
EQUIPMENT FLOATER INSURANCE POLICY

Dear Valued Insured,

Thank You for choosing Cocogen Insurance, Inc. as Your Insurer.

This insurance contract between You and Cocogen consists of the Application Form, the Policy, the Schedule, and the Endorsements, if any. Please note that in accepting this insurance, We relied on the information You have provided Us.

In consideration of the payment of the premium shown in the Schedule, We agree to insure You, subject to the terms and conditions contained in or endorsed on this insurance contract, against loss, damage, costs, expenses and legal liability for accidents happening within the period of insurance in the manner and to the extent provided in this Policy.

Should You have clarifications and concerns on this insurance contract, feel free to call Us at (632) 8-830-6000 or send Us an email at client_services@cocogen.com. To learn more about Our products and services, please visit Our website at www.cocogen.com.

Your Insurance Provider,

COCOGEN INSURANCE, INC.

IMPORTANT NOTICE

The Insurance Commissioner, with offices in Manila, Cebu, and Davao, is the Government official in charge of the enforcement of all laws relating to Insurance and has supervision over insurance companies. He is ready at all times to render assistance in settling any controversy between an insurance company and a policyholder relating to insurance matters.

Do not fail to notify the Company of every event which results in a claim under this Policy however small, immediately on occurrence. In communications with the Company, always give the number of Policy.

ARTICLE 1250 OF THE CIVIL CODE WAIVER

You agree that the following provision of the Civil Code of the Philippines shall not apply in determining the extent of Our liability under this insurance contract:

"Art. 1250. In case an extraordinary inflation or deflation of the currency stipulated should supervene, the value of the currency at the time of the establishment of the obligation shall be the basis of payment xxx."

Cocogen has caused this insurance contract to be signed by its duly authorized officer in the place and on the date appearing in the Schedule.

COCOGEN INSURANCE, INC.

T.I.N. 000 432 798



Atty. David Roy C. Padin

President

INTRODUCTION

This document sets out the terms and conditions of the insurance contract between You and Cocogen. You must observe and fulfill these conditions insofar as they relate to anything to be done or not to be done, for Us to pay Your claim.

Please take time to read the whole document carefully. Further, You are advised to:

- check if all the endorsements You requested are included;
- comply with Your duties under this insurance contract; and
- keep it in a safe place.

If there are incorrect details or if the policy does not provide the cover You need, please contact Your agent, Broker or Us immediately.

INSURING CONDITIONS

We agree, subject to the terms, exceptions, limits and conditions specified herein or endorsed hereon, that if during any period of insurance, any of the insured property described in the Schedule be lost, damaged or destroyed by any sudden and accidental direct physical loss or damage from any external cause not hereunder excluded, We will, by payment or at Our option by reinstatement or repair, indemnify You in the manner and to the extent hereinafter provided.

Provided that Our total liability shall not exceed the appropriate Limit or Sub Limit(s) of Liability or Policy Limit as stated in the Schedule or such amount(s) as may be substituted therefore by Endorsement or Memorandum hereon or attached hereto.

We shall not pay:

1. Loss or damage:
 - a) resulting from breakage during dismantling, assembly, erection, or repair, unless caused by fire or lightning;
 - b) resulting from breakage during loading and unloading, or during transportation, unless caused by fire, lightning, collision, derailment or overturning of the conveyance;
 - c) while on board any waterborne vessels, water platforms or aircrafts;
 - d) caused by or resulting from wear and tear, gradual deterioration, inherent vice, latent defect, mechanical or electrical or electronic breakdown or derangement, corrosion, rust, dampness of the atmosphere or freezing, vermin, pests, infestants, unless such damage is the result of an occurrence covered by this policy;
 - e) to any dynamos, excitors, lamps, switches, motors or other electrical and/or electronic appliances or device of any kind, including its wiring, caused by electrical current, disturbance, short-circuit, surge, overload, or excess, whether from artificial or natural causes, unless fire ensues and then only for loss or damage directly caused by such ensuing fire;
 - f) consequent upon repairing, replacing, adjusting, servicing, cleaning, inspecting, or undertaking maintenance operations, unless fire or explosion ensues and then only for the loss or damage by such ensuing fire or explosion;
 - g) caused by mysterious disappearance, inventory shortage, or theft unless accompanied by violent entry or exit;
 - h) by wrongful conversion, or embezzlement by Your employee or by any person to whom the insured property is entrusted;
 - i) to tires or tubes confined to blowout, batteries, bruises, cuts or other causes inherent on the use of the insured property, unless such damage is directly caused by an occurrence covered by this policy;
 - j) occasioned by weight of a load exceeding the registered lifting or supporting capacity of any machine;
 - k) caused by strikes, lockouts, labor disturbances, riots, civil commotions or the act of any person or persons taking part in any such occurrence or disorders;
 - l) caused directly and indirectly by risk of contraband or illegal transportation or trade;
 - m) caused by Your failure to use all reasonable means to save and preserve the property before, during and after any occurrence of any peril insured against;
 - n) caused by Your dishonest, fraudulent, or criminal act, or of any of Your officers, employees, partners, directors, trustees, or authorized representatives, whether acting alone or in collusion with others;
 - o) to any crane boom or derrick boom, while such booms are being operated or used, unless directly caused by fire, lightning, explosion or overturn of the machine of which it is part of. The term "boom" shall include any of its extensions;
 - p) to the insured property, whose lessee is liable under the contract of lease;
 - q) due to manufacturer's defects, or recall of insured property, or for which the supplier or manufacturer is responsible either by law or under maintenance agreement or warranty;
 - r) due to faulty design, specification, or installation.

2. Any consequential loss or damage of any kind or description whatsoever including:
 - a) delay in completing or negotiating, or loss of, contracts; and
 - b) deterioration or loss of market.
3. Any aesthetic defect;
4. Any legal liability or pure financial loss, whatsoever.

GENERAL CONDITIONS

Information You Have Given Us

In deciding to accept this contