

BRIEF DESCRIPTION OF FIRE INSURANCE POLICY FOR KAPRUKA E-COMMERCE CUSTOMERS

Insurance cover for Trading goods/Items through Kapruka E-commerce (Pvt)Ltd

Get affordable coverage for your purchased goods/items from Kapruka E-Commerce (Pvt) Ltd against Fire & specified perils.

Under the wings of global insurance giant-Allianz your purchased goods are more protected.

WHAT IS COVERED

Fire and Allied Perils cover for Contents.

Covers Against

- Fire
- Lighting
- Explosion
- Aircraft Damage
- Impact Damage
- Cyclone, Storm & Tempest
- Earthquake
- Bursting and or Overflowing of Water Tanks, Apparatus & Pipes
- Volcanic Eruption, Tsunami & Tidal Waves, Typhoon, Hurricane, Tornado, Thunderstorm, Hailstorm, Windstorm, Rainstorm due to atmospheric disturbances – As per the extension of cyclone, storm, Tempest

METHOD OF INSURANCE

The sum insured for Contents is based on the purchased value.

ELIGIBILITY

This policy is designed for Individuals who purchased electrical & electronic equipment including furniture from Kapruka E-commerce (Pvt) Ltd.

RISK LOCATION

Within Sri Lanka Only

This document contains brief description of the fire commercial insurance policy, For full details you may refer the policy available below .

ITEMS NOT COVERED

- Any kind of **Portable items** other than Household items will not be covered under this policy. (Ex: Laptop, Palmtops, Mobile phones, etc.)

WHAT IS NOT COVERED

- Losses arising out of Burglary, theft and housebreaking.
 - Loss and/or damage arising out of War, Invasion, Act of Foreign enemy, hostilities, etc.
 - Damage to property due to Pollution and contamination.
 - Loss or damage due to wear and tear.
 - Consequential Loss
 - Willful Misconduct or Negligence
 - Electrical Inclusion
 - Accidental damage
 - Flood
 - Items given on hire or for a fee
- (For a detailed list of exclusions, kindly refer our fire insurance policy wordings)

CONDITIONS UNDER THIS POLICY

- The cover is provided for a maximum of one year only from date of purchase.
- Basis of claim settlement – Repair cost or in the event of a total loss, the total value of the item or the Sum Insured, whichever is less.

For details, kindly refer to the Fire insurance Policy Wordings.

CLAIMS PROCESS

In the event of any claim, you may call our hotline on 0112 303 300 to lodge the claim at the earliest with the details of the nature of loss, location of loss, amount of loss (approx. estimation), and policy number for reference. Once we receive full and final documentation, we will process the claim with prompt turnaround times.

For details, kindly refer to the Fire insurance Policy Wordings.

Disclaimer: The above is the summary of the policy details. The actual terms and conditions shall be found in the policy document. You are advised to read the policy document completely for a full understanding of the terms and conditions of coverage and the exclusions relating to your policy.

FIRE INSURANCE POLICY

This policy should be read carefully and if it is incorrect or does not provide the covers required, it should be returned immediately for correction.

WHEREAS the Insured named in the Schedule hereto by a proposal and declaration which shall be the basis of this Contract and is deemed to be incorporated herein has applied to **ALLIANZ INSURANCE LANKA LIMITED**, (Hereinafter called the Company) for the insurance hereinafter contained.

IN-CONSIDERATION of the Insured named in the Schedule hereto paying to the Company, the premium mentioned in the said Schedule, the Company agrees (subject to the Conditions contained herein or endorsed or otherwise expressed hereon which Conditions shall so far as the nature of them respectively will permit be deemed to be Conditions precedent to the right of the Insured to recover hereunder) that if after payment of the premium, the property insured described in the said Schedule or any part of such property be destroyed or damaged by FIRE or LIGHTNING.

At any time before 4 o'clock in the afternoon of the last day of the period of insurance named in the said Schedule or of any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the renewal of this Policy, The Company will pay to the Insured, the value of the property at the time of the happening of its destruction or the amount of such damage or at its option to reinstate or replace such property or any part thereof.

PROVIDED, that the liability of the Company, shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon and on the whole the total sum insured hereby or such other sum or sums as may be substituted therefore by endorsement hereon or attached hereto signed by or on behalf of the Company.

THE CONDITIONS REFERRED TO IN THE POLICY

This Policy and Schedule/s annexed (which forms an integral part of this Policy) shall be read together as one contract and any words and expressions to which specific meanings have been attached in any part of this Policy or of the Schedule/s shall bear the same meaning where so ever occurring in the contract as aforesaid.

MIS DESCRIPTION

1. If there be any material misdescription of any of the property hereby insured, or of any building or place in which such property is contained or any misrepresentation as to any fact material to be known, for estimating the risk or any omission to state such

fact, The Company shall not be liable upon this Policy so far as it relates to property affected by any such misdescription, misrepresentation or omission.

RECEIPTS

2. No payment in respect of any Premium shall be deemed to be payment to the Company, unless a printed form of Receipt for the same signed by an official of the Company or by a duly appointed Agent of Allianz Insurance Lanka Limited shall have been given to the Insured.

INSURANCE WITH OTHER INSURANCE COMPANIES OR CORPORATIONS

3. The Insured shall give notice to the Company of any insurance or insurances already effected or which may subsequently be effected covering any of the property hereby insured and unless such notice be given and the particulars of such insurance or insurances be stated in or endorsed on this Policy by or on behalf of the Company before the occurrence of any loss or damage all benefit under this Policy shall be forfeited.

FALLEN BUILDING

4. All insurance under this Policy:-

- (1) on any building or part of any building,
- (2) on any property contained in any building,
- (3) on rent or other subject matter of insurance in respect of or in connection with any building or any property contained in any building, shall cease immediately upon any fall or displacement,
 - (a) of such building or of any part thereof,
 - (b) of the whole or any part of any range of buildings or of any structure of which such building forms part,

Provided that such fall or displacement is of the whole or a substantial or important part of such building or impairs the usefulness of such building or any part thereof or leaves such building or any part thereof or any property contained therein, subject to increased risk of fire or is otherwise materiel, and Provided that such fall or displacement is not caused by fire or loss or damage by which is covered by this Policy or would be covered if such building, range of buildings or structure were insured under this Policy.

In any action, suit or other proceeding ,the burden of proving that any fall or displacement is caused by fire as aforesaid shall be upon the Insured.

