

574, Galle Road,
Colombo - 03.CIRCULAR TO ALL TEA FACTORIES

18th September, 1989.

Dear Sir,

Terrorism cover in Respect of Tea Factories
and stocks of Tea held by Tea Producers

Further to my circular No.OR/1/107 dated 4th September, 1989 on the above subject.

The Secretary to the Board of Management of the Strike Riot and Civil Commotion Fund has now informed me that the following alterations shall be incorporated in the proposed scheme of cover.

"(1) Terrorism Cover under Marine Open Covers/policies

- (a) The additional rate of premium shall be calculated at 50% of the prevailing rate for Riot & Strike subject to a minimum of 0.0625%.
- (b) The wording of the Endorsement giving effect to this extension shall be as per the attached specimen.

(2) Terrorism Cover under Fire Insurance

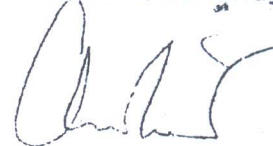
Cover granted as per the LPO 437 Wording should be subject to an excess of 10% of each and every claim which would mean that if the claim made upon the Insurer is Rs.10,000/-, the Insured himself will have to bear Rs.1,000/-, and the Insurer will pay Rs.9,000/- only.

Concerning your request for providing Terrorism Cover in respect of Tea Factories (Buildings & Machinery), it has now been agreed that Insurers will provide this cover too subject to the following.

- (a) A premium calculated at 0.2% of the total value shall be payable and cover shall be granted only upon request.
- (b) Prerequisite for this cover will be a Material Damage Policy Inclusive of Strike & Riot.
- (c) The Terrorism Cover will be subject to a deductible of 10% with a minimum of Rs.50,000/- each and every loss".

You are kindly requested to contact, your Insurer directly if further clarifications are required in this connection.

Yours faithfully,



C.P.R. Perera
Chairman