any contribution clause.

3. Resumption of Operations

If the **Insured** could reduce the loss resulting from the interruption of business:

- a. by complete or partial resumption of operation of the **Insured Property**; and/or
- b. by making use of **Merchandise**, stock (being **Raw Stock**, **Stock in Process** or **Finished Stock**), or any other property at the **Insured's** locations or elsewhere; and/or
- c. by using or increasing operations elsewhere;

then such possible reduction shall be taken into account in arriving at the amount of loss under this Extension.

4. Values Declared (incorrect Declaration Penalty)

This Extension has been based on a statement of individual values declared to and agreed by **Underwriters** at the Inception Date of this **Policy**, and the **Insured** shall maintain insurance equivalent to at least 90% of the interruption of business values declared.

If any of the individual values declared are less than 90% of the interruption of business values, then any recovery otherwise due under this Extension shall be reduced in the same proportion that the individual values declared bear to the interruption of business values that should have been declared, and the **Insured** shall co-insure for the balance.

Limit of Liability

The Limit of Liability or Sub-Limit of Liability stated in the Schedule as applicable to “each **Loss Occurrence**” is the limit of the **Underwriters’** liability for all loss resulting from the necessary interruption of business regardless of the number of locations suffering an interruption of business as a result of any one **Loss Occurrence**.

D. **Contingent Business Interruption and Contingent Extra Expense**

Notwithstanding Exclusion C.1. (Consequential Loss) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to cover the actual loss sustained and the **Extra Expense**, incurred by the **Insured** resulting from the necessary interruption of business caused by an **Act of Terrorism** or an **Act of Sabotage** to property of the type insured by this **Policy** at any location of an **Unnamed Customer** or an **Unnamed Supplier** of the **Insured** that wholly or partially prevents such **Unnamed Customer** or **Unnamed Supplier** from rendering their goods or services or accepting the **Insured’s** goods or services.

Additional Definitions

With respect to indemnity provided in this Extension only:

Extra Expense means the excess (if any) of the total cost during the period of restoration chargeable to the conduct of the **Insured’s** business over and above the total cost that would normally have been incurred to conduct the **Insured’s** business during the same period had no loss occurred.

The term **Extra Expense** includes the reasonable extra cost of temporary repair or of expediting the repair or replacement of such damaged property of the **Insured**, including overtime and the extra cost of express or other rapid means of transportation; and shall also include the cost incurred in obtaining property for temporary use during the period of restoration necessarily required for the conduct of the **Insured’s** business.

Unnamed Customer means customers located within the **Territorial Limits** only, who directly receive goods or services from the **Insured**.

Unnamed Supplier means suppliers located within the **Territorial Limits** only, who directly provide goods or services to the **Insured**.

Additional Exclusions

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to:

1. the interruption of incoming services with regard telecommunication providers, that immediately prevents in whole or in part the delivery of such services;
2. an **Active Assailant Event**; or
3. any indemnity provided in Extension Q. (Loss of Attraction) of this Section of the **Policy**.

E. **Contract Works**

This **Policy** is extended to include physical loss or physical damage to the permanent and/or temporary works forming part of any insured contract at the **Insured Property**, including materials incorporated or to be incorporated therein, occurring during the **Policy Period** and directly caused by an **Act of Terrorism** or an **Act of Sabotage**.

Such permanent and/or temporary works forming part of an insured contract at the **Insured Property** shall include all property or property for which the **Insured** are responsible as principal or employer, but shall not

include building or machinery of a prototype or experimental nature and only in respect of extensions or additions to existing buildings, structures, or facilities at an already established location.

F. **Contractor's Equipment**

Notwithstanding Exclusion C.1. (Consequential Loss) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to cover the reasonable and necessary costs incurred by the **Insured** to replace Contractors Equipment, including leased, rented, or borrowed equipment, whilst in the care, custody, or control of the Insured as a direct result of physical loss or physical damage caused by an **Act of Terrorism** or an **Act of Sabotage** occurring during the **Policy Period**.

However, any claim for indemnity under this Extension shall:

1. only apply to the extent the **Insured** are legally liable for such physical loss or physical damage to the Contractors Equipment; and
2. not apply for more than one hundred and twenty (120) consecutive days, or for the amount stated in the Schedule, if any, whichever is the lesser.

G. **Debris Removal**

Notwithstanding Exclusion C.1. (Consequential Loss) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to pay the reasonable expenses and necessary costs incurred by the **Insured** in the removal from the **Insured Property** of debris of property that remains as a direct result of physical loss or physical damage insured by this **Policy**. The cost of removal of debris shall not be considered in the determination of the valuation of the **Insured Property**.

Additional Exclusions

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to the following:

1. the costs of removal of contaminated uninsured property;
2. the contaminant in or on uninsured property, whether or not the contamination results from insured physical loss or physical damage. Contamination includes, but is not limited to, the presence of pollution or hazardous material; or
3. when the **Insured** fails to give written notice of loss to the **Underwriters** within one hundred and eighty (180) days after the insured physical loss or physical damage.

No indemnity is provided in this Extension for any expenses or costs incurred to demolish and clear the site of the physically undamaged portion of the **Insured Property**.

H. **Decontamination Costs**

Notwithstanding Exclusion A.8. (Ordinance or Law) of Section III of this **Policy**, if the **Insured Property** is contaminated as a direct result of physical loss or physical damage insured by this **Policy** and there is in force at the time of such physical loss or physical damage any law or ordinance regulating contamination, including the presence of pollution or hazardous material, then this **Policy** is extended to cover, as a direct result of enforcement of such law or ordinance, the increased cost of decontamination and/or removal of such contaminated **Insured Property** in a manner to satisfy such law or ordinance. The Extension applies only to that part of the **Insured Property** so contaminated as a direct result of insured physical loss or physical damage.

Additional Exclusion

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to the costs required for removing contaminated uninsured property nor the contaminant therein or thereon, whether or not the contamination results from an insured event.

I. **Demolition and Increased Cost of Construction**

Notwithstanding Exclusion A.8. (Ordinance or Law) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to pay the reasonable and necessary costs incurred by the **Insured**, described in this Extension, to satisfy the minimum requirements of the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement, or use of buildings or structures at a location or territory within the **Territorial Limits**, provided:

1. such law or ordinance is in force on the date of the physical loss or physical damage as insured by this **Policy**; and
2. its enforcement is a direct result of such physical loss or physical damage as insured by this **Policy**.

The reasonable and necessary costs incurred, as respects the **Insured Property**, shall cover:

1. the cost to repair or rebuild the physically damaged portion of such **Insured Property** with materials and in a manner to satisfy such law or ordinance; and
2. the cost:
 - a. to demolish the physically undamaged portion of such **Insured Property**; and
 - b. to rebuild it with materials and in a manner to satisfy such law or ordinance;to the extent that such costs result when the demolition of the physically damaged **Insured Property** is required to satisfy such law or ordinance.

Limitation

The **Underwriters'** maximum liability for this Extension at each location insured in any **Loss Occurrence** will not exceed the actual cost incurred in demolishing the physically undamaged portion of the **Insured Property** plus the lesser of:

1. the reasonable and necessary actual cost incurred, excluding the cost of land, in rebuilding on another site; or
2. the cost of rebuilding on the same site.

Additional Exclusions

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to:

- a. loss due to any law or ordinance with which the **Insured** was required to comply had the loss not occurred; or
- b. any costs incurred as a direct or indirect result of enforcement of any law or ordinance regulating any form of contamination including but not limited to the presence of pollution or hazardous material.

J. **Denial of Access**

Notwithstanding Exclusion C.1. (Consequential Loss) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to cover the actual loss sustained and the **Extra Expense**, incurred by the **Insured** resulting from the necessary interruption of business caused by an **Act of Terrorism** or an **Act of Sabotage** insured by this **Policy** at the **Insured Property** or within five (5) miles from the **Insured Property**.

Necessary interruption of business is deemed to be no longer than the period of time during which access to the **Insured Property** is prohibited or prevented as a result of an **Act of Terrorism** or an **Act of Sabotage**, or as a result of an order or action of a civil or military authority issued in connection with an **Act of Terrorism** or an **Act of Sabotage**.

However, any claim for indemnity under this Extension shall not apply for more than thirty (30) consecutive days, or for the amount stated in the Schedule, if any, whichever is the lesser.

Additional Exclusion

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to an **Active Assailant Event**.

K. **Expert Fees**

Notwithstanding Exclusion C.1. (Consequential Loss) of Section III of this **Policy**, the **Underwriters** agree to pay the reasonable fees payable to the **Insured's** accountants, architects, surveyors, auditors, consulting engineers and other professional experts, incurred by the **Insured** in producing and certifying any particulars or details contained in the **Insured's** books or documents, or other proofs, information or evidence required by **Underwriters** resulting from physical loss or physical damage insured by this **Policy** occurring during the **Policy Period**.

Additional Exclusion

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to fees and costs of attorneys, public adjusters, and loss appraisers, all including any of their subsidiary, related or associated entities either partially or wholly owned by them or retained by them for the purpose of assisting them, nor the fees and costs of loss consultants who provide consultation on coverage or negotiate claims.

L. **Extended Period of Liability**

Notwithstanding Exclusion C.1. (Consequential Loss) of Section III of this **Policy** and Extension C. (Business Interruption) of this Section of the **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, the **Underwriters** agree to cover the actual loss sustained by the **Insured** resulting directly from the interruption of business for such additional length of time as would be required with the exercise of due diligence and dispatch to restore the **Insured's** business to the condition that would have existed had no loss occurred, commencing with the later of the following dates:

1. the date on which the liability of the **Underwriters** for loss resulting from interruption of business would terminate if this Extension had not been part of this **Policy**; or
2. the date on which repair, replacement or rebuilding of such part of the **Insured Property** as has been destroyed or damaged is actually completed.

Nothing contained in the foregoing shall be construed to amend the maximum twelve (12) calendar month Indemnity Period as stated within Extension C. (Business Interruption) of this Section of the **Policy**.

As respects 1. and 2. above, this Extension shall in no event apply for more than ninety (90) consecutive days from said commencement date.

Additional Exclusion

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to Extension U. (Threat or Hoax) of this Section of the **Policy**.

M. **Extra Expense**

Notwithstanding Exclusion C.1. (Consequential Loss) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to cover the loss resulting from the necessary **Extra Expense** incurred by the **Insured** in order to continue as nearly as practicable the **Normal** conduct of the **Insured's** business following direct physical loss or physical damage insured by this **Policy** occurring during the **Policy Period**.