RISKS NOT COVERED

5. This insurance does not cover:-

- (1) (a) Loss by theft during or after the occurrence of a fire,

- (b) Loss or damage to property occasioned by its own fermentation, natural heating or spontaneous combustion except as may be provided in accordance with condition 7 (f), or by its undergoing any heating or drying process,
 - (c) Loss or damage occasioned by or through or in consequence of:
 1. The burning of property by order of any public authority,
 2. Subterranean fire,
 - (d) Loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material.
- (ii) Any loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionising, radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this Condition 5(ii) only, combustion shall include any self-sustaining process of nuclear fission.
6. This insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly of any of the following occurrences namely:-
- (a) Earthquake, volcanic eruption or other convulsion of nature,
 - (b) Typhoon, Hurricane, Tornado, Cyclone, Storm and tempest or other atmospheric disturbances,
 - (c) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) civil war, mutiny, riot, strike, civil commotion, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes, which determine the proclamation, or maintenance of martial law or state of siege, or any act of any person acting on behalf of or in connection with any organization with activities directed towards the overthrow by force of the Government de jure de facto or to the influencing of it by terrorism or violence.

Any loss or damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence directly or indirectly of any of the said occurrences shall be deemed to be loss or damage which is not covered by this insurance except to the extent that the Insured shall prove that such loss or damage happened independently of the existence of such abnormal conditions.

In any action suit or other proceeding where the Company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance the burden of proving that such loss or damage is covered shall be upon the Insured.

RISKS NOT COVERED UNLESS EXPRESSLY INCLUDED

7. Unless otherwise expressly stated in the Policy this insurance does not cover:
- (a) Goods held in trust or on commission,

- (b) Bullion or unset precious stones,
- (c) Any curio or work of art for an amount exceeding, LKR.5,000/=
- (d) Manuscripts, plans, drawings or designs, patterns, models or moulds,
- (e) Securities, obligations or documents of any kind, stamps, coins or paper money, cheques, books of account or other business books, computer systems records,
- (f) Coal against loss or damage occasioned by its own spontaneous combustion,
- (g) Explosives,
- (h) Any loss or damage occasioned by or through or in consequence of explosion but loss or damage by explosion of gas used for illuminating or domestic purposes in a building in which gas is not generated and which does not form part of any gas works will be deemed to be loss by fire within the meaning of this Policy,
- (i) Any loss or damage occasioned by or through or in consequence of the burning whether accidental or otherwise of forests bush, prairie, pampas, patnas, or jungle, and the clearing of land by fire.

ALTERATIONS AND REMOVALS

8. Under any of the following circumstances the insurance ceases to attach as regards the property affected unless the Insured, before the occurrence of any loss or damage obtains the sanction of the Company signified by endorsement upon the Policy, by or on behalf of the Company:
- (a) If the trade or manufacture carried on be altered or if the nature of the occupation of or other circumstance affecting the building insured or containing the insured property be changed in such a way as to increase the risk of loss or damage by fire or other insured peril;
 - (b) If the building insured or containing the insured property becomes unoccupied and so remain for a period of more than 30 days;
 - (c) If property insured be removed to any building or place other than that in which it is herein stated to be insured;
 - (d) If the interest in the property insured pass from the Insured otherwise than by will or operation of law.

MARINE CLAUSE

9. This insurance does not cover any loss or damage to property which at the time of the happening of such loss or damage is insured by or would but for the existence of this Policy, be insured by any Marine Policy or Policies except in respect of any excess beyond the amount which would have been payable under the Marine Policy or Policies had this insurance not been effected.

CANCELLATION OF THE INSURANCE

10. This insurance may be terminated at any time at the request of the Insured in which case the Company will retain the customary short period rate for the time the Policy has been in force. The insurance may also at any time be terminated at the option of the Company, on notice to that effect being given to the Insured in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.

OCCURRENCE OF A LOSS/DAMAGE

11. On the happening of any loss or damage the Insured shall forthwith give notice thereof to the Company and shall within 15 days after the loss or damage or such further time as the Company may in writing allow in that behalf deliver to the Company:

- (a) A claim in writing for the loss or damage containing as particular an account as may reasonably be practicable of all the several articles or items of property damaged or destroyed and of the amount of the loss or damage thereto respectively, having regard to their value at the time of the loss or damage, not including profit of any kind;
- (b) Particulars of all other insurances if any,
The Insured shall also at all times at his own expense produce, procure and give to the Company. all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies thereof, documents, proofs and information with respect to the claim and the origin and cause of the loss or damage and the circumstances under which the loss or damage occurred and any matter touching the liability or the amount of the liability of the Company as may be reasonably required by or on behalf the company together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith. No claim under this Policy shall be payable unless the terms of this condition have been complied with;

RIGHTS OF COMPANY REGARDING SALVAGE

12. On the happening of any loss or damage to any of the property insured by this Policy, the Company may:
 - (a) enter, take and keep possession of the building or premises where the loss or damage has happened,
 - (b) take possession of or require to be delivered to it any property of the Insured in the building or on the premises at the time of the loss or damage, keep possession of any such property and examine, sort, arrange, remove or otherwise deal with the same;
 - (c) sell any such property or dispose of the same for account of whom it may concern.

The powers conferred by this condition shall be exercisable by the Company at any time until notice in writing is given by the Insured that he makes no claim under the Policy or if any claim is made until such claim is finally determined or withdrawn and the Company shall not by any act done in the exercise or purported exercise of their powers hereunder incur any liability to the Insured or diminish by their right to rely upon any of the conditions of this Policy in answer to any claim. If the Insured or any person acting on his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the Company in the exercise of their powers hereunder, all benefit under this Policy shall be forfeited.

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

FORFEITURE

13. If the claim be in any respect fraudulent, or if any false declaration be made or used in support thereof, or if any fraudulent means or devices are used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy, or if the loss or damage be occasioned by the wilful act or with the connivance of the Insured or if the claim be made and rejected and an action or suit be not commenced within three months after such rejection or (in case of arbitration taking place in pursuance of the 19th condition of this Policy) within three months after the Arbitrator or Arbitrators or Umpires shall have made their award all benefit under this Policy shall be forfeited.

REINSTATEMENT

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

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

If in any case the Company shall be unable to reinstate or repair the property hereby insured because of any municipal or other regulations in force affecting the alignment of streets or the construction of buildings or otherwise the Company shall in every such case only be liable to pay such sum as would be requisite to reinstate or repair such property if the same could lawfully be reinstated to its former condition.

SUBROGATION OF RIGHTS

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

CONTRIBUTION

16. If at the time of any loss or damage happening to any property hereby insured there be any other subsisting insurance or insurances, whether effected by the Insured or by any other person or persons covering the same property, the Company shall not be liable to pay or contribute more than its rateable proportion of such loss or damage. In all cases where any other subsisting insurance or insurances, effected by the Insured or by any other person or persons covering any of the property hereby insured, either exclusively or together with any other property in and subject to the same risk only, shall be subject to average, the insurance on such property under this policy shall be subject to average in like manner.

AVERAGE

17. If the property hereby insured shall at the breaking out of any fire or at the time of the occurrence of any other insured loss or damage be collectively of greater value than the sum insured thereon then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item if more than one of the policy shall be separately subject to this condition. Where the property is a private dwelling house and / or its contents, this condition of Average will not apply provided the sum insured is at least seventy five percent (75%) of the value of the property insured.

