NATIONAL INSURANCE COMPANY LIMITED
SOUTH ZONE, KARACHI

In Respect of

PARCO- Pearl Gas Private Limited

POLICTICAL VIOLENCE

Policy No	:	2025KBBFPVDP0117 (Sindh). 2025KBBFPVDP0118 (Punjab). 2025KBBFPVDP0119. (KPK). 2025KBBFPVDP0120 (Gilgit Baltistan) 2025KBBFPVDP0121(Islamabad) 2025KBBFPVDP0122. (Balochistan) 2025KBBFPVDP0123. (AJK)
Period	:	From 01-11-2025 To 31-10-2026

COVER NOTE

UNIQUE MARKET REFERENCE:	B1235MK2501181 MK2500835 MK2501771 & MK2501178
TYPE:	Political Violence (including Civil war but excluding War) and Business Interruption Reinsurance
ORIGINAL INSURED:	PARCO Pearl Gas Private Limited
ORIGINAL INSURED'S ADDRESS:	Pak-Arab Refinery Limited Corporate Headquarters Korangi Creek Road P.O. Box 12243 Karachi Pakistan 75190
REINSURED:	National Insurance Co Limited
RETROCEDENT	Pakistan Reinsurance Company Limited
RETROCEDENT'S ADDRESS:	Pakistan Reinsurance Company Limited PRC Towers, 32-A, Lalazar Drive, M.T. Khan Road, P.O. Box No. 4777, Karachi – 74000, Pakistan.
REINSURED'S ADDRESS:	National Insurance Company Limited NIC Building, Abbasi Shaheed Road, Post Box No. 3953, Karachi – 74000, Pakistan.
PERIOD:	From: 01st November 2025 To: 31st October 2026 Both days inclusive Local Standard Time at the Assureds address detailed above.
INTEREST:	Real and Personal Property of the original Insured including but not limited to: - __Section 1.__ Direct physical loss or damage from insured perils herein on all real and personal property of the insured including but not limited to refinery installations, process units, storage tanks, pipelines and utilities, including inland transit. Stocks (crude, finished product spares consumables and stocks in process and/or pipelines).

Section 2.

Business Interruption coverage due to interruption of the Insured's business activities following loss or damage to property / assets insured under Section 1 above.

SUM INSURED (100%):

Property Damage: USD 35,362,708
Business Interruption: USD 31,853,416
(Indemnity Period 24 months)

Total: USD 67,216,124

LIMIT OF LIABILITY (100%):

USD 67,216,124 any one occurrence and in the annual aggregate combined single limit in respect of Property Damage and Business Interruption.

DEDUCTIBLES (100%):

Property Damage:
USD 100,000 each and every loss for Plant
USD 25,000 each and every loss for Gas Centers and Bulk sites

Business Interruption:
14 days waiting period each and every loss

SITUATION:

Pakistan

CONDITIONS:

It is hereby noted and agreed that the Reinsurance Policy hereunder shall follow all the terms, clauses, exceptions, warranties and conditions of original policy wordings which is based on the attached wording (Political Violence including Civil war but excluding War) including but not limited to the following:

1- Claims Control Clause NMA2738 - wording as attached and as agreed
2- Premium Payment Clause (LSW 3001) as attached.
3- LMA 5409 Cyber and Data Exclusion – wording as attached and as agreed
4- CL370 Nuclear Exclusion – wording as attached and as agreed
5- Sanctions Limitation Clause LMA 3100A - wording as attached and as agreed
6- Currency Clause – wording as attached and as agreed
7- Special Cancellation Provisions Clause – wording as attached and as agreed
8- Occurrence – as per policy wording as attached and as agreed
9- Changes in Values and Automatic Additions – 15% as per policy wording as attached and as agreed
10- Debris Removal Clause – as per policy wording as attached and as agreed

11- Expert Fees clause, as per policy wording as attached and as agreed
12- Loss Control Clause, as per policy wording as attached and as agreed
13- Public authorities / Increased cost of Construction clause, as per policy wording as attached and as agreed
14- Claim Settlement – as per policy wording as attached and as agreed
15- Incorrect Declaration Penalty – as per policy wording as attached and as agreed
16- Non-Cancellation – as per policy wording as attached and as agreed
17- Notification of Claims – as per policy wording as attached and as agreed
18- Proof of Loss – as per policy wording as attached and as agreed
19- Basis of Settlement of Claim – as per policy wording as attached and as agreed
20- All Sub-Limits within Limit and not in addition thereto:
21- *Dropdown Clause* - wording as attached and as agreed with respect to **Excess layer only.**
22- Primary Insurance Clause – as per policy wording as attached and as agreed
23- LMA 5583B Territorial Exclusion - wording as attached and as agreed

CHOICE OF LAW & JURISDICTION:

This Reinsurance shall be governed by and construed in accordance with the laws of Islamic Republic Pakistan Each party agrees to submit to the exclusive jurisdiction of any competent courts of Islamic Republic of Pakistan.

PREMIUM:

As agreed,

To be settled to reinsurers in USD at the rate of exchange on the date of receipt by Lockton (MENA) Ltd

PREMIUM PAYMENT TERMS:

Payable in 90 days as per LSW 3001

TAXES PAYABLE BY REINSURED AND ADMINISTERED BY REINSURERS:

None

RECORDING, TRANSMITTING AND STORING INFORMATION:	Where Lockton (MENA) Ltd. maintains risk and claim data / information / documents Lockton (MENA) Ltd. may hold such data / information / documents electronically.
WARRANTIES:	Warranted No Known or Reported Losses / threats / incidents until inception, 01st November 2025
REINSURER CONTRACT DOCUMENTATION:	This document details the contract terms entered into by the Reinsurer(s) and constitutes the contract document. Any further documentation changing this contract, agreed in accordance with the contract change provisions set out in this Contract, shall form the evidence of such change.
NOTICE OF OCCURRENCE:	Lockton (MENA) Limited GV 6, Level 2, DIFC PO Box 506794 Dubai, UAE Phone: +971 4 3738777 Email: facclaims.lm@lockton.com

INFORMATION

The following information was provided to Reinsurers to support the assessment of the risk at the time of underwriting: -

Locations:

NATURE	BUSINESS UNIT	ADDRESS
Operating Offices	PPDL Operating Office Lahore	5A Main Gulberg, Jail Road Lahore
	Islamabad Office	Module # 2 Basement Islamabad Corporate Centre, Golra Road H-13 Islamabad.
Filling Plants	Lahore Filling Plant	33-KM Multan Road, Near Daewoo Workshop Bhaipheru
	Port Qasim Plant, Karachi	Plot No. 1 & 2-A, NWI Zone, LPG Designated Area, Port Qasim Authority Karachi.
	Adhi Filling Plant, Rawalpindi	LPG Filling Plant, Opposite PPL Adhi Field, Tehsil Gujar Khan.
	Dhurnal Plant 1, Attock	LPG Filling Storage Dhurnal, Tehsil Fateh Jang, District Attock.
	Dhodak Plant, DG Khan	Uni-gas Plant Baharwali, Tehsil Taunsa Sharif, Dhodak
	FPL Plant, Karachi	LPG Plant FRL Near Pakistan Refinery Korangi Creek, Karachi
	Dhurnal Plant 2, Attock	Dhurnal Near Orient Petroleum Incorporation Oil Field, Tehsil Fateh Jhang, District Attock.
	Quetta Plant	Ghazi Steel Mill, New Sariab Sibi Road, Quetta.
Gas Centers	Chichawatni Gas Center	3.5 KM, Chichawatni-Burewala Road, Chichawatni
	Rawalpindi Gas Center	Gillani Avenue, Service Road, Near Hussain Building, Jhangi Syedan, Islamabad
	Sukkur Gas Center	Rohri Bypass, Opposite Al-Khadim Petrol Pump, Sukkur
	Gujranwala Gas Center	Main Pindi Bypass, Near Shalimar Town, Gujranwala
	Murree Gas Center	Bansaragali, Clifden Form House, Murree
Gas Shops	Lahore Gas shop	Toufeeq Market Near Dera Chal Badian Road, Lahore
	Islamabad Gas shop	Khatoni 557 Khasra No. 1012 Rawat
	Karachi Gas shop	Lane 8 Bukhari 8 DHA, Karachi
Hospitalities	Chenab Hospitality	Chenab LPG near river, garden housing society Mozza, Cherky, opposite Sialvi Hotel, bypass GT road Gujrat
	Multan Hospitality	Commander Petrogas Pvt Ltd 5A/36 Industrial Estate Multan
	Faisalabad Hospitality	Gasco LPG Filling Plant, 53-km Satyana road Dijkot
	Peshawar Hospitality	Shalimar LPG Filling Plants Ring Road Peshawar
	Abbottabad Hospitality	Ener Home SMC(PVT) LtdNew Industrial Estate Khokher Mera Havellian Abbottabad.
	Malakand Hospitality	TIMERGARA ROAD, ASHU BABA SHOP, VILLAGE KAND SHAMSHI KHAN, TALASH, DISTT LOWER DIR.
	Saudi Hospitality	Village Bado Muradsu 33KM Lahore/Sheikhupura Road, Sheikhupura
	Samen Hospitality	1/2-KM Bhobtian Chowk, Defense Road, Off Raiwind Road, Lahore
	Yadgar Hospitality	Musse Dharor Muslmana, Ahdian Road, Tehsil Muridke, District Sheikhupura
	Ravi Green	Phool Nagar By Pass Bashir Chock 1.5 Km Jallaki Road

Breakdown of Values:

PARCO PEARL GAS (PRIVATE) LIMITED

Political Violence Policy 2025-26		2025-26 USD ($)
Property Damage / Machinery Breakdown	Note-1	35,362,708
Business Interruption	Note-2	31,853,416
Grand Total:		67,216,124
rounded to nearest millions		67.22 Million

Note-1:
Sum Insured for Property Damage / Machinery Breakdown:

		2025-26 USD ($)
Plants	Note-1.1	29,601,593
Gas centers > USD 25000	Note-1.1	537,368
Hospitalities	Note-1.1	831,737
Operating office		174,990
Islamabad sales office		100,318
Pindi Bhattian		25,007
Bulk customer sites > USD 25000		4,091,695
Total ($):		35,362,708

Note-2
Sum Insured for Business Interruption:
Reference: Annexure-BI

	2025-26	2026-27	Grand Total
Profit before Tax	4,988,751	7,805,999	12,794,750
Standing Charges	8,800,093	10,258,572	19,058,666
Total ($):	13,788,845	18,064,571	31,853,416

Sum Insured Breakdown by Locations (Property Damage):

Note 1.1 : Sum Insued Breakdown by Locations

Description	2025-26
Port Qasim Plant	6,440,962
Lahore Plant	13,720,693
Adhi Plant	1,887,497
Dhodhak Plant	720,820
Dhurnal-I Plant	3,042,611
Dhurnal-II Plant	1,151,718
PRL Plant	1,951,127
Quetta Plant	685,964
	29,601,393
Gas Centers	
Rawalpindi Gas Center	112,620
Muree Gas Center	71,932
Gujranwala Gas Center	87,806
Chichawatni Gas Center	78,705
Sukkur Gas Centre	186,305
Lahore Gas Shop	
Karachi Gas shop	
Islamabad Gas Shop	
	537,368
Hospitalities	
Faisalabad Hospitality	74,330
Multan Hospitality	88,728
Peshawar Hospitality	73,816
Abbotabad Hospitality	40,594
Chenab Hospitality	48,212
Ravi Green Hospitality	355,409
Yadgar Hospitality	37,898
Saudi Hospitality	20,465
Soneri Hospitality	54,388
Malakand Hospitality	37,898
	831,737
Operating Office	174,960
Islamabad Operating office	180,318
Pindi Bhattian	25,607
Bulk Tanks at customer sites	4,091,695
Total ($):	35,362,708

Business Interruption: USD 31,853,416 (24 Months Indemnity period)

Breakdown of Values as attached

REINSURANCE CONDITIONS ATTACHING TO AND FORMING PART OF THIS CONTRACT

CLAIMS CONTROL CLAUSE (LM4)

Notwithstanding anything to the contrary contained in this reinsurance it is a condition precedent to Reinsurers' liability under this reinsurance that:

(a) the Reinsured shall give to the Reinsurers written notice as soon as reasonably practicable of any claim made against the Reinsured in respect of the business reinsured hereby or of its being notified of any circumstances which could give rise to such a claim.

(b) the Reinsured shall furnish the Reinsurers with all information known to the Reinsured in respect of claims or possible claims notified in accordance with (a) above and shall thereafter keep the Reinsurers fully informed as regards all developments relating thereto as soon as reasonably practicable.

(c) the Reinsurers shall have the right at any time to appoint adjusters and/or representatives to act on their behalf to control all investigations, adjustments and settlements in connection with any claim notified to the Reinsurers as aforesaid.

(d) the Reinsured shall co-operate with the Reinsurers and any other person or persons designated by the Reinsurers in the investigation, adjustment and settlement of such claim.

1/1/97
NMA 2738

PREMIUM PAYMENT CLAUSE

The Reinsured undertakes that premium will be paid in full to Reinsurers within the payment period stated in the Risk Details (or, in respect of instalment premiums, when due).

If the premium due under this reinsurance has not been so paid to Reinsurers within the payment period stated in the **Risk Details** (and, in respect of instalment premiums, by the date they are due) Reinsurers shall have the right to cancel this reinsurance by notifying the Reinsured via the broker in writing. In the event of cancellation, premium is due to Reinsurers on a pro rata basis for the period that Reinsurers are on risk but the full reinsurance premium shall be payable to Reinsurers in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this reinsurance.

It is agreed that Reinsurers shall give not less than 30 days prior notice of cancellation to the Reinsured via the broker. If premium due is paid in full to Reinsurers before the notice period expires, notice of cancellation shall automatically be revoked. If not, the reinsurance shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

CYBER AND DATA EXCLUSION

Notwithstanding anything to the contrary within this contract of insurance ("Contract") or any endorsement thereto, this Contract does not cover loss or damage directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

1. any electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon;
2. any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data.

Subject to all the terms and conditions of this Contract, this exclusion shall not operate to exclude physical loss or physical damage to property insured under this Contract arising from the use of any computer system or program in the launch and/or guidance system and/or firing mechanism of any weapon or missile.
In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

This endorsement supersedes and, if in conflict with any other wording in the Contract or any endorsement thereto having a bearing on loss or damage by electronic means or Data, replaces that wording.

Definitions

1. 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.

2. 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.

All other terms and conditions remain unaltered.

LMA5409
19 March 2020

INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

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

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.

10/11/03
CL370

SANCTIONS LIMITATION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations' resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

LMA3100A
05 OCTOBER 2023

CURRENCY CLAUSE

This contract to be issued with premium and claims to be paid in United States Dollars (USD)

SPECIAL CANCELLATION PROVISIONS CLAUSE

In the event that

1. A reinsuring underwriter ceases underwriting (wholly or in part) or formally announces its intention to do so, or

2. A Reinsuring Underwriter is the subject of an order or resolution for winding up or formally proposes a scheme of arrangement, or

3. A reinsuring Underwriter has it authority to carry on Insurance business withdrawn or modified, or

4. A reinsuring Underwriter's rating falls below the Insured's/Reinsured's minimum requirement of "A" from at least one professional rating agency

The Insured/Reinsured may terminate that Reinsurer's participation in this policy forthwith by giving notice and the premium payable to that Reinsurer shall be pro rata time on risk.

BASIS OF SETTLEMENT OF CLAIM

In the event of damage, settlement should be based upon the cost of repairing, replacing or reinstating (whichever is the least) property on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation.

PRIMARY INSURANCE

It is expressly understood and agreed that this Policy provides primary cover for the Insured and that in the event of loss, damage or liability covered by this Policy which is also covered either in whole or in part under any other policy or policies of insurance effected by or on behalf of any of the parties comprising the insured, the insurer will indemnify the Insured as if such other policy or policies of insurance are not in force. The Clause is subject otherwise to all the terms and conditions of the Policy to which it is attached.

TERRITORIAL EXCLUSION: RUSSIA, UKRAINE, BELARUS AND MOLDOVA

Notwithstanding anything to the contrary in this Policy, this Policy excludes any loss, damage, liability, cost or expense of whatsoever nature, directly or indirectly arising from or in respect of any:

i. entity domiciled, resident, located, incorporated, registered or established in an **Excluded Territory**;

ii. property or asset located in an **Excluded Territory**;

iii. individual that is physically in an **Excluded Territory**;

iv. claim, action, suit or enforcement proceeding brought or maintained in an **Excluded Territory**;

v. payment in an **Excluded Territory**.

This exclusion will not apply to any coverage or benefit required to be provided by the insurer by law or regulation applicable to that insurer, however, the terms of any sanctions clause will prevail.

For purposes of this exclusion, "**Excluded Territory**" means:

- Belarus (Republic of Belarus); and
- Russian Federation; and
- Ukraine (including any disputed regions of Ukraine and including the Crimean Peninsula); and
- Republic of Moldova

All other terms, conditions and exclusions remain unchanged.

Lockton (MENA) Limited
Gate Village 6, 2nd Floor, Dubai International Financial Centre, PO Box 506794, Dubai, UAE
Tel: +971 4 373 8777 / Fax: +971 4 373 8700
www.lockton.com

LMA5583B
08 March 2023

SECURITY DETAILS

REINSURER'S LIABILTY:

REINSURERS LIABILITY CLAUSE - LMA3333

Reinsurer's Liability Several Not Joint

The liability of a Reinsurer under this contract is several and not joint with other Reinsurers party to this contract. A Reinsurer is liable only for the proportion of liability it has underwritten. A Reinsurer is not jointly liable for the proportion of liability underwritten by any other Reinsurer. Nor is a Reinsurer otherwise responsible for any liability of any other Reinsurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a Reinsurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a Reinsurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other Reinsurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Proportion of Liability

Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each Reinsurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its "written line".

Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each Reinsurer (or, in the case of a

Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

LMA3333
21 June 2007

ORDER HEREON: **80% of 100%**

Primary Layer USD 10,000,000	Mena Re Underwriters Ltd On behalf of Doha Insurance Group	80.00%
	Total Order	**80.00%**
Excess Layer USD 57,216,124 In excess of USD 10,000,000	Markel Syndicate 3000 at Lloyds	20.00%
	Chaucer Syndicate 1084 CSL at Lloyds	14.00%
	Lloyds Underwriter Syndicate Arch 2012 / 1955	13.00%
	Lloyds Underwriter Syndicate Amlin 2001	12.50%
	Lloyd's Syndicate Liberty - LIB 4472	12.50%
	Visionary Limited On behalf of Convex Insurance (UK) Limited	8.00%
	Total Order	**80.00%**

Rishi Thapar
Vice President

For and on behalf of
Lockton (MENA) Limited

Please examine this document carefully and advise us immediately if any of the terms and conditions do not accurately meet your requirements or are incorrect, or if any of the Reinsurers, as detailed herein, are unacceptable.

This Reinsurance is subject to all terms and conditions of policy(ies) which will be issued as appropriate. Failure to disclose any material fact to Reinsurers can result in loss of cover.

REINSURANCE WORDING

The Article headings in this Contract are intended for guidance only. They do not in any way affect the provisions of this Contract.

ARTICLE 1 AMOUNT REINSURED

The Risk Details indicate whether this Contract is

A. NON-PROPORTIONAL

The Reinsurers shall pay losses in excess of an Ultimate Net Loss to the Reinsured of the underlying amount shown in the Risk Details in respect of each and every Loss Occurrence, up to the sum reinsured hereunder in respect of each and every Loss Occurrence. Only losses which, except for the amount thereof, would otherwise be payable under this Contract may reduce or exhaust the underlying amount.

All salvages, recoveries or payments recovered or received subsequent to a loss settlement under this Contract shall be applied as if recovered or received prior to the aforesaid settlement and all necessary adjustments shall be made by both the Reinsured and the Reinsurers. Nothing in this article shall be construed to mean that a recovery cannot be made under this Contract until the Ultimate Net Loss has been ascertained.

In the event of inconsistencies between the Original Contract and this Contract, this Contract shall prevail.

OR

B. PROPORTIONAL

This Contract reinsures the Reinsured's interest in payments made within the terms and conditions of the Original Contract, which this reinsurance contract shall follow, except as otherwise agreed herein.

Unless otherwise stated in this Contract the Reinsured:

(i) shall retain during the Period of Reinsurance at least the Retention(s) shown in the Risk Details, on the identical subject matter and perils and in identically the same Proportion(s) as stated in this Contract. In the event of the Retention(s) and/or Proportion(s) being less, the Reinsurers' liability will be correspondingly proportionately reduced.

(ii) warrants that the premium paid to the Reinsurer(s) for this Contract is calculated at the same gross rate as the Original Contract for the identical subject matter and perils and in the proportions reinsured, less only those deductions stated in the Risk Details.

Any automatic coverage for new and/or existing locations at no additional premium contained within the Original Contract shall apply to this Contract, unless detailed as otherwise within this Contract.

In the event of inconsistencies between the Original Contract and this Contract, this Contract shall prevail.

ARTICLE 2 MULTIPLE REINSURED SEVERABILITY

Where multiple Reinsured's are named within the Reinsured section of the Risk Details, each Reinsured entity forming part of the Reinsured is a separate party to this Contract and contracts for its own interest and not for the interest of any other party.

The actions, inaction or status of one Reinsured entity forming part of the Reinsured including, but not limited to its solvency, shall not affect the validity of the cover available to those other such Reinsured Entities forming part of the Reinsured.

Notwithstanding the provisions of the Cancellation clause contained herein, it is agreed that in the event that circumstances arise in respect of one or more of the Reinsured entities covered hereunder, and the Reinsured entity or entities concerned or the Reinsurers has invoked the option to cancel, should the Reinsured or Reinsurer have the option to cancel as per the Cancellation clause contained herein, such cancellation will be applied to that Reinsured entity or entities only and cover hereunder will remain effective for the remaining Reinsured entities at their option, unless they elect to cancel the Contract as a whole.

If this Contract continues for the remaining Reinsured entities, coverage hereunder will be unchanged,

ARTICLE 3 SANCTION LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

ARTICLE 4 COSTS AND EXPENSES

Legal or otherwise costs and expenses, if any, and all other loss adjustment expenses arising from the settlement of losses other than the salaries of the Reinsured's employees and the Reinsured's office expenses shall be paid in addition to the Sum Reinsured in the ratio that the Reinsurers' liability for loss under the Original Contract bears to the Reinsured's gross liability for loss under the Original Contract, or in the defence and investigation of a claim hereunder.

ARTICLE 5 DEFINITIONS

RETENTION

The Retention, if any, may consist of:

(i) amounts retained by the Reinsured or any entity under common management, ownership, or control with the Reinsured;

(ii) amounts protected by any treaty reinsurance; and/or

(iii) amounts protected by facultative reinsurance that the Reinsured declares to the Reinsurers as comprising part of the applicable Retention.

ULTIMATE NET LOSS

Ultimate Net Loss shall mean the sum actually paid or payable by the Reinsured to the Reinsured's Policyholder in settlement of losses in accordance with the terms and conditions of the Original Contract, and also within the terms of this Contract, after deducting all amounts which are not reinsured under this Contract, together with all recoveries, salvages and all claims upon other reinsurances, whether collected or not.

LOSS OCCURRENCE

For the purposes of this Contract, the term Loss Occurrence shall be as stated in the Risk Details.

ARTICLE 6 UNCOLLECTIBILITY

The Reinsurers' liability under this Contract shall not be increased by the Reinsured's inability to collect from any other reinsurer, whether specific or general, any amounts which may become due from them, whether such inability arises from their insolvency, financial impairment or for any other reason.

ARTICLE 7 CLAIMS PROCEDURE

The procedure for the handling of claims shall be in accordance with either the Claims Co-operation Clause or the Claims Control Clause as indicated in the Risk Details.

A. CLAIMS CONTROL CLAUSE (LM4) NMA 2736

Notwithstanding anything to the contrary contained in this Contract it is a **condition precedent** to Reinsurers' liability under this Contract that:

(a) the Reinsured shall give to the Reinsurers written notice as soon as reasonably practicable of any claim made against the Reinsured in respect of the business reinsured hereby or of its being notified of any circumstances which could give rise to such a claim.

(b) the Reinsured shall furnish the Reinsurers with all information known to the Reinsured in respect of claims or possible claims notified in accordance with (a) above and shall thereafter keep the Reinsurers fully informed as regards all developments relating thereto as soon as reasonably practicable.

(c) the Reinsurers shall have the right at any time to appoint adjusters and/or representatives to act on their behalf to control all investigations, adjustments and settlements in connection with any claim notified to the Reinsurers as aforesaid.

(d) the Reinsured shall co-operate with the Reinsurers and any other person or persons designated by the Reinsurers in the investigation, adjustment and settlement of such claim.

OR

B. CLAIMS CO-OPERATION CLAUSE NMA 2737

Notwithstanding anything herein contained to the contrary it is a **condition precedent** to any liability under this Contract that:

(a) the Reinsured shall upon knowledge of any loss or losses which may give rise to a claim under this Contract advise the Reinsurers thereof as soon as practicable;

(b) the Reinsured shall furnish the Reinsurers with all information available respecting such loss or losses and shall co-operate with the Reinsurers in the settlement and adjustment thereof;

(c) the Reinsured shall not accept any liability for any such loss or losses **without the prior consent** of the Reinsurers.

ARTICLE 8 SIMULTANEOUS SETTLEMENT CLAUSE

Reinsurers agree to pay their share of any loss hereon simultaneously with insurers participating in the original Contract.

ARTICLE 9 THIRD PARTY RIGHTS

A person or entity who is not a party to this Contract has no right to enforce any term of this Contract other than as expressly provided elsewhere herein.

ARTICLE 10 INSOLVENCY

In the event of the insolvency of the reinsured Company, this Contract shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurers of the pendency of a claim against the Company indicating the policy or bond reinsured which claim would involve a possible liability on the part of the Reinsurers within a reasonable time after such claim is filed in the conservation or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurers may investigate such claim and interpose, at their own expense, in the proceeding where such claim is to be adjudicated any defence or defences that they may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurers shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defence undertaken by the Reinsurers.

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ARTICLE 11 INSPECTION OF RECORDS

The Reinsurers, or their duly authorised representatives, upon service of two weeks notice in writing of an intention to do so, may at any time during normal office hours inspect and take copies of such of the Reinsured's records and documents which relate to this Contract at the Reinsurers' expense. It is agreed that the Reinsurers' right of inspection shall continue as long as either party has a claim against the other arising out of this Contract. The Reinsured shall permit the Reinsurers or their representatives access to its premises for the purposes of the inspection. The information so obtained shall be used only for purposes relating to the reinsurance provided under this Contract. All non-public information provided in the course of the inspection shall be kept confidential by the Reinsurers as against third parties, except as respects any obligation to disclose by law or arbitration or unless disclosure is to the Reinsurers' affiliates, retrocessionaires and applicable intermediaries, legal counsel, financial auditors, or governing regulatory authorities.

ARTICLE 12 CANCELLATION

This Contract shall be non-cancellable by the Reinsurers or the Reinsured except in the event of non-payment of the premium by the Reinsured where the Reinsurers may cancel the Contract at their discretion in accordance with the terms of the Premium Payment clause herein.

ARTICLE 13 PREMIUM PAYMENT

The Reinsured undertakes that premium will be paid in full to Reinsurers within the payment period stated in the Risk Details (or, in respect of instalment premiums, when due).

If the premium due under this Contract has not been so paid to Reinsurers within the payment period stated in the Risk Details (and, in respect of instalment premiums, by the date they are due) Reinsurers shall have the right to cancel this Contract by notifying the Reinsured via the Intermediary in writing. In the event of cancellation, premium is due to Reinsurers on a pro rata basis for the period that Reinsurers are on risk but the full Contract premium shall be payable to Reinsurers in the event of an Occurrence prior to the date of termination which gives rise to a valid claim under this Contract.

It is agreed that Reinsurers shall give not less than fifteen (15) days prior notice of cancellation to the Reinsured via the Intermediary. If premium due is paid in full to Reinsurers before the notice period expires, notice of cancellation shall automatically be revoked. If not, the Contract shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause, which will remain in full force and effect.

ARTICLE 14 OFFSET

The Reinsured and the Reinsurers, each at its option, may offset any balance or balances, whether on account of premiums, claims and losses, loss expenses or salvages due from one party to the other under this Contract, provided, however, that in the event of the insolvency of a party hereto, offset shall only be allowed in accordance with Article 10.

ARTICLE 15 FALSE OR FRAUDULENT CLAIMS

If the Reinsured shall make a claim knowing the same to be false or fraudulent as regards amount or otherwise, this Contract shall become void and all claims hereunder shall be forfeited.

ARTICLE 16 ARBITRATION

(a) If any dispute, controversy or claim arises out of or in connection with this Contract, including any question regarding its existence, validity or termination (a "Dispute") the parties shall use all reasonable endeavours to resolve the matter amicably. If one party gives the other party notice that a Dispute has arisen and the parties do not resolve the Dispute within thirty (30) days of service of the notice then the Dispute shall be referred to the representatives of the parties who shall, acting jointly and in good faith, attempt to resolve the Dispute. No party shall resort to arbitration against the other party under this Contract until thirty (30) days after such referral.

(b) All Disputes, which are unresolved pursuant to (a) above and which a party wishes to have resolved, shall be referred upon the application of any party to and finally settled under the London Court of International Arbitration Rules (the "Rules") in force at the time the proceedings are commenced, which Rules are deemed to be incorporated by reference to this Arbitration clause. The number of arbitrators shall be three (3), appointed in accordance with the Rules. The seat of the arbitration shall be as stated in the Risk Details. The language of this arbitration shall be English and the award shall be final and binding upon the parties. The arbitrators shall interpret this Contract on the basis of the law identified in the Risk Details.

(c) The costs and expenses of the arbitration shall be borne by the Reinsured and the Reinsurers as ordered by the arbitration tribunal. Such legal costs and expenses will not be part of the Sum Reinsured.

(d) The Reinsured and the Reinsurers agree to keep confidential to themselves and their legal and other professional advisers the existence and details of any proceedings pursuant to this Arbitration clause, including their submissions and evidence and all and any awards (including their content, reasons and result) except to the extent that such documents or information are in the public domain or required by a legal duty to be disclosed or disclosure is reasonably necessary to protect or pursue a legal right or remedy or if required by any agency or authority in charge of regulating securities.

ARTICLE 17 LAW & JURISDICTION

Jurisdiction	The Courts of the country as stated in the Risk Details subject to the Arbitration provisions of Article 16.
Governing law	This Contract is governed by the laws of the country as stated in the Risk Details.

ARTICLE 18 SERVICE OF SUIT CLAUSE

The procedure for which Service of Suit clause shall apply to this Contract, as stated below, shall be in accordance whether the Reinsured is domiciled in the United States of America or not in the United States of America, as indicated by the Reinsured's address within the Risk Details.

A. Only applicable to Reinsureds domiciled in the United States of America.

This Service of Suit clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in the Arbitration provision within this Contract. This clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such Arbitration provision for resolving disputes arising out of this Contract.

It is agreed that in the event of the failure of the Reinsurers hereon to pay any amount claimed to be due hereunder, the Reinsurers hereon, at the request of the Reinsured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this clause constitutes or should be understood to constitute a waiver of Reinsurers' rights 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 in the United States.

It is further agreed that service of process in such suit may be made upon the nominee stated in the Risk Details and that in any suit instituted against any one of them upon this Contract, Reinsurers will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The nominee stated in the Risk Details is authorised and directed to accept service of process on behalf of Reinsurers in any such suit and/or upon the request of the Reinsured to give a written undertaking to the Reinsured that they will enter a general appearance upon Reinsurers' 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, Reinsurers hereon hereby 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 Reinsured or any beneficiary hereunder arising out of this Contract, and hereby designate the above-named as the person to whom the said officer is authorised to mail such process or a true copy thereof.

OR

B. <u>Only applicable to Reinsureds not domiciled in the United States of America.</u>

This Service of Suit clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in the Arbitration provision within this Contract. This clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such Arbitration provision for resolving disputes arising out of this Contract.

Any summons, notice or process to be served upon the Reinsurers for the purpose of instituting any legal proceedings against them in connection with this Contract may be served upon the nominee stated in the Risk Details who have authority to accept service on their behalf.

ARTICLE 19 INTERMEDIARY

The entity named as the Intermediary in the Risk Details is hereby recognised as the intermediary negotiating this Contract. All communications (including notices, statements, premiums, return premiums, commissions, taxes, loss, expense, salvage, and settlements) relating thereto shall be transmitted to the Reinsured or the Reinsurers through the Intermediary at the address shown in the Risk Details.

ARTICLE 20 TERMINOLOGY CLARIFICATION NOTICE – ABR1325

For the purposes of this Contract, where established market referenced clauses are included herein, terminology is maintained as utilised in such issued clauses. However, where necessary, the interpretation of the terminology as stated in the text of the referenced clause shall be considered within the context of this Contract.

FOREIGN EXCHANGE CLAUSE (REINSURANCE)

Reinsurers hereon note that the sum(s) insured, limit(s), excess(es) and premium of this Contract may be denominated in a currency other than the Local Official Currency, which has to be in accordance with the local legislation requirements.

The Reinsurance premium will be collectable in the amount of Local Currency equivalent to the Local Central Bank's (or its equivalent) exchange rate of the currency of the reinsurance at the date of premium payment by the insured.

Aon Limited assumes no responsibility for exchange rate fluctuations and should premium payment to Reinsurers be required in a currency other than the Local Official Currency, Reinsurers agree to accept an amount which is the equivalent of the Local Currency premium received by LM calculated at the Local Central Bank's (or its equivalent) exchange rate on the date of payment by the Insured / Reinsured to LocktoП MENA (LM).

RISK DETAILS - REINSURANCE WORDING

DEEMED ORIGINAL WORDING

POLITICAL VIOLENCE (INCLUDING CIVIL WAR ONLY) INSURANCE

PROPERTY DAMAGE WORDING

INSURING CLAUSE

Subject to the definitions, exclusions, limits and conditions hereinafter contained, this Contract insures the property described in the Risk Details against direct physical loss or physical damage by an Insured Event(s), as herein defined, occurring during the Period as stated in the Risk Details attaching to and forming part hereof. (hereinafter referred to as the "Risk Details")

DEFINITIONS

1 **Insured Event(s)**

1.1 **"Terrorism"** shall mean 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 organisation(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

1.2 **"Sabotage"** shall mean a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

1.3 **"Riots and/or Strikes and/or Civil Commotions"** shall include but not be limited to loss directly caused by

(a) any act committed in the course of a disturbance of the public peace by any person taking part together with others in such disturbance, or

(b) any wilful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out whether or not such act is committed in the course of a disturbance of the public peace.

1.4 **"Malicious Damage"** shall mean all physical loss or damage resulting directly from a malicious act caused by anyone whether or not the aforesaid act is committed during a disturbance of the public peace.

1.5 **"Insurrection, Revolution and Rebellion"**

(a) Insurrection shall mean an uprising of citizens in resistance to their government **or other authorities**

(b) Revolution shall mean the overthrow or repudiation of a regime or political system by its citizens.

(c) Rebellion shall mean a deliberate, organised and open resistance, by force and arms, to the laws or operations of a government, committed by its citizens.

1.6 **"Mutiny and/or Coup d'Etat"**

(a) Mutiny shall mean a wilful resistance by members of legally constituted, armed or peacekeeping forces to a superior officer.

(b) Coup d'Etat shall mean a sudden change in government other than by democratic means brought about by the use or threat of violence **or any attempt at such change**.

1.7 **"Civil War"**

Civil war shall mean a hostile conflict between opposing citizens of the same nation or state.

2. **"Occurrence"** shall mean any one loss and/or series of losses arising out of and directly occasioned by one or more Insured Event(s) for the same purpose or cause, but more specifically:

(a) For Terrorism, Sabotage, Strike, Riot, Civil Commotion, Malicious Damage the duration and extent of any one "Occurrence" shall be limited to all losses sustained by the Insured to the property insured herein during any period of 72 consecutive hours arising out of the same purpose or cause. However no such period of 72 consecutive hours may extend beyond the expiration of this Contract other than for locations which first sustained damage during the Period.

(b) For Insurrection, Revolution, Rebellion, Mutiny and/or Coup d'Etat and/or Civil War the duration and extent of any one "Occurrence" shall be limited to all losses sustained by the Insured to the property insured herein during any period of 30 consecutive days arising out of the same purpose or cause. However no such period of 30 consecutive days may extend beyond the expiration of this Contract and no cover shall be given for physical loss or physical damage sustained outside of the Period.

EXTENSIONS

1. CHANGES IN VALUES AND AUTOMATIC ADDITIONS

Automatic coverage shall apply at no additional premium to any:

(a) increases in insured values at existing insured locations following a revaluation of insured property at such locations and/or due to any construction and/or renovation work at such locations;

(b) additional property and/or interest of the type already insured by this Contract which may be acquired or otherwise become at the risk of the Insured during the Period;

(c) unintentional error in the valuation of the insured property;

PROVIDED always that:

(i) the total increase in insured values during the Period in respect of (a), (b) and (c) above does not exceed 15% of the total declared values at inception; and

(ii) additional property and/or interests stated in (b) above does not relate to any property located within the Restricted Areas where shown in the Risk Details or within countries not covered on the schedule of insured properties declared at inception; and

(iii) any increase in value and/or unintentional error in valuation of property located within the Restricted Areas where shown in the Risk Details does not exceed 15% of that individual declared location value; and

(iv) any unintentional error in the valuation of the insured property must be reported by the Insured to Insurers when discovered and corrected; and

(v) any increase in value provided by this clause shall not be in addition to the Incorrect Declaration Penalty clause.

2. **DEBRIS REMOVAL**

This insurance includes, within the Sum Insured, expenses incurred in the removal from the insured location of debris of insured property directly destroyed or damaged by an Insured Event.

The cost of removal of debris shall not be considered in determination of the valuation of the property insured.

3. **EXPERTS FEES**

This insurance includes, within the Sum Insured, the necessary and reasonable fees of architects, surveyors, consulting engineers and other professional experts which are incurred in reinstating or repairing the insured property following damage insured under this insurance.

4. **LOSS CONTROL**

Notwithstanding any provision to the contrary within this insurance, it is understood and agreed that this insurance includes cover against physical loss or physical damage to insured property directly caused by the actions of the government of the state (or its Military Authority) where the insured property is located, in suppressing, controlling or minimizing the consequences of an Insured Event as insured by this Contract. Insurers will only provide this cover if such damage is directly caused by the actions of the government of the state (or its Military Authority) where the insured property is located and such damage takes place during the Occurrence of an Insured Event.

If the Insured is eligible for compensation or indemnity under any government compensation plan or other similar scheme in respect of the damage described above, this insurance shall be excess of any payment due from such plan or scheme.

"Military Authority" shall mean a military or security authority operating on behalf of a state recognised by the United Nations.

5. **PUBLIC AUTHORITIES/INCREASED COST OF CONSTRUCTION**

This insurance includes, within the Sum Insured, the increased construction cost of damaged or destroyed property (including the additional loss sustained in demolishing any undamaged portion of the buildings, or structures) that may be incurred solely by reason of the necessity to comply with any law or ordinance which regulates the use of, and/or the building materials permitted to be used at, the site where the insured damage occurred.

PROVIDED always that such laws or ordinances shall predate the occurrence of the loss or damage and

(a) the work of 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 Insurers not being thereby increased) must be carried out within 36 (thirty six) months of the date of damage or within such further period as the Insurers may allow, otherwise no payment beyond the amount which would have been payable under the insurance if this clause had not been incorporated herein shall be made.

(b) where any property is damaged or destroyed in part only the liability of the Insurers shall not exceed the sum representing the cost which the Insurers could have been called upon to pay for reinstatement if such property had been wholly destroyed.

EXCLUSIONS

1. **LOSSES EXCLUDED**

This insurance DOES NOT cover

1.1 loss or damage arising directly or indirectly from nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.

1.2 loss or damage occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or government entities.

Provided always that nothing contained in this exclusion shall exclude loss or damage caused by an Insured Event committed by any person or group(s) of persons acting on behalf of a proscribed terrorist organisation (as proscribed by the UK Home Office) and/or a "Foreign Terrorist Organisation" (as proscribed by the US State Department).

1.3 loss or damage caused by seizure or legal or illegal occupation unless physical loss or damage is caused directly by an Insured Event.

1.4 loss or damage caused by confiscation, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority which deprives the Insured of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.

1.5 loss or damage directly or indirectly arising from or in consequence of the discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

1.6 loss or damage caused by chemical or biological release or exposure of any kind.

1.7 loss or damage caused by attacks by electronic means including computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon.

This exclusion shall not operate to exclude losses (which would otherwise be covered under this insurance) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

1.8 any consequential loss or damage caused by any other ensuing cause, except where such ensuing cause is solely and directly caused by an Insured Event or where any business interruption coverage is provided by an extension to this Contract.

1.9 loss of use, delay or loss of markets, however caused or arising, and despite any preceding loss insured hereunder.

1.10 loss or damage caused by cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications of any type or service not on the insured's premises.

1.11 loss or increased cost as a result of threat or hoax.

1.12 loss or damage caused by or arising out of burglary, house-breaking, theft or larceny or caused by any person taking part therein. However, this exclusion shall not apply to physical loss or damage to insured property caused by looting which results directly from an Insured Event.

2. **PROPERTY EXCLUDED**

Unless specifically declared hereon, this insurance DOES NOT cover:

2.1 land or land values.

2.2 power transmission, feeder lines or pipelines not on the insured's premises.

2.3 aircraft or any other aerial device, or watercraft.

2.4 any land conveyance, including vehicles, locomotives or rolling stock not on the Insured's premises.

2.5 animals, plants and living things of all types.

2.6 exported property after such property is loaded on board an aircraft or watercraft for shipment or after aviation or marine insurance attaches, whichever occurs first, nor imported property prior to its discharge from an aircraft or watercraft or until the aviation or marine insurance terminates, whichever occurs last.

CONDITIONS

1. **ABANDONMENT**

There shall be no abandonment to the Insurers of any property.

2. **ARBITRATION**

(a) If any dispute, controversy or claim arises out of or in connection with this Contract, including any question regarding its existence, validity or termination (a "Dispute") the parties shall use all reasonable endeavours to resolve the matter amicably. If one party gives the other party notice that a Dispute has arisen and the parties do not resolve the Dispute within thirty (30) days of service of the notice then the Dispute shall be referred to the representatives of the parties who shall, acting jointly and in good faith, attempt to resolve the Dispute. No party shall resort to arbitration against the other party under this Contract until thirty (30) days after such referral.