The period of restoration shall be limited to the lesser of:

1. such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the **Insured Property** as has been destroyed or damaged; or
2. twelve (12) calendar months;

commencing with the date of such direct physical loss or physical damage and not limited by the expiration date of this **Policy**.

However, in respect of an **Active Assailant Event**, any claim for indemnity under this Extension shall not apply for more than USD 250,000 each **Loss Occurrence**.

Additional Definition

With respect to indemnity provided in this Extension only:

Extra Expense means the excess (if any) of the total cost during the period of restoration chargeable to the conduct of the **Insured's** business over and above the total cost that would normally have been incurred to conduct the **Insured's** business during the same period had no loss occurred.

The term **Extra Expense** includes the reasonable extra cost of temporary repair or of expediting the repair or replacement of such damaged property of the **Insured**, including overtime and the extra cost of express or other rapid means of transportation; and shall also include the cost incurred in obtaining property for temporary use during the period of restoration necessarily required for the conduct of the **Insured's** business.

Additional Exclusions

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to:

1. **Increase in Loss**
any increase in **Extra Expense**:
 - a. following the interference at the **Insured Property**, by strikers or other persons, with rebuilding, repairing or replacing the **Insured Property** or with the resumption or continuation of operation; or
 - b. caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order; or
2. **Loss of Earnings**
loss of earnings or any other consequential loss.

Additional Conditions

1. Direct Damage

Other than as respects Extension U. (Threat or Hoax) of this Section of the **Policy**, no claim shall be payable under this Extension unless and until a claim has been paid, or liability admitted, in respect of physical loss or physical damage of the **Insured Property** and which gave rise to **Extra Expense**.

This Additional Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a **Deductible** which excludes liability for losses below a specified amount.

2. Resumption of Operations

It is a condition of any indemnity provided in this Extension that, as soon as practicable, the **Insured** shall resume **Normal** operation of the business and shall dispense with such **Extra Expense**.

3. Salvage

At the end of the period of restoration, any salvage value remaining in property obtained for temporary use shall be taken into consideration in the determination of such **Extra Expense**.

N. Fire Brigade Charges and Extinguishing Expenses

Notwithstanding Exclusion C.1. (Consequential Loss) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, indemnity provided by this **Policy** is extended to include the following expenses when the **Insured Property** is damaged or destroyed by an **Act of Terrorism** or an **Act of Sabotage**, at the **Insured Property** or at a location within two and a half (2½) miles of the **Insured Property**, or when the **Insured Property** is destroyed or damaged by an **Active Assailant Event** at the **Insured Property**, occurring during the **Policy Period**:

1. fire brigade charges and other extinguishing expenses for which the **Insured** may be assessed;
2. loss of fire extinguishing materials expended.

O. Land and Water Contaminant or Pollutant Cleanup, Removal, and Disposal

Notwithstanding Exclusion A.9. (Pollution) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to pay the reasonable and necessary cost for the cleanup, removal and disposal of contaminants from uninsured property consisting of land, water or any other substance in or on land at the **Insured Property** if the release, discharge, or dispersal of any **Pollutant** is a direct result of physical loss or physical damage insured by this **Policy** to **Insured Property** occurring during the **Policy Period**.

Additional Exclusions

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to the cost to cleanup, remove and dispose of any contaminant or **Pollutant** from such property:

1. at any location insured for personal property only;
2. at any property insured under Extension A. (Acquisition), or R. (Miscellaneous Unnamed Locations) of this Section of the **Policy**, or under General Conditions K. (Errors and Omissions) of Section V of this **Policy**, or similar coverage as may be provided by this **Policy**;
3. when the **Insured** fails to give written notice of loss to the **Underwriters** within one hundred and eighty (180) days after the insured physical loss or physical damage.

P. Locks, Alarms, Keys, Doors Expense

Indemnity provided by this **Policy** is extended to include the reasonable expenses incurred by the **Insured** to replace locks, alarms, keys, and doors of the **Insured Property** resulting from direct physical loss or physical damage insured by this **Policy** occurring during the **Policy Period**.

Q. Loss of Attraction

Notwithstanding Exclusion C.1. (Consequential Loss) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to cover the actual loss sustained and the **Extra Expense**, incurred by the **Insured** resulting from the necessary interruption of business caused by an **Act of Terrorism** or an **Act of Sabotage** to property of a type insured by this **Policy** and not owned or operated by the **Insured** which is within five hundred (500) meters of the **Insured Property** and that attracts business to an **Insured Property**.

However, any claim for indemnity under this Extension shall not apply for more than sixty (60) consecutive days, or for the amount stated in the Schedule, if any, whichever is the lesser.

Additional Exclusions

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to:

1. an **Active Assailant Event**; or
2. any indemnity provided in Extension D. (Contingent Business Interruption and Contingent Extra Expense) of this Section of the **Policy**.

R. **Miscellaneous Unnamed Location**

This **Policy** is extended to cover the **Insured's** interest in any property at a **Miscellaneous Unnamed Location** within the **Territorial Limits** resulting from an **Act of Terrorism** or an **Act of Sabotage** occurring during the **Policy Period**.

Additional Definition

With respect to indemnity provided in this Extension only:

Miscellaneous Unnamed Location means a location at which the **Insured** has property of the type insured by this **Policy** which has not been reported to **Underwriters**. Upon such **Miscellaneous Unnamed Location** being reported to **Underwriters**, the amount stated in the Schedule as applicable to **Miscellaneous Unnamed Location** shall apply.

Additional Exclusions

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to:

1. property located in any of the Zip Codes stated in Extension A. (Acquisition) of this Section of the **Policy**; or
2. an **Active Assailant Event**.

S. **Rental Income**

Notwithstanding Exclusion C.1. (Consequential Loss) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to cover the actual loss sustained by the **Insured** resulting directly from the necessary untenability of the **Insured Property**, because of direct physical loss or physical damage of the **Insured Property** occurring during the **Policy Period**.

The **Underwriters** shall be liable for the actual loss sustained by the **Insured** resulting directly from such necessary untenability, but not exceeding the reduction in **Rental Income**, less charges and expenses which are not necessary during the period of untenability, for a period not to exceed the lesser of:

1. such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the **Insured Property** as has been destroyed or damaged; or
2. twelve (12) calendar months;

commencing with the date of such direct physical loss or physical damage and not limited by the expiration date of this **Policy**.

However:

1. in respect of an **Active Assailant Event**, any claim for indemnity under this Extension shall not apply for more than thirty (30) consecutive days, or for the amount stated in the Schedule, whichever is the lesser;

2. as respects Extension U. (Threat or Hoax) of this Section of the **Policy**, any claim for indemnity under this Extension shall not apply for more than seven (7) consecutive days, or for the amount stated in the Schedule, whichever is the lesser.

Additional Definition

With respect to indemnity provided in this Extension only:

Rental Income means the sum of:

1. the anticipated gross rental income from tenant occupancy of the **Insured Property** as furnished and equipped by the **Insured**; and
2. the amount of all charges which are the legal obligations of the tenants and which would otherwise be obligations of the **Insured**; and
3. the fair rental value of any portion of such property which is occupied by the **Insured**.

In determining **Rental Income**, due consideration shall be given to the rental experience before the date of damage or destruction and the probable experience thereafter had no loss occurred.

Additional Exclusions

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to:

1. **Increase in Loss**
any increase in loss:
 - a. following the interference at the **Insured Property**, by strikers or other persons, with rebuilding, repairing or replacing the **Insured Property** or with the resumption or continuation of operation; or
 - b. caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured untenability, and then the **Underwriters** shall be liable for only such loss as affects the **Insured's** income during, and limited to, the period of untenability covered under this **Policy**; or
2. **Loss of Market**
loss of market or any other consequential loss.

Additional Condition

Direct Damage

Other than as respects Extension U. (Threat or Hoax) of this Section of the **Policy**, no claim shall be payable under this Extension unless and until a claim has been paid, or liability admitted, in respect of direct physical loss or physical damage of the **Insured Property** and which gave rise to the loss of **Rental Income**.

This Additional Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a **Deductible** which excludes liability for losses below a specified amount.

T. **Service Interruption**

Notwithstanding Exclusions A.4. (Failure to Supply) and C.1. (Consequential Loss) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to cover the actual loss sustained and the **Extra Expense**, incurred by the **Insured** during the **Period of Service Interruption** at the **Insured Property** when the loss is caused by the interruption of incoming services consisting of electricity, gas, fuel, water, steam, refrigeration or from the lack of outgoing sewerage service by reason of direct physical loss or physical damage insured by this **Policy** to property of the type insured by this **Policy** of the supplier of such service located within the **Territorial Limits**, that immediately prevents in whole or in part the delivery of such usable services.

Provided always that:

1. any **Period of Service Interruption** is limited to only those hours during which the **Insured** would or could have used services if it had been available;
2. the **Period of Service Interruption** does not extend to include the interruption of operations caused by any reason other than interruption of the specified services;
3. the **Insured** will immediately notify the suppliers of services of any interruption of such services.

Additional Definition

With respect to indemnity provided in this Extension only:

Period of Service Interruption means the period starting with the time when an interruption of specified services occurs, and not to exceed the lesser of:

1. when with due diligence and dispatch the service could be wholly restored and the **Insured Property** receiving the service could or would have resumed **Normal** operations following the restorations of service under the same or equivalent physical and operating conditions had such physical loss or physical damage not occurred; or
2. thirty (30) consecutive days.

Additional Exclusions

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to:

1. the failure of the **Insured** to comply with the terms and conditions of any contracts the **Insured** has for the supply of such specified services; or
2. loss or damage to overhead transmission lines located beyond one (1) mile from the affected **Insured Property**.

U. **Threat or Hoax**

Notwithstanding Exclusion C.1. (Consequential Loss) or C.3. (Threat or Hoax) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to pay the reasonable and necessary expenses, including any **Evacuation Expense**, incurred by the **Insured** as a consequence of any threat or hoax of an **Act of Terrorism** or an **Act of Sabotage** occurring during the **Policy Period** at the **Insured Property**, or at a location within five hundred (500) meters of the **Insured Property**.

Provided always that:

1. the **Insured** informs the local authorities at the time of the threat or hoax;
2. the local authorities inform the **Insured** of a threat or hoax;
3. a threat or hoax is made directly to the **Insured** at the **Insured Property**, or at any location within five hundred (500) meters of the **Insured Property**;
4. there is reasonable assumption made by the **Insured** of a threat or hoax which is directed toward the **Insured** at the **Insured Property**, or at any location within five hundred and fifty (550) yards of the **Insured Property**;
5. there is a spontaneous unconfirmed threat or hoax which is made by a third party which is then retrospectively agreed by the **Insured** and the **Underwriters**, that the actions taken were appropriate as if paragraphs 3. or 4. of this Extension had took place.

However, any claim for indemnity under this Extension shall not apply for more than seven (7) consecutive days, or for the amount stated in the Schedule, if any, whichever is the lesser.

Additional Exclusions

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to:

1. the **Insured** failing to give written notice of loss to the **Underwriters** within ninety (90) days after the threat or hoax of an **Act of Terrorism** or an **Act of Sabotage** being reported;
2. the initial two (2) hour period after the threat or hoax becoming known to the **Insured**; or
3. an **Active Assailant Event**.

V. **Transit**

Notwithstanding Exclusion B.6. (Transit) of Section III of this **Policy**, but subject to all other terms, exclusions, and conditions of the **Policy**, this **Policy** is extended to include physical loss or physical damage to personal property of others in the **Insured's** care, custody and control for use by the **Insured** or for the purpose of sale or processing by the **Insured**, and for which the **Insured** is legally liable, whilst in transit and directly caused by an **Act of Terrorism** or an **Act of Sabotage** occurring during the **Policy Period** and whilst within the **Territorial Limits**.

W. **Valuable Papers and Records**

Indemnity provided by this **Policy** is extended to include physical loss or physical damage to **Valuable Papers and Records** occurring during the **Policy Period** and directly caused by an **Act of Terrorism** or an **Act of Sabotage**.

Additional Definition

With respect to indemnity provided in this Extension only:

Valuable Papers and Records means written, printed or otherwise inscribed documents and records, including card index systems, books, maps, films, drawings, abstracts, deeds, mortgages, and manuscripts, all of which must be of value to the **Insured**.

Additional Exclusions

This **Policy** does not apply to, and the **Underwriters** are not liable to make any payment under this Extension for, any claim directly or indirectly arising from or related to:

1. **Valuable Papers and Records** that cannot be replaced with other like kind and quality, unless specifically declared to **Underwriters**;
2. computer **Data**, electronic media, library stock;
3. currency, money, or securities;
4. property held as samples or for sale or for delivery after sale; or
5. an **Active Assailant Event**.

Additional Condition

Valuation

Adjustment of the loss amount under this Extension will be calculated as of the date of loss at the location of the **Act of Terrorism** or **Act of Sabotage**, for no more than the interest of the **Insured**, and shall not exceed the lesser of:

1. the cost to repair or restore the item to the condition that existed immediately prior to the loss;
2. the cost to replace the item; or
3. the amount stated in the Schedule as applicable to **Valuable Papers and Records**.

SECTION V General Conditions

The following General Conditions apply to this **Policy** unless specifically amended by **Endorsement**.

The **Insured** must comply with these General Conditions. If the **Insured** fails to do so, **Underwriters** are not obliged to provide an indemnity under this **Policy**.

A. Abandonment

There shall be no abandonment to **Underwriters** of any property.

B. Action against Underwriters

No action shall lie against the **Underwriters** unless, as a condition precedent thereto, the **Insured** has fully complied with all of the terms of this **Policy**, nor until the amount of the **Insured's** obligation to pay has been finally determined either by judgment against the **Insured** after actual trial or by written agreement of the **Insured**, the claimant and the **Underwriters**.

Every suit or Arbitration proceeding against the **Underwriters** shall be commenced within one (1) year next after the date of such judgment or written agreement and not afterwards. However, such limitation of time shall not apply if by the laws of the State stated in the Schedule under "Law", such a limitation is invalid or if by the laws of the State in which any suit or proceeding is brought, permit a longer period of time within which to commence such a suit or proceeding.

Nothing contained in this **Policy** shall give any person or organization any right to join the **Insured** as a co-defendant in any suit against the **Underwriters** to determine the **Insured's** liability.

Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate, or the **Insured's** inability to pay shall not relieve the **Underwriters** of any of their obligations in this **Policy**. But under no circumstances will such bankruptcy, insolvency, or inability to pay require the **Underwriters** to drop down, replace or assume the obligation within the **Deductible** amount.

C. Assignment

Assignment or transfer of any legal, equitable or other interest in this **Policy** shall not be valid without the written consent of the **Underwriters**, unless such assignment occurs as a result of the death or bankruptcy of the **Insured**.

D. Assistance and Co-operation

The **Insured** shall co-operate with the **Underwriters** and their appointed representatives and, upon the **Underwriters'** request, assist in making settlements, in the conduct of a suit and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **Insured** because of loss, damage, or expense which may give rise to a valid claim for indemnity under this **Policy**; and the **Insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.

E. Cancellation

This **Policy** shall be non-cancellable by **Underwriters** or the **Named Insured**, except in the event of non-payment of premium, in which case the **Underwriters** may cancel this **Policy** at their discretion in the manner as set out below.

In the event of non-payment of premium, this **Policy** may be cancelled by or on behalf of **Underwriters** by delivering or mailing to the **Named Insured** or the **Insurance Broker** by registered, certified, or other first class mail, at the **Named Insured's** address as stated in the Schedule, written notice stating when, not less than fifteen (15) consecutive days thereafter, the cancellation shall be effective. The mailing of such notice shall be sufficient proof of notice and this **Policy** shall terminate at the date and hour specified in such notice. If the notice period for any cancellation of the **Policy** by **Underwriters** is prohibited or made void by any law controlling the construction thereof, such notice period shall be deemed to be amended so as to be equal to the minimum period permitted by such law.