WARRANTIES

18. Every warranty to which the property insured or any item thereof is or may be made subject shall from the time the Warranty attaches, apply and continue to be in force during the whole currency of this Policy and non-compliance with any such warranty, whether it increases the risk or not shall be a bar to any claim in respect of such property or item, provided that whenever this Policy is renewed, a claim in respect of destruction or damage occurring during the renewed period shall not be barred by reason of a warranty not having been complied with at any time before the commencement of such period.

ARBITRATION

19. If any difference shall arise as to the amount to be paid under this policy (liability being otherwise admitted) such difference shall be referred to the

decision of an arbitrator to be appointed in writing by the parties in difference in accordance with the Arbitration Act No. 11 of 1995 of Sri Lanka. If they cannot agree upon a single Arbitrator it could be referred to the decision of two disinterested persons as Arbitrators of whom one shall be appointed in writing by each of the parties within one calendar month after having been required to do so in writing by the other party. In case either party shall refuse or fail to appoint an Arbitrator within one calendar month after receipt of notice in writing requiring an appointment the other party shall be at liberty to appoint a sole Arbitrator, and in case of disagreement between the Arbitrators, the difference shall be referred to the decision of an Umpire who shall have been appointed by them in writing before entering on the reference and who shall sit with the Arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of Arbitrator, Arbitrators or Umpire respectively and in the event of the death of an Arbitrator or Umpire, another shall in each case be appointed in his stead by the party or Arbitrator (as the case may be) by whom the Arbitrator or umpire so dying was appointed. The cost of the reference and of the award shall be at the discretion of the Arbitrator, Arbitrators or Umpire making the Award.

It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this policy that making an award by such Arbitrator, Arbitrators or Umpire of the amount of the loss or damage, if disputed shall be first obtained. If the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

TIME LIMIT FOR COMPANY'S LIABILITY

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

NOTICES

21. Every notice and other communications to the Company required by these Conditions must be written or printed.

ENDORSEMENTS / CLAUSES / WARRANTIES

The following endorsements clauses and warranties apply to this policy, only when specifically mentioned in the schedule and are subject otherwise to the terms exceptions, and conditions of the policy.

In consideration of the payment of an additional premium, the insurance of this policy shall, subject to the SPECIAL CONDITIONS contained hereinafter, extend to cover any or all of the following Extra Perils.

It is provided always, that all the Conditions of the Policy (except insofar as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for this purpose any loss or damage by the peril(s) specified hereinafter shall be deemed to be loss or damage by fire within the meaning of this policy.

ENDORSEMENTS

Fire Endt 1 RIOT AND STRIKE

It is hereby declared and agreed that notwithstanding anything contained in the within written policy to the contrary the insurance under this policy shall extend to cover Riot and Strike damage which for the purpose of this Endorsement shall mean (subject always to the Special Conditions hereinafter contained)

Loss of or damage to the property insured directly caused by:

1. The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in Condition 6 of the Special Conditions hereof;
2. The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of any such disturbance;
3. The willful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lockout;
4. The action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

Special Conditions

For the purpose of this endorsement but not otherwise these shall be substituted for the respective numbered conditions of the policy.

Condition 5

- i) This insurance does not cover:
 - (a) loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever;
 - (b) loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
 - (c) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
 - (d) loss or damage occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building;
 - (e) loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material;

provided nevertheless that the Company is not relieved under (c) or (d) above of any liability to the Insured in

respect of physical damage to the property insured occurring before dispossession or during temporary dispossession.

- (ii) This insurance does not cover loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this Condition 5 (ii) only combustion shall include any self-sustaining process of nuclear fission.

Condition 6

This insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrence, namely:

- (a) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war;
- (b) Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military, or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege;
- (c) Any act of terrorism which means an act including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or Government(s), committed for political religious, ideological or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public in fear;

Further any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, or resulting from any action taken in controlling, preventing, suppressing action during any engagement between Government forces and any group as defined above on land, sea, or air shall be regarded as falling within the definition of Terrorism above.

In any action, suit or other proceedings, where the Company alleges that by reason of the provisions of this Condition any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

Condition 7

Unless otherwise expressly stated in the Policy this insurance does not cover:

- (a) Goods held in trust or on commission;
- (b) Bullion or unset precious stones;
- (c) Any curios or work of art for an amount exceeding Rs.500/- ;
- (d) Manuscripts, plans, drawings, designs, patterns, models or moulds;

- (e) Securities, obligations or documents of any kind, stamps, coins or paper;
Money, cheques, books of account or other business books and computer systems records;
- (b) Explosives.

Condition 10

This insurance may at any time be terminated by the Company on notice to that effect being given to the insured, in which case the Company shall be liable to repay a ratable proportion of the premium for the unexpired term from the date of concealment. If the insurance be terminated at the request of the Insured the Company shall not be liable to repay the premium or any part thereof.

Condition 17

If the property hereby insured shall at the breaking out of any fire or at the time of the occurrence of any other insured loss or damage be collectively of greater value than the sum insured thereon, then the insured shall be considered as being his own insurer for the difference and shall bear a ratable proportion of the loss or damage accordingly. Every item if more than one of the Policy shall be separately subject to this condition provided that the sum insured is within the limit of cover provided by the Fund.

Where the property is a private dwelling house and/or its contents this Condition of Average will not apply provided the sum insured is at least seventy five percent (75%) of the value of the property insured.

Provided that it is hereby expressly agreed and declared that:

1. All the Conditions of this policy shall apply in all respects to the insurance granted by this extension save in so far as the same are expressly varied by the above Special Conditions and any reference to fire in the Conditions of the Policy shall be deemed to include the perils hereby insured against;
2. The special conditions herein shall apply only to the insurance granted by this extension and the conditions of the policy shall apply in all respects to the Insurance granted by the policy as if this endorsement had not been made thereon;
3. The amount recoverable under this extension in respect of loss/damage to any property of the same insured in the same location under all policies (if more than one policy has been obtained on the same risk and interest) shall not exceed Rs. As stated in the schedule or the sum insured which ever is less anyone loss/occurrence. For this purpose an "occurrence" shall mean all losses attributable directly or indirectly to one cause or to one of a series of similar causes;
4. The cover granted by this endorsement is subject to an excess of 10% in respect of each and every loss/occurrence, but maximum Rs.100,000/- for private dwellings only;
5. Upon the occurrence of an event giving rise to a claim hereunder, the limit of cover provided shall stand

reduced by the amount of the claim paid or payable and shall be reinstated by the Insured by payment of an additional premium calculated at 100% pro-rata only to the amount reinstated.

It is further declared and agreed that this extension is subject to the following exclusions:

A. INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIOCHEMICAL AND ELECTRO MAGNETIC WEAPONS EXCLUSION CLAUSE

This clause shall be paramount and shall override anything contained in this insurance inconsistent herewith,

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:
 - 1.1 Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
 - 1.2 The radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
 - 1.3 Any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
 - 1.4 The radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific, or other similar peaceful purposes;
 - 1.5 Any chemical, biological, bio chemical, or electromagnetic weapon.

B INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

- 1.1 Subject only to clause 1.2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- 1.2 Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme of any other electronic system in the launch and / or guidance system and/or firing mechanism of any weapon or missile.

Subrogation of Rights

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

This extension is granted for and on behalf of the National Insurance Trust Fund and any liabilities whatsoever under this specific extension shall devolve solely upon the said fund. If any action, suit or proceeding where it is alleged that any loss or damage is not covered by this Endorsement, the burden of proving that such loss or damage is covered shall be upon the insured.

Subject otherwise to the terms, conditions, exclusions and exceptions of the policy.

Fire Endt 2 MALICIOUS DAMAGE

In consideration of payment of an additional premium it is hereby agreed and declared that the insurance under the said Riot and Strike Endorsement shall extend to include MALICIOUS DAMAGE which for the purpose of this extension shall mean:-

Loss of or damage to the property insured directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) not being an act amounting to or committed in connection with an occurrence mentioned in Special Condition 6 of the said Riot and Strike Endorsement.

But the Company, shall not be liable under this extension for (1) any loss or damage by fire or explosion (2) any loss or damage arising out of or in the course of burglary, house-breaking, theft or larceny or any attempt threat or caused by any person taking part therein, and (3) the first excess (as specified in the Schedule) in respect of each and every loss.

Provided always that all the conditions and provisions of the said Riot and Strike Endorsement shall apply to this extension as if they had been incorporated herein.

Fire Endt 3 EXPLOSION

It is hereby agreed and declared that the insurance under this Policy shall, subject to the Special Conditions hereinafter contained, extend to include;

Loss or damage to the property insured by fire or otherwise directly caused by explosion, but excluding loss of or damage to boilers, economisers or other vessels, machinery or apparatus in which pressure is used or their contents resulting from their explosion, PROVIDED always that all the conditions of this policy (except in so far as Condition No.7 (h) is hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage by explosion as aforesaid shall be deemed to be loss or damage by fire within the meaning of this Policy.

SPECIAL CONDITIONS

1. The Company shall not be liable under this extension for loss or damage occasioned by or through or in consequence directly or indirectly of any act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrow by force of the Government 'de jure' or 'de facto' or to the influencing of it by terrorism or violence. In any action suit or other proceeding where the Company alleges that by reason of the provisions of this Condition any loss or damage is not covered by this insurance the burden of proving that such loss or damage is covered shall be upon the Insured.
2. If there shall be any other fire insurance on the property insured under this Policy the Company shall be liable only pro rata with such other fire insurance for any loss or damage by explosion whether or not such other fire insurance be extended to cover loss or damage by explosion.
3. The Company shall not be liable under this extension for loss or damage which at the time of the happening of such loss or damage is insured by or would but for the existence of this extension be insured by any other existing policy or policies except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this insurance not been effected.

Fire Endt 4 AIRCRAFT DAMAGE

It is hereby agreed and declared that notwithstanding anything in the within written Policy contained to the contrary the insurance under the policy shall subject to the special conditions hereinafter contained extend to include:

Destruction or damage (by fire or otherwise) of or to the property insured directly caused by AIRCRAFT and other aerial devices or articles dropped therefrom.

PROVIDED ALWAYS that all the conditions of the policy (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein.

SPECIAL CONDITIONS:

1. The liability of the Company shall in no case under this endorsement and the Policy exceed the sum insured by each item of the policy.
2. This insurance does not cover:
 - (a) Destruction or damage directly or indirectly occasioned by or happening through or in consequence of mutiny riot civil commotion military or popular rising insurrection rebellion military or usurped power martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege or any act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrow by force of the Government 'de jure' or 'de facto' or to the influencing of it by terrorism or violence;
 - (b) Consequential loss or damage of any kind or description.

Fire Endt 5 IMPACT DAMAGE

It is hereby declared and agreed that notwithstanding anything in the within written Policy contained to the contrary the insurance under the Policy shall subject to the special conditions hereinafter contained extend to include Destruction or Damage (other than by fire) of or to the property insured directly caused by:

Impact with any of the property insured under this Policy by any road vehicle or animals. Not belonging to or under the control of the insured or any member of the staff of the insured.

This Insurance is subject to an excess (as specified in the Schedule) in respect of each and every claim arising due to impact.

SPECIAL CONDITIONS

As per Conditions, 5, 6 and 7 of the Riot & Strike Endorsement. Subject otherwise to the terms exceptions and conditions of this Policy.

Fire Endt 6 CYCLONE, STORM AND TEMPEST

Notwithstanding anything contained to the contrary in printed Condition 6 (b) of this policy, it is hereby declared and agreed that in consideration of the payment of an additional premium, the insurance under the within policy is extended to cover loss or damage directly caused by cyclone storm and tempest provided always that all the conditions of the policy shall apply (except insofar as they may be expressly so varied) and that any reference herein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by cyclone, storm and tempest.

Exceptions

The insurance provided by this endorsement should not extend to include.

1. Loss or damage to boundary fence and or walls, neon signs, signboards, advertising towers, green houses, canopies, gates, plate/sheet glass, glass houses etc.;
2. Loss or damage to property in the open or in transit other than building structures and plant designed to exit or operate in the open;
3. Loss or damage caused by rain (whether driven by wind or not) unless the building insured or containing the property insured shall first sustain actual damage to roof or walls by direct force of a cyclone, storm and tempest. The Company shall then be liable for such loss or damage to the building or insured property therein as may be caused by rain entering the buildings through openings in the roof or walls made by such direct action of cyclone, storm and tempest;
4. Loss or damage caused directly or indirectly by landslides, subsidence or inundation from the sea, whether or not incidental to cyclone, storm and tempest;
5. The escape of water from the normal confines of any natural or artificial water course, lake, reservoir canal or dam;
6. Loss or damage by flood caused by overflowing

bursting or leakage of water tanks, pipes or apparatus;

7. Consequential loss or damage of any kind or description whatsoever;
8. The amount of the excess stated in the schedule in respect of each and every loss or damage.

The insured shall take all responsible precautions for the safety of the property insured, and it is warranted that all building insured under this policy and or containing the property insured are in a good and substantial state of repair and shall be so maintained. The liability of the company shall in no case under this endorsement and the policy exceed the sum insured by each item of the policy.