(b) All Disputes, which are unresolved pursuant to (a) above and which a party wishes to have resolved, shall be referred upon the application of any party to and finally settled under the London Court of International Arbitration Rules (the "Rules") in force at the time the proceedings are commenced, which Rules are deemed to be incorporated by reference to this Arbitration clause. The number of arbitrators shall be three (3), appointed in accordance with the Rules. The seat of the arbitration shall be as stated in the Risk Details. The language of this arbitration shall be English and the award shall be final and binding upon the parties. The arbitrators shall interpret this Contract on the basis of the law identified in the Risk Details.

(c) The costs and expenses of the arbitration shall be borne by the Insured and the Insurers as ordered by the arbitration tribunal. Such legal costs and expenses will not be part of the Sum Insured.

(d) The Insured and the Insurers agree to keep confidential to themselves and their legal and other professional advisers the existence and details of any proceedings pursuant to this Arbitration clause, including their submissions and evidence and all and any awards (including their content, reasons and result) except to the extent that such documents or information are in the public domain or required by a legal duty to be disclosed or disclosure is reasonably necessary to protect or pursue a legal right or remedy or if required by any agency or authority in charge of regulating securities.

3. **ASSIGNMENT**

Assignment or transfer of this Contract shall not be valid except with the written consent of Insurers.

4. **CLAIM SETTLEMENT**

Settlement of any valid claim under this Contract shall be payable within sixty (60) days after the conclusion of Insurers' investigation(s) necessary for the assessment of the extent of their liability.

5. **DUE DILIGENCE**

The Insured (or any of the Insured's agents, sub or co-contractors) must use due diligence and do (and concur in doing and permit to be done) everything reasonably practicable, including but not limited to taking precautions to protect or remove the insured property, to avoid or diminish any loss herein insured and to secure compensation for any such loss including action against other parties to enforce any rights and remedies or to obtain relief or indemnity.

6. **EXCESS**

The Insurers hereon shall not be liable for the Excess stated in the Risk Details.

7. **FALSE OR FRAUDULENT CLAIMS**

If the Insured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Contract shall become void and all claims and benefit hereunder shall be forfeited.

8. **GOVERNING LAW**

This Contract shall be governed by and construed in accordance with the laws as stated in the Risk Details.

9. **INCORRECT DECLARATION PENALTY**

If the values declared as stated in the Risk Details are less than the correct insured values by more than 15% as determined in the Valuation clause, then any recovery otherwise due hereunder 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.

10. **INSPECTION AND AUDIT**

The Insurers or their agents shall be permitted but not obligated to inspect the Insured's property at any time.

Neither the Insurers' right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to determine or warrant that such property is safe.

The Insurers may examine and audit the Insured's books and records at any time up to two years after the final termination of this Contract, as far as they relate to the subject matter of this Contract.

11. **JURISDICTION**

Any dispute which does not fall within the Arbitration clause of this Contract shall be determined under the exclusive jurisdiction of the courts as stated in the Risk Details.

12. **MISREPRESENTATION**

If the Insured has concealed or misrepresented any material fact or circumstance relating to this Contract, this Contract shall become void. If the Insured is unsure what constitutes material fact(s) or circumstance(s), they should consult their broker or agent.

13. MULTIPLE INSUREDS CONTRACT LIMITS

(a) The total liability of the Insurers in the aggregate for any loss or losses sustained by any or all of the Insureds during the Period shall not exceed the amount for which the Insurers would be liable had such loss or losses been sustained by any one of the Insureds alone.

(b) For the avoidance of doubt, the Sum Insured set out in the Risk Details applies to the aggregate of all claims by all Insureds hereunder, and Insurers shall have no liability in excess of these limits whether insured losses are sustained during the Period by all of the Insureds or any one or more of them.

14. NON-CANCELLATION

This Contract shall be non-cancellable by the Insurers or the Insured except in the event of non-payment of the premium by the Insured where the Insurers may cancel the Contract at their discretion in accordance with the terms of the Premium Payment clause herein.

15. NOTIFICATION OF CLAIMS

The Insured shall give written notice to the Insurers of any Occurrence likely to give rise to a claim hereunder within thirty (30) days after the Insured's corporate risk management department first becomes aware of such Occurrence.

If the Insured makes a claim under this Contract the Insured must give the Insurers such relevant information and evidence as may reasonably be required and co-operate fully in the investigation or adjustment of any claim.

16. OTHER INSURANCE

This insurance shall be primary and not excess to any other insurance available to the Insured covering any loss insured hereunder.

17. PREMIUM PAYMENT

The Insured undertakes that premium will be paid in full to Insurers within the payment period stated in the Risk Details (or, in respect of instalment premiums, when due).

If the premium due under this Contract has not been so paid to Insurers within the payment period stated in the Risk Details (and, in respect of instalment premiums, by the date they are due) Insurers shall have the right to cancel this Contract by notifying the Insured via the broker in writing. In the event of cancellation, premium is due to Insurers on a pro rata basis for the period that Insurers are on risk but the full Contract premium shall be payable to Insurers in the event of an Occurrence prior to the date of termination which gives rise to a valid claim under this Contract.

It is agreed that Insurers shall give not less than fifteen (15) days prior notice of cancellation to the Insured via the broker. If premium due is paid in full to Insurers before the notice period expires, notice of cancellation shall automatically be revoked. If not, the Contract shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause, which will remain in full force and effect.

18. PROOF OF LOSS

The Insured shall render a signed and sworn proof of loss within sixty (60) days after the occurrence of a loss (unless such period be extended by the written agreement of Insurers) stating the time, place and cause of loss, the interest of the Insured and all others in the property, the sound value thereof and the amount of loss or damage thereto.

If Insurers have not received such proof of loss within two years of the expiry date of this Contract, they shall be discharged from all liability hereunder, unless an extension has been agreed by Insurers.

In any claim and/or action, suit or proceeding to enforce a claim for loss under this Contract, the burden of proving that the loss is recoverable under this Contract and that no limitation or exclusion of this Contract applies and the quantum of loss shall fall upon the Insured.

19. PROTECTION MAINTENANCE

It is agreed that any protection provided for the safety of the insured property and advised to Insurers at the inception of the Contract shall be maintained in good order throughout the Period and shall be in use at all relevant times, and that such protection shall not be withdrawn or varied to the detriment of the interests of the Insurers without their consent.

20. RIGHTS OF THIRD PARTIES

This Contract is effected solely between the Insured and Insurers.

This Contract shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any term of this Contract.

This clause shall not affect the rights of the Insured.

21. SALVAGE AND RECOVERIES

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

22. SERVICE OF SUIT U.S.A.

Only applicable to Insureds domiciled in the USA.

This Service of Suit clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in the Arbitration provision within this Contract. This clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such Arbitration provision for resolving disputes arising out of this Contract.

It is agreed that in the event of the failure of the Insurers hereon to pay any amount claimed to be due hereunder, the Insurers hereon, at the request of the Insured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this clause constitutes or should be understood to constitute a waiver of Insurers' rights 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 in the United States.