In the event of cancellation as described above, premium is due to **Underwriters** on a pro rata basis for the period that **Underwriters** are on risk, but the full premium for this **Policy** shall be payable to **Underwriters** in the event that loss, damage or expense give rise to a valid claim for indemnity under this **Policy** (subject to all the terms and conditions of this **Policy**) prior to the date of cancellation.

Nothing contained within this General Condition shall be deemed to override the provisions of General Condition L. (False or Fraudulent Claim) of this **Policy**.

F. Choice of Law

Any dispute concerning the interpretation of the terms, conditions, limitations and/or exclusions contained in this **Policy**, or concerning the validity of this **Policy**, shall be subject to the law of the State of New York, unless mutually agreed otherwise by the parties to this **Policy**.

G. Communication of Notices

The first **Named Insured** in the Schedule shall act on behalf of all insured parties in all matters with respect to this **Policy**. Any notice communicated under the terms of this **Policy** to or from the first **Named Insured** shall be binding upon all **Insureds**.

H. Currency and Payment of Premium

The Sum Insured, **Deductible**, premiums, and other amounts as expressed in this **Policy** are in United States currency.

The **Named Insured** undertakes that the premium will be paid in full to the **Underwriters** by the Due Date stated in the Schedule. If the premium due under this **Policy** has not been so paid to the **Underwriters** by the Due Date stated in the Schedule, the **Underwriters** may issue notice of cancellation to the **Named Insured** in accordance with the provisions of General Condition E (Cancellation). The **Named Insured** will be the payee for any return premium payable by the **Underwriters**.

Where any premium is outstanding at the time of settlement of a loss relating to the **Insured Property**, the **Underwriters** may deduct it from the amount payable.

I. Dispute Resolution

In the event of any controversy or dispute arising out of or relating to this **Policy**, or the breach, termination, formation, or validity thereof, the **Underwriters** will endeavor to resolve such controversy or dispute through negotiation, mediation or some other form of alternative dispute resolution, however if the **Insured** and the **Underwriters** are unable to settle any dispute by these means then the **Underwriters** will endeavor to resolve such controversy or dispute in accordance with the procedures stated in this General Condition, which shall be the sole and exclusive procedures for the resolution of any controversy or dispute under this **Policy**.

1. Arbitration. Any controversy or dispute arising out of or relating to this **Policy**, or the breach, termination, or validity thereof, which has not been resolved by non-binding means as provided in this General Condition within ninety (90) consecutive days of the initiation of such procedure, shall be settled by binding arbitration in accordance with the CPR Institute Rules for Non-Administered Arbitration of Business Disputes (the "CPR Rules") by three (3) independent and impartial arbitrators. The **Insured** and the **Underwriters** each shall appoint one arbitrator; the third arbitrator, who shall serve as the chair of the arbitration panel, shall be appointed in accordance with the CPR Rules. If either the **Insured** or the **Underwriters** have requested the other to participate in a non-binding procedure and the other has failed to participate, the requesting party may initiate arbitration before expiration of the above period. The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. §§ 1 et seq., and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The terms of this **Policy** are to be construed in an even-handed fashion as between the **Insured** and the **Underwriters**, in accordance with the laws of the jurisdiction set forth in the Schedule. Where the language of this **Policy** is deemed to be ambiguous or otherwise unclear, the issue shall be resolved in a manner most consistent with the relevant terms of this **Policy** without regard to authorship of the language and without any presumption or arbitrary interpretation or construction in favor of either the **Insured** or the **Underwriters**. In reaching any decision the arbitrators shall give due consideration for the customs and usages of the insurance industry. The arbitrators are not empowered to award damages in excess of compensatory damages and each party hereby irrevocably waives any such damages.

In the event of a judgment being entered against the **Underwriters** on an arbitration award, the **Underwriters** at the request of the **Named Insured**, shall submit to the jurisdiction of a court of competent jurisdiction within the United States of America, and shall comply with all requirements necessary to give such court jurisdiction and all matters relating to such judgment and its enforcement shall be determined in accordance with the law and practice of such court.

2. Service of Suit. This Service of Suit clause does not conflict with or override the obligations of the parties to arbitrate their disputes as provided in this General Condition. This clause is solely intended as an aid to compelling or enforcing such arbitration, not as an alternative to the Arbitration requirements for resolving disputes under this **Policy** as stated in clause 1. above.

It is agreed that, in the event of the failure of the **Underwriters** to pay any amount claimed to be due under this **Policy**, the **Underwriters**, at the request of the **Named Insured**, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this clause 2. constitutes or should be understood to constitute a waiver of the **Underwriters'** right to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court,

or to seek a transfer of a case to another court as permitted by the laws of the United States or of any State of the United States. It is further agreed that service of process in such suit may be made upon the **Underwriters** via the person(s) or firm named for that purpose in the Schedule, and that in any suit instituted against any one of them upon this Insurance, the **Underwriters** will abide by the final decision of such court or of any appellate court in the event of an appeal.

The nominee designated in the Schedule, is authorized and directed to accept service of process on behalf of the **Underwriters** in any such suit and/or upon the request of the **Named Insured** to give a written undertaking to the **Named Insured** that they will enter a general appearance upon the **Underwriters'** behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any State, territory or district of the United States which makes provision therefor, the **Underwriters** designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the **Named Insured** or any beneficiary arising out of this **Policy**, and hereby designate the nominee stated in the Schedule, as the person to whom the said officer is authorized to mail such process or a true copy thereof.