Fire Endt 7 FLOOD

Provided that additional perils endorsement fire Endt 6 also applies to the policy the expression cyclone, storm and tempest in the said Fire Endt 6 shall extend to include loss or damage to property insured (including loss or damage by fire) directly caused by flood, which for the purpose hereof shall mean the escape of water from the normal confines of any natural or artificial water course, lake, reservoir, canal or dam. But excluding destruction, damage by bursting or overflowing of water tanks, apparatus or pipes or flow of accumulated rainwater from the compound. The company shall not be liable under this endorsement for the amount of the excess stated in the schedule in respect of each and every loss or damage.

Fire Endt 8 EARTHQUAKE

In consideration of the payment of an additional premium the company agrees, notwithstanding anything stated in the printed conditions of this policy to the contrary, that this insurance covers loss or damage to the property insured occasioned by earthquake. The company shall not be liable under this endorsement for the amount of the excess stated in the schedule in respect of each and every loss or damage.

Fire Endt 9 BURSTING OR OVERFLOWING OF WATER TANKS, APPARATUS OR PIPES

It is hereby declared and agreed that notwithstanding anything in the within written Policy contained to the contrary, the insurance under the Policy shall (subject to the Special Conditions hereinafter contained) extend to include destruction or damage (other than by fire) of or to the property insured directly caused by bursting or overflowing of Water Tanks, Apparatus or Pipes but excluding;

- (i) Destruction or damage caused whilst the building is untenanted,
- (ii) Loss or damage by water discharged or leaking from any automatic sprinkler installation in the building,
- (iii) The excess (as specified in the schedule) in respect of each and every loss or damage.

Fire Endt 10 SPONTANEOUS COMBUSTION

In consideration of the payment of an additional premium, it is declared and agreed that this Insurance covers loss of or damage to the insured property caused by its own fermentation or spontaneous combustion, notwithstanding

anything stated to the contrary in the printed conditions of the policy.

Provided that all the Conditions of this policy shall apply (except in so far as they may be hereby expressly varied) and are reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this endorsement.

Fire Endt 11 INSURANCE COVER AGAINST TERRORISM

In consideration of a payment of an additional premium it is hereby declared and agreed that the cover provided by the SRCC Endorsement attached to the Policy:

a) Is extended to include loss or damage other than Consequential Losses of any kind directly relating to or caused by any act of terrorism which means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or Government(s), committed for political religious, ideological or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public in fear.

Further, any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, or resulting from any action taken in controlling, preventing, suppressing action during any engagement between Government forces and any group as defined about on land, sea, or air shall be regarded as falling within the definition of Terrorism above;

b) The amount recoverable under this extension in respect of loss/damage to any property of the same insured in the same location under all policies (if more than one policy has been obtained on the same risk and interest) shall not exceed Rs. As stated in the schedule or the sum insured which ever is less anyone loss/occurrence. For this purpose an "occurrence" shall mean all losses attributable directly or indirectly to one cause or to one of a series of similar causes;

c) Is subject to an excess of 10% in respect of each and every loss/occurrence. However, the excess applicable in respect of Fire Insurance Policies or combined Fire and Theft insurance policies covering private dwellings only shall be 10% or Rs. 100,000/- whichever is lower.

Notwithstanding what is stated to the contrary in the Policy if the Terrorism extension to the Policy is being cancelled by the Insurer, a pro-rata refund will be allowed to the Insured. However, no return of premium shall be granted if this cover is cancelled at the request of the Insured.

In the event of any loss/losses arising out of the same occurrence affecting more than one policy, the apportionment of the loss amongst the respective policies shall be at the sole discretion of the National Insurance Trust Fund, subject however to the limits and deductibles specified in this Endorsement.

Upon the occurrence of an event giving rise to a claim hereunder, the limit of cover provided shall stand reduced by the amount of the claim paid or payable and shall be reinstated by the Insured by payment of an additional premium calculated at 100% pro-rata only to the amount reinstated.

It is further declared and agreed that this extension is subject to the following exclusions :

A. INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIOCHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

This clause shall be paramount and shall override anything contained in this insurance inconsistent herewith;

1. In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from:

- 1.1 Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- 1.2 The radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- 1.3 Any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- 1.4 The radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific, or other similar peaceful purposes;
- 1.5 Any chemical, biological, bio chemical, or electromagnetic weapon.

B. INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

1.1 Subject only to clause 1.2 below, in no case shall this insurance cover loss, damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a mean for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system

1.2 Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer

software programme of any other electronic system in the launch and / or guidance system and/or firing mechanism of any weapon or missile.

This extension is granted for and on behalf of the National Insurance Trust Fund and any liabilities whatsoever under this specific extension shall devolve solely upon the said fund. If any action, suit or proceeding where it is alleged that any loss or damage is not covered by this Endorsement, the burden of proving that such loss or damage is covered shall be upon the insured.

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

**Fire Endt 12
VOLCANIC ERUPTION, HURICANE, TYPHOON,
WIND STORM, TSUNAMI AND TIDAL WAVES,
THUNDERSTORM, HAILSTORM, WINDSTORM,
RAINSTORM DUE TO ATMOSPHERIC DISTURBANCES**

Notwithstanding anything contained to the contrary in Condition 6(a) and (b) of this Policy the insurance by this Policy covers loss or damage (by fire or otherwise) directly caused by:

- (i) Earthquake, volcanic eruption;
- (ii) Hurricane, typhoon, windstorm and tsunami and so designated by Meteorological Department of Sri Lanka or Geological Survey and Mines Bureau of Sri Lanka, subject to the under mentioned Special Conditions and Excesses (as stated in the schedule).

PROVIDED ALWAYS, that all the Conditions of this Policy shall apply (except insofar as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this Endorsement.

It is further agreed that this Clause shall apply separately to each building, for which purpose all insured buildings at the same address will be regarded as one building.

SPECIAL CONDITIONS

1. The Company shall not be liable for any loss or damage caused by water or rain, whether driven by wind or not other than loss or damage caused by flood (including overflow of the sea) when such peril is insured against by this Policy unless the building insured or containing the property insured shall first sustain actual damage to the roof or walls of same by the direct force of earthquake, volcanic eruption, hurricane, cyclone, typhoon and windstorm and shall then be liable only for such damage to the interior of the building or the insured property therein as may be caused by water or rain entering the building through openings in the roof or walls made by the direct force of the said perils.

The Company shall not be liable for any loss or damage caused by flood (including overflow of the sea) except when such peril is insured against by this Policy and is occasioned by earthquake, volcanic eruption, hurricane, typhoon, tsunami and windstorm.

2. This Endorsement does not extend the insurance under this Policy to cover :

- (a) Consequential Loss of any kind;
- (b) Loss or damage caused by hail whether driven by wind or not;
- (c) Loss or damage caused by escape of water from the normal confines of any natural or artificial water course or lake or reservoir or canal or dam;
- (d) Loss or damage by Flood caused by overflowing, bursting or leakage of water tanks, pipes or apparatus;
- (e) Loss or damage caused by subsidence or landslide or earth slips or sea erosion except when this is occasioned by earthquake or volcanic eruption or hurricane typhoon or windstorm or tsunami or tidal wave, provided that these perils are insured against by this Policy;
- (f) Loss or damage caused by explosion except as provided in Condition 7(h) of the Policy;
- (g) Loss or damage to the property in the open or in transit;
- (h) Loss by reason of any ordinance or law regulating the construction or repair of buildings.