It is further agreed that service of process in such suit may be made upon the nominee stated in the Risk Details and that in any suit instituted against any one of them upon this Contract, Insurers will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The nominee stated in the Risk Details is authorized and directed to accept service of process on behalf of Insurers in any such suit and/or upon the request of the Insured to give a written undertaking to the Insured that they will enter a general appearance upon Insurers' 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 therefore, Insurers hereon hereby 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 Insured or any beneficiary hereunder arising out of this Contract, and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

23. SERVICE OF SUIT (NON USA)

This Service of Suit clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in the Arbitration provision within this Contract. This clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such Arbitration provision for resolving disputes arising out of this Contract.

Any summons, notice or process to be served upon the Insurers for the purpose of instituting any legal proceedings against them in connection with this Contract may be served upon the nominee stated in the Risk Details who have authority to accept service on their behalf.

24. SITUATION

This Contract insures property located as described in the Risk Details.

25. SUBROGATION

Any release from liability entered into in writing by the Insured prior to loss hereunder shall not affect this Contract or the right of the Insured to recover hereunder. 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 under this Contract, the Insurers shall be subrogated to the extent of such payment to all the Insured's right of recovery therefore. The Insured shall execute all papers required, shall cooperate with Insurers and, upon the Insurers' 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 Insurers 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 Contract and in excess of the coverage under this Contract shall be reimbursed up to the amount of such loss;

(b) Out of the balance remaining, the Insurers shall be reimbursed to the extent of payment under this Contract;

(c) The remaining balance, if any, shall inure to the benefit of the Insured, or any insurer providing insurance primary to this Contract, with respect to the amount of such primary insurance, deductible, self insured retention, and/or loss of a type not covered by this Contract.

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 Insurers, the expense thereof shall be borne by the Insurers.

26. SUM INSURED

The Insurers hereon shall not be liable for more than the Sum Insured stated in the Risk Details.

27. VALUATION

It is understood that, in the event of damage, settlement shall be based upon the cost of repairing, replacing or reinstating (whichever is the least) property on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:

(a) The repairs, replacement or reinstatement (all hereinafter referred to as "replacement") must be executed with due diligence and dispatch;

(b) Until replacement has been effected the amount of liability under this Contract in respect of loss shall be limited to the actual cash value at the time of loss;

The Insurers' liability for loss under this Contract shall not exceed the smallest of the following amounts:

(i) The amount of the Contract applicable to the destroyed or damaged property;

(ii) The replacement cost of the property or any part thereof, which was intended for the same occupancy and use, as calculated at the time of the loss;

(iii) The amount actually and necessarily expended in replacing said property or any part thereof.

The Insurers will normally expect the Insured to carry out repair or replacement of the insured property, but if the Insured and the Insurers agree that it is not practicable or reasonable to do this, the Insurers will pay the Insured an amount based on the repair or replacement costs, less an allowance for fees and associated costs which are not otherwise incurred. The Insurers will only pay the Insured up to the Sum Insured shown in the Risk Details.

POLITICAL VIOLENCE (EXCLUDING WAR) INSURANCE

BUSINESS INTERRUPTION EXTENSION WORDING

GROSS PROFITS

In consideration of the premium paid, and subject to the exclusions, conditions and limitations of the property damage insurance to which this Extension is attached, and also to the following **additional** conditions, exclusions and limitations, this Contract is extended to cover loss resulting from necessary interruption of business, relating only to the premises affected by an Insured Event, caused by direct physical loss or physical damage by an Insured Event, as covered by the property damage insurance to which this Extension is attached, to Property insured by this Contract.

In the event of such direct physical loss or physical damage, Insurers shall be liable for the actual loss sustained by the Insured resulting directly from such necessary interruption of business, but not exceeding the Sum Insured stated in the Risk Details due to:

a) reduction in Turnover,

and

b) increase in cost of working,

and the amount payable as indemnity thereunder shall be:

i) in respect of reduction in Turnover, the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of an Insured Event fall short of the Standard Turnover.

ii) in respect of increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of an Insured Event but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided,

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business payable out of Gross Profit as may cease or be reduced in consequence of an Insured Event.

Provided that if the Sum Insured by this Extension be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple thereof where the Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

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.

CONDITIONS

1 DIRECT DAMAGE

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 by an Insured Event to Property Insured under the property damage insurance to which this Extension is attached and which gave rise to interruption of business.

This Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of an excess in said property damage insurance which excludes liability for losses below a specified amount.

2 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 property,

and/or

b) by making use of merchandise, stocks (opening or closing), 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 hereunder.

3 EXPENSES 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.

4 VALUATION

All amounts and accounting details to be calculated using the insured's usual generally accepted accounting standards.

EXCLUSIONS

This Extension DOES NOT cover

1 increase in loss 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 Insurers shall be liable for only such loss as affects the Insured's profits during, and limited to, the Indemnity Period covered under this Contract.

2 loss of market or any other consequential loss except as specifically insured herein.

LIMITATIONS

1. Insurers shall not be liable for more than the smaller of either

   a) any specific business interruption Sum Insured stated in the Risk Details,

   or

   b) the Sum Insured stated in the Risk Details, where such includes business interruption, if such is a combined limit.

   in respect of such loss, regardless of the number of locations suffering an interruption of business as a result of any one Occurrence.

2. With respect to loss resulting from damage to or destruction of media for, or programming records pertaining to, electronic data processing or electronically controlled equipment, including data thereon, by an Insured Event, the length of time for which Insurers shall be liable hereunder shall not exceed:

   a) 30 consecutive calendar days or the time required with the exercise of due diligence and dispatch to reproduce the data thereon from duplicates or from originals of the previous generation, whichever is less, or,

   b) the length of time that would be required to rebuild, repair or replace such other property herein described as has been damaged or destroyed, but not exceeding the Indemnity Period stated in the Risk Details.

   whichever is the greater length of time.

DEFINITIONS

1. INDEMNITY PERIOD

   The period beginning with the date of an Insured Event and ending not later than the Indemnity Period stated in the Risk Details during which the results of the business shall be affected in consequence of the Insured Event.

2. TURNOVER

   The money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the business at the premises of the Insured.

3. GROSS PROFIT

   The amount by which

   a) the sum of the amount of the Turnover and the amounts of the closing stock and closing work in progress

   shall exceed

   b) the sum of the amounts of the opening stock and opening work in progress and the amount of the Specified Working Expenses.

   The amount of the opening and closing stocks and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation.

4. SPECIFIED WORKING EXPENSES

   a) Purchases and discounts relative thereto.

b) Bad debts

The words and expressions used in the definition of Specified Working Expenses shall have the meaning usually attached to them in the books and accounts of the Insured.

5 RATE OF GROSS PROFIT

The Rate of Gross Profit earned on the Turnover during the financial year immediately before the date of an Insured Event **

6 ANNUAL TURNOVER

The Turnover during the twelve months immediately before the date of an Insured Event **

7 STANDARD TURNOVER

The Turnover during the period in the twelve months immediately before the date of an Insured Event which corresponds with the Indemnity Period **

** to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the date of the Insured Event or which would have affected the business had the Insured Event not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Insured Event would have been obtained during the relative period after the Insured Event.

8 NORMAL

The condition that would have existed had no loss occurred.

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