J. Due Diligence

The **Insured** shall use due diligence and do and concur in doing in all things reasonable to avoid or diminish any loss of or damage to the **Insured Property**.

K. Errors and Omissions

If no indemnity is granted under this **Policy** solely due to an error or unintentional omission:

1. in the description of where the **Insured Property** is physically located;
2. to include any location:
 - a. owned, rented, or leased by the **Insured** on the effective date of this **Policy**; or
 - b. purchased, rented, or leased by the **Insured** during the **Policy Period**; or
3. that results in the exclusion of any property from insurance under this **Policy**;

this **Policy** shall cover such direct physical loss or physical damage or costs or expenses under any Extension included in this **Policy**, to the extent it would have provided coverage had such error or unintentional omission not been made.

The **Insured** shall report any error or unintentional omission to the **Underwriters** immediately when discovered and corrected.

Nothing contained within this General Condition shall override the provisions of Extension A. (Acquisition), R. (Miscellaneous Unnamed Location), or Additional Condition 4. (Values Declared) of Extension C. (Business Interruption) of Section IV of this **Policy**, or General Condition M. (Incorrect Declaration Penalty) of this Section of the **Policy**.

L. False or Fraudulent Claim

If an **Insured** or anyone acting on its behalf, claims indemnity under this **Policy** knowing such claim to be false or fraudulent in amount or in any other respect, or uses any fraudulent means in support of such claim, the **Underwriters** will not be liable to pay the claim and may recover from the **Insured** any sums paid in

respect of the claim. The **Underwriters** may also, by notice to the **Named Insured**, treat the **Policy** as having been cancelled with effect from the time of the fraudulent act.

M. Incorrect Declaration Penalty

The **Insured** shall maintain insurance equivalent to at least 90% of the **Actual Cash Value** of the **Insured Property**. If the Values Declared as stated in the Schedule are less than 90% of the correct insured values as determined in accordance with General Condition X. (Valuation) of this **Policy**, then any recovery otherwise due under this **Policy** shall be reduced in the same proportion that the values declared bear to the values that should have been declared, and the **Insured** shall co-insure for the balance.

N. Inspection and Audit

The **Underwriters** may, but are not obligated to, inspect the **Insured Property** at any time. These inspections are not safety inspections. They relate solely to the insurability of the **Insured Property** and the premiums to be charged. The **Underwriters** may give the **Insured** reports on the conditions that the **Underwriters** find. The **Underwriters** may also recommend changes. The **Underwriters** do not, however, undertake to perform the duty of any person or organization to provide for the health or safety of any employee or the public. The **Underwriters** do not warrant the health and safety conditions of the **Insured Property** or represent that the **Insured Property** comply with laws, regulations, codes, or standards.

The **Underwriters** may examine and audit the **Insured's** books and records at any reasonable time during the **Policy Period** and up to three (3) years afterward as far as they relate to the subject matter of this **Policy**.

O. Invalidity or Unenforceability

If any provision, or part of any provision, of this **Policy** is found by a court of competent jurisdiction to be legally invalid or legally unenforceable, the other provisions of this **Policy** and the remainder of any partially invalid provision, shall not be affected thereby and shall remain in full force and effect.

P. Joint Insureds

The **Underwriters'** total liability for any loss or losses sustained by any one or more of the **Insureds** under this **Policy** will not exceed the Sum Insured stated in the Schedule. The **Underwriters** shall have no liability in excess of the Sum Insured stated in the Schedule whether such amounts consist of insured losses sustained by all of the **Insureds** or any one or more of the **Insureds**.

Q. Notification of Claim

Upon the happening of any **Loss Occurrence** which may give rise to a claim for indemnity under this **Policy**, the **Insured** shall:

1. give immediate written advice thereof to the **Underwriters** through the person or firm named for that purpose in the Schedule. To the extent possible, notice should include details of:
 - a. how, when and where the **Loss Occurrence** took place; and
 - b. the names and addresses of any injured persons and witnesses; and
 - c. the nature and location of any loss, damage or expense arising out of the **Loss Occurrence**;
2. take all reasonable steps to prevent further loss, damage or expense resulting from the same **Loss Occurrence** (or conditions which may give rise to a similar **Loss Occurrence**);
3. produce to the **Underwriters** such documents as may be reasonably required by the **Underwriters** for investigating or verifying any subsequent claim;
4. immediately notify the Police if a crime is suspected.

R. Onus of Proof

In any claim for indemnity under this **Policy**, the **Insured** shall bear the burden of proving:

1. that the indemnity falls to be provided under this **Policy**; and
2. that no limitation or exclusion of this **Policy** applies; and
3. the quantum of any indemnity claimed.

S. Other Insurance

This **Policy** shall be excess of any other insurance available to the **Insured** that is subject to a claim for indemnity under this **Policy** except such other insurance which is written specifically as excess insurance over this **Policy**. When this **Policy** is written specifically in excess of other insurance covering a valid claim for indemnity under this **Policy**, this **Policy** shall not apply until such time as the amount of the underlying insurance (whether collectible or not), has been exhausted by loss, damage or expense covered by this **Policy** in excess of the **Deductible** with respect to each and every covered loss.