3. The Company shall not be liable under this extension for loss or damage which at the time of the happening of such loss or damage is insured by or would, but for the existence of this extension, be insured by any other existing Policy or Policies except in respect of any excess beyond the amount which would have been payable under such other Policy or Policies had this insurance not been effected.

4. Unless specifically and separately insured, this Endorsement does not cover:-

- (a) Metal smoke stacks, awnings, blinds, signs, fences, walls or other outdoor fixtures or fittings of any description,
- (b) Premises in course of construction, reconstruction or repair unless all outside doors, windows and other openings thereto are completed and protected against Hurricane, Cyclone, Typhoon and Windstorm when such perils are insured against by this Policy.

**CLAUSES AND WARRANTIES
F1 ELECTRICAL EXCLUSION CLAUSE**

The Company is expressly declared to be free from liability for loss of or damage to any electrical machine, apparatus, fixture or fitting (including electric fans, electric household or domestic appliances, wireless sets, TV sets and radios) or to any portion of the electrical installation, arising from or occasioned by over-running, excessive pressure, short circuiting, arcing, self heating or leakage of electricity, from whatever cause (lighting included), provided that this exemption shall apply only to the particular electrical machine, apparatus, fixture fitting or portion of the electrical installation so affected and not to other machines, apparatus, fixtures, fittings or portions of the electrical installation which may be destroyed or damaged by fire-so-set-up.

F2 BANK CLAUSE

It is hereby agreed and declared that:-

1. Upon any monies becoming payable under this Policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties,
2. The receipts of the Bank shall be a complete discharge of the Company therefore and shall be binding on all parties insured hereunder,
3. If and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the insured or any of them in any matter arising under or in connection with this Policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank,
4. Any adjustment settlement compromise or reference to arbitration in connection with any dispute between the Company and Insured or any of them arising under or in connection with this Policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair the right of the Bank to recover the full amount of any claim it may have on other parties insured hereunder and,
5. This insurance so far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of the operation of Condition No. 8 of this Policy except where a breach of such Condition has been committed by the Bank or its duly authorized agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to upon or in any building hereby insured or any building in which the property insured under the Policy are stored or kept, without the knowledge of the Bank, provided always that the Bank shall notify the Company of any change of ownership or alteration or increase of hazard not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company the necessary additional premium from the time when such increase of risk first took place. And it is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgagor or Owner no liability therefore existed the Company shall become legally subrogated to all the rights of the Bank to the extent of such payment but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagor/ Owner or any other party or parties insured hereunder or from any securities or funds available.

Subject otherwise to the terms conditions and provisos of this Policy.

F3 REINSTATEMENT CLAUSE

(Applying to buildings, machinery, fittings, equipment, furniture and tools but not to stock-in-trade, foodstuffs, packaging materials, merchandise and the like).

It is hereby declared and agreed that in the event of the property insured by the within written Policy being destroyed or damaged, the basis upon which the amount payable under (each of the items of) the Policy is to be calculated, shall be the cost of replacing or reinstating on the same site property of the same kind or type, but not superior to or more extensive than the insured property, when new, subject to the following Special Provisions and subject also to the terms and conditions of the Policy except in so far as the same may be varied hereby.

SPECIAL PROVISIONS

1. The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch and in any case must be completed within 12 months after the destruction or damage, or within such further time as the Company may (during the said 12 months) in writing allow; otherwise no payment beyond the amount which would have been payable under the Policy if this Memorandum had not been incorporated herein shall be made.
2. Until expenditure has been incurred by the Insured in replacing or reinstating the property destroyed or damaged, the Company shall not be liable for any payment in excess if the amount which would have been payable under the policy, if this Memorandum had not been incorporated herein.
3. If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement, if the whole of the property covered had been destroyed exceeds the sum insured thereon at the breaking out of any fire or at the commencement of any destruction of or damage to such property by any other peril insured against by this Policy, then the Insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the Policy (if more than one) to which this Memorandum applies shall be separately subject to the foregoing provision.
4. This Memorandum shall be without force or effect, if:
 - (a) The Insured fails to intimate to the Company within six months from the date of destruction or damage or such further time as the Company may in writing allow, his intention to replace or reinstate the property destroyed or damaged.
 - (b) The Insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.

F4 MORTGAGE CLAUSE

It is hereby agreed that in the event of loss or damage, the Company will pay the Mortgagees or Assignees mentioned in the Schedule to the extent of their interest and that this insurance in so far as concerns the interest therein of the Mortgagees or said Assignees only shall not be invalidated by any act or neglect of the Mortgagor or Owner of the property insured, not by anything whereby the risk is increased being done to, upon or in any building hereby insured or containing the property hereby insured without the knowledge of the Mortgagees or said Assignees provided always that the Mortgagees or said Assignees shall notify the Company of any change of ownership or alteration or increase of hazard not permitted by this insurance as soon as any such change, alteration or increase shall come to their knowledge and on demand shall pay to the Company the appropriate additional premium from the time when such increased of risk first took place.

And it is further agreed that whenever the Company shall pay the Mortgagees or said Assignees any sum for loss-or damage under this Policy, and shall claim that as to the Mortgagor or Owner no liability therefore existed the Company shall at once be legally subrogated to all the rights of the Mortgagees or said Assignees to the extent of such payment and the Mortgagees or said Assignees shall do and execute all such further or other acts, deeds, transfer, assignments, instruments and things as may be necessary or be reasonably required by the Company for the purpose of better effecting such subrogation but such subrogation shall not impair the right of the Mortgagees or said Assignees to recover the full amount of their claim.

Provided, that as between the Company and the Mortgagor or Owner of the property insured nothing contained in this Clause shall in any way constitute or be deemed to constitute any waiver of , or prejudice or affect any rights which the Company may have against the Mortgagor or Owner of the property insured or lessen any obligation which may be imposed on the Mortgagor or Owner of the property insured either by or under this Policy or by law, and ,such rights and obligations shall as between the company and the Mortgagor or Owner of the property insured remain in full force and effect.

The Company reserves the right to cancel this Policy at any time as provided by the terms hereto, but in such case this Policy shall continue in force for the benefit only of the Mortgagees or said Assignees for ten days after notice to the Mortgagees or said Assignees of such cancellation, and shall then cease and the company shall have the right on like notice cancel this agreement.

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

F5 MOLD EXCLUSION CLAUSE

This Policy does not insure loss or damage by mold, moss, mildew, fungi, spores, bacterial infestation or any similar organism and wet or dry rot, whether directly or indirectly the result of a covered peril. This includes, but is not limited to, the cost for investigation, testing, remediation

services, extra expense or business interruption. Such loss is excluded regardless of any other cause event that continues concurrently or in any sequence to the loss. If loss otherwise covered by this Policy occurs and the cost of removal of debris is increased due to the presence of mold, moss fungi, bacterial infestation, wet or dry rot and extremes of humidity, this Policy will only be liable for the cost of debris removal which would have been incurred had no such factors been present in, on or about covered property to be removed.

F6 CAPITAL ADDITIONS CLAUSE

The insurance hereby extends to cover alterations additions and improvements (but not appreciation in value in excess of the sums insured) to the property insured for an amount not exceeding ten percent (10%) of the corresponding sum insured in the aggregate on the whole policy whichever is the lower it being understood that the Insured undertake to advise the Company each quarter of such alterations additions and improvements and to pay the appropriate additional premium thereon.

F7 MINOR ALTERATIONS CLAUSE

Unless otherwise specially provided in this policy minor alterations and repairs limited to fixtures and fittings (exclusive of any sprinkler installations) and to machinery, are allowed without notification.

F8 STOCK DECLARATION CLAUSE

In respect of the insurance of stocks Raw Materials in Stock and or completed Stock in Trade) as itemized in the Schedule of the Policy; the provisional premium payable in respect of such items are calculated on seventy five percent (75%) of the sum/s insured thereon subject to the following conditions:-

- (a) The insured shall declare to Insurers in writing the cost price (being the basis of indemnity) of (a) the Raw Materials on hand and (b) the completed Stock in trade; on the last day of each month (or quarter as may be agreed by Insurers) and shall make such declaration within 30 days of the end of each month (or quarter as the case may be) In the absence of such declaration/s being made, it is deemed that the sum/s insured shall be the declared amount/s for the month/s in which no declaration/s have been made; or the greater of the average of the declarations made to such date provided that such amount is not less than the average of the sum/s insured for the same period of time,
- (b) After each period of insurance (be this annual or otherwise) the premium will be calculated on the average of the declarations made in terms (a) and if the resultant premium shall exceed the provisional premium then such difference in amount shall be paid to Insurers. If there shall be a refund of premium due to the Insured then such refund will not exceed fifty percent (50%) of the provisional premium paid,
- (c) In the event of the property insured by this clause being subject to the provisions of the Automatic Reinstatement clause then the requirements for the payment of additional premium payments in terms

of the provisions of each clause shall be independent of one another.

The indemnity by this insurance shall not exceed the sum insured by any item/s specified in the Schedule to the Policy and premiums calculated in excess thereof shall not be refundable.

F9 GOODS OR PROPERTY HELD IN TRUST OR ON COMMISSION

The insurance by this Policy extends to include loss as insured to goods or property held in trust or on loan or for use of approval of purchase or on commission for which the Insured is responsible.

Provided that at the time of loss such property is not insured by any other Policy of insurance other than for and amount being the difference between the amount payable by this Policy and the amount of loss.

It is a condition precedent to any liability that the Insured is able to prove that they were legally responsible for such goods or property as at the time of loss.

Assumption of responsibility on behalf of the Insured for loss or damage to property will not qualify a claim in terms of the issued Policy.

F10 REMOVAL OF DEBRIS

The insurance hereby extends to cover costs and expenses necessarily incurred by the Insured in the removal of debris dismantling or demolishing shoring up or propping of the portion or portions of the property insured by this Policy destroyed or damaged by fire or by any other peril hereby insured against it being understood that the total liability for claim, loss or damage due to an insured peril and costs of removal of debris shall not exceed ten percent (10%) of the sum insured or the amount specified in the Schedule and in the aggregate total sum insured.

F11 ARCHITECT'S SURVEYOR'S CONSULTANTS ENGINEER'S FEES

It is hereby declared an agreed that the insurance by this Policy extends to include Architects' Surveyors' and Consultant Engineers' Legal and other fees (not exceeding those authorized under the scales of the various institutions and/or Bodies regulating such charges prevailing at the time of the destruction or damage) for Estimates Plans, Specifications, Quantities, Tenders and Supervision necessarily incurred in the reinstatement consequent upon the destruction or damage to the property by fire or by any other perils hereby insured against (but not such Fees for preparing a claim or estimate of loss) provided that the liability for such destruction or damage and fees shall not exceed ten percent (10%) of the sum insured on the Buildings or the amount specified in the Schedule and in the aggregate total sum insured.

F12 LOSS OF RENT CLAUSE

Insurance on Rent applies only if (any of) the said building(s) of any part thereof is unfit for Occupation in consequence of any of the perils hereby insured and then the amount payable shall not exceed such proportion of

the sum insured on Rent as the necessary period of 12 months un occupancy bears to the terms of Rent Insured.

F13 PUBLIC AUTHORITIES

The insurance by this Policy extends to include such additional cost of reinstatement of the destroyed or damaged property thereby insured as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Government Act or Bye-Laws of any Municipal or Local Authority provided that:-

1. The amount recoverable under this Extension shall not include
 - (a) The cost incurred in complying with an by of the aforesaid Regulations or Bye-Laws
 - i. in respect of destruction or damage occurring prior to the granting of this Extension;
 - ii. in respect of destruction or damage not insured by the Policy;
 - iii. under which notice has been served upon the Insured prior to the happening of the destruction or damage;
 - iv. in respect of undamaged property or undamaged portions of property.
 - (b) The additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-Laws not arisen,

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

2. The work of reinstatement must be commenced and carried out with reasonable dispatch and in any case must be completed within twelve months after the destruction or damage or within such further time as the Company may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-Laws so necessitate) subject to the liability of the Company under this Extension not being thereby increased.
3. If the liability of the Company under (any item of) the Policy apart from this Extension shall be reduced by the application of any of the terms and conditions of the Policy then the liability of the Company under this Extension (in respect of any such item) shall be reduced in like proportion.
4. The total amount recoverable under any item of the Policy shall not exceed the sum insured thereby.
5. All the conditions of the Policy except insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

NOTE: This endorsement is applicable only to the building item insured in the Schedule.

F14 ELECTRICAL INCLUSION CLAUSE

Loss or damage by fire to the electrical appliances and installation insured by the within written Policy arising from or occasioned by over-running, excessive pressure, short circuiting, arcing, self heating or leakage of electricity, from whatever cause (lightning included) is covered subject to the terms and conditions of this Policy, but it is expressly understood that no liability exists under this Policy, for loss or damage to any electrical machine, apparatus, fixture or fitting, or to any portion of electrical installation, unless caused by fire or lightning.

F15 SPRINKLER LEAKAGE

It is hereby declared and agreed that notwithstanding anything contained to the contrary this Policy is extended to cover loss or damage caused by accidental leakage or accidental discharge of water from automatic sprinkler installations.

Subject otherwise to the terms exceptions and conditions of the Policy.