T. Policy Modification

The **Named Insured** and the **Underwriters** may request changes to this **Policy**. This **Policy** can be changed only by **Endorsement** issued by the **Underwriters** and made a part of this **Policy**.

Notice to any agent or to the **Insurance Broker**, or knowledge possessed by any agent or the **Insurance Broker**, or by any other person shall not be held to effect a waiver or change in any part of this **Policy**.

U. Protection Maintenance

The **Insured** shall maintain any protection and safeguards provided for any persons and/or safety of property in good order throughout the currency of the **Policy Period** and these shall be in use at all times.

Such protection and safeguards shall not be withdrawn or varied to the detriment of the interests of the **Underwriters** without their consent.

V. Salvage and Recoveries

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this **Policy** shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.

W. Subrogation

Any release from liability entered into in writing by the **Insured** prior to loss under this **Policy** shall not affect this **Policy** or the right of the **Insured** to recover under this **Policy**. The right of subrogation against any of the **Insured's** subsidiary or affiliated companies or any other companies associated with the **Insured** through ownership or management is waived.

In the event of any payment of indemnity under this **Policy**, the **Underwriters** shall be subrogated to the extent of such payment to all the **Insured's** right of recovery therefor. The **Insured** shall execute all papers required, shall cooperate with the **Underwriters** and, upon the **Underwriters'** request, shall attend hearings and trials and shall assist in effecting settlements, securing, and giving evidence, attaining the attendance of witnesses and in the conduct of suits and shall do anything that may be necessary to secure such right. The **Underwriters** will act in concert with all other interests concerned (including the **Insured**) in the exercise of such rights of recovery. If any amount is recovered as a result of such proceedings, such amount shall be distributed in the following priorities:

- a. any interest, (including the **Insured's**), exclusive of any deductible or self-insured retention, suffering a loss of the type covered by this **Policy** and in excess of the coverage under this **Policy** shall be reimbursed up to the amount of such loss (excluding the amount of the deductible);
- b. out of the balance remaining, the **Underwriters** shall be reimbursed to the extent of payment under this **Policy**;
- c. the remaining balance, if any, shall inure to the benefit of the **Insured**, or any insurer providing insurance primary to this **Policy**, with respect to the amount of such primary insurance, deductible, self-insured retention, and/or loss of a type not covered by this **Policy**.

The expense of all proceedings necessary to the recovery of any such amount shall be apportioned between the interests concerned, including that of the **Insured**, in the ratio of their respective recoveries as finally settled. If there should be no recovery and proceedings are instituted solely on the initiative of the **Underwriters**, the expense thereof shall be borne by the **Underwriters**.

X. Valuation

In the event of direct physical loss or physical damage insured by this **Policy**, settlement shall be based upon the cost of repairing, replacing and reinstating (whichever is the least) on the same site, the destroyed or damaged property with material of like kind and quality without deduction for depreciation, subject to the following provisions:

1. the repairs, replacement or reinstatement (all hereinafter referred to as "replacement") must be executed with due diligence and dispatch;
2. until replacement has been effected the amount of liability under this **Policy** in respect of loss shall be limited to the **Actual Cash Value** at the time of loss;
3. if replacement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, regulation or other order of any nature, any increased cost due thereto shall not be covered by this **Policy**.

The **Underwriters'** liability for loss under this **Policy** shall not exceed the smallest of the following amounts:

- a. the amount of the **Policy** applicable to the destroyed or damaged property;
- b. the replacement cost of the property or any part thereof identical with such property and intended for the same occupancy and use;
- c. the amount actually and necessarily expended in replacing said property or any part thereof.

If replacement does not take place within one (1) year from the date of the physical loss or physical damage, then the basis of settlement shall be **Actual Cash Value**.

Y. Third Party Rights

A person who is not a party to this **Policy** shall not have any rights to enforce any term of this **Policy**.

SECTION VI Complaints and Other Enquiries

Our aim is to ensure that all aspects of **Your** insurance are dealt with promptly, efficiently, and fairly. At all times **We** are committed to providing **You** with the highest standard of service.

If **You** have any questions or concerns about **Your** insurance, **You** should contact the **Insurance Broker**.

If **You** remain unsatisfied or wish to make a complaint, **You** may contact **Us** at:

The Compliance Officer
AEGIS Consortium 9348 / 4727 at Lloyd's care of AEGIS Managing Agency Ltd.
25 Fenchurch Avenue,
London EC3M 5AD
United Kingdom.
Email: complaints@aegislondon.co.uk
Telephone: + 44(0)20 7856 7856
Website: www.aegislink.com/portal/london/index.do

Please quote **Your** policy number and/or claim number as appropriate in any correspondence.

In the alternative, or if **You** are dissatisfied with the resolution of **Your** enquiry or **Your** complaint, **You** can do so at any time by referring the matter to the Complaints team at Lloyd's. The contact details are:

Lloyd's Complaints Department
c/o Lloyd's America Inc.
280 Park Avenue, East Tower, 25th Floor,
New York,
New York 10017
U.S.A.
Email: complaints@lloyds.com
Telephone: 1-844-849-7828

Making a complaint does not affect **Your** right to take legal action.

The provisions of this Complaints and Other Enquiries section may be changed by an **Endorsement** issued by the **Underwriters** and made a part of this **Policy**, or by an attachment of a separate Notice to this **Policy**.