F16 WARRANTY - RETAIL TRADE

Warranted that, during the currency of this policy, no retail trade be carried on in the within described premises.

F17 WARRANTY - NOSMOKING

Warranted no smoking be permitted in the building and notice to this written in Sinhala, Tamil and English in letters not less than 3 inches high, to be exhibited at all entrance to the building, however smoking in rest room offices, canteens, residences and toilets shall not be considered as a breach of this warranty.

F18 WARRANTY-STORAGE OF HAZARDOUS GOODS

It is hereby agreed that a small quantity of hazardous goods (subject to such limitation or prohibition as may be imposed by warranty or otherwise herein or by official regulations) may be stored in the building, but it is nevertheless warranted by the insured that during the currency of this policy the value of such permitted hazardous goods shall not exceed five percent (5%) of the value of all goods stored therein.

F19 WARRANTY - STACKING

Warranted that during the currency of this policy:

Goods be stored in such a manner so as to permit easy access to fire fighters, and a space of three feet be allowed between top of the stacks and ceiling roof and a clear space between the walls and the stacks.

F20 WARRANTY RELATING TO PORTABLE FIRE EXTINGUISHING APPLIANCES

In consideration of the Company having allowed a rebate of 2-1/2% on the Fire Premium, the Insured hereby warrants that:-

1. Approved Portable Fire Extinguishing Appliances are kept in the premises herein described having an aggregate capacity of 2 gallons for each 250 square yards or part thereof of floor area but not less than 4 gallons on each floor.
2. All Fire Extinguishing Appliances are of an approved make and of sound construction.
3. The said appliances will be maintained in an efficient working order during the currency of the policy and will be re-charged on due dates.
4. One re-fill or the equivalent thereof in the chemicals will be kept readily available for each Extinguisher.
5. All extinguishers are kept in a readily accessible on hooks, brackets or stands.
6. The members of the staff are trained in the use of the appliances.

F21 TRADE WASTE WARRANTY

Warranted that, during the currency of this policy;

- (a) Cutting and other trade waste be swept up and bagged daily and removed from the premises at least once a week.
- (b) It is also warranted that, during the currency of this policy, sweeping and other refuse be swept up and removed daily from the building and be deposited not less than 30 feet away from building insured.

F22 PREMIUM PAYMENT WARRANTY

1. Notwithstanding anything herein contained but subject to clause 2 and 3 hereof, it is hereby agreed and declared that the full premium due and payable in respect of this insurance is required to be settled to the Insurer (*The Company*) on or before the premium due date specified in the Schedule of this Policy, Renewal Certificate, Endorsement or Cover Note (which shall be a date not exceeding 60 days from the date of inception of the policy) and in the absence of any such premium due date, the full settlement of the premium is required to be made or effected on or before the expiry of the 60th day from the date of inception of this Policy, Renewal Certificate, Endorsement or Cover Note (hereinafter referred to as the "due date").

For the purpose of this warranty the "due date" shall be recognized from the date of inception or commencement of the coverage.

2. It is also declared and agreed that the settlement of the full premium on or before the due date shall operate as a condition precedent to the insurer's (*The Company's*) liability or an obligation to settle a claim under this Policy, Renewal Certificate, Endorsement or Cover Note.

In the event any claim arises between date of commencement of this insurance and the "due date" for the settlement of premium, the insurer (*The Company*) may defer any decision on liability or postpone the settlement of any such claim until full settlement of the premium is effected on or before the "due date"

3. It is also declared and agreed that where the full premium payable hereunder remains outstanding as at the closure of business of the insurer on the "due date then the cover under this insurance and any obligations assumed or imputed under this insurance shall stand to be cancelled, ceased and revoked immediately.

However such cancellation will not prejudice the rights of the insurer (*The Company*) to invoke any legal defenses or to recover the full or any part of the defaulted premium attributable to the expired period of the insurance.

F23 MANUFACTURE OR DEPOSIT OF MERCHANDISE

Warranted that, during the currency of this policy, no portion of the premises herein described be used for the manufacture or deposit of merchandise.

F24 SILENT FACTORY WARRANTY

It is warranted that during the currency of this policy, the said factory be silent and the machinery be not working (except occasionally for the purpose of keeping in order no materials being pass through it) and that no repairs to machinery or mill weights works be carried on.

SPECIAL WARRANTIES

F25 Warranted that, during the currency of this policy, no extraction by volatile and/or inflammable solvents be carried on.

F26 Warranted that, during the currency of this policy, no paints or solutions be applied by spraying in or within 25 feet of any building on the premises to which this insurance applies.

F 27 ELECTRICAL PANEL WARRANTY

It is warranted that during the currency of this policy, all electrical panels be demarcated and no combustible material what so ever be kept within 03 feet from the electrical panel.

F28 HOT WORK WARRANTY

It is warranted that during the currency of this policy, No processes involving welding, grinding, blow lamps or similar hot work shall be carried out within the premises. However, if it is necessary to carry out such work for construction, maintenance purposes the following precautions should be taken.

1. Hot work should only be authorized where a safer method of work is not available. For example pipe jointing may be possible without soldered fittings and hot work avoided when external surfaces are being prepared for painting.
2. Hot work should only be carried out by trained personnel.
3. Wherever possible items to be the subject of hot work should be removed to a safe area designated for that purpose.

A trained person, not directly involved with the work, should provide a continuous fire watch during and for at least 1 hour following each period of work, to detect and

extinguish any incipient burning in the work area and in all adjoining areas to which sparks and heat may spread. These could include the floors below and above, and areas on sides of walls to where the work is being carried out.

F29 STOCK BOOK WARRANTY

It is warranted that during the currency of this policy, regular stock records and books of account be maintained and regularly checked and kept in a secure place where such stock registers/books and other stock records will not be lost and/or damaged by an insured peril of the policy, and in the event of a loss/damage such stock registers/books and other stock records be made available to the insurer.

F30 PALLET WARRANTY

It is warranted that, during the currency of this policy, the insured undertake to store goods on pallets at least 6 inches in height from the ground level of the insured premises or similar nature.

F31 WATCHMEN AND / OR SECURITY WARRANTY

It is warranted that, during the currency of this policy, insured premises should be guarded by watchmen and / or security personal normal and after business hours.

SPECIAL CLAUSES

F32 IDENTIFICATION CLAUSE

The property described in the schedule is the only Property so situated and answering to the said description In which the insured is interested.

F33 BUILDING IN COURSE OF CONSTRUCTION CLAUSE

The liability of the Company in no case exceed the value at the time of the loss of that part of the building already erected and materials on site, and subject to excess stated in the schedule in respect of each and every loss.

STAMP DUTY ACT.

It is hereby certified that the stamp duty shown in the Schedule of the policy payable in respect of the property covered has been compounded in terms of section 7 of the Stamp Duty Act No 12 of 2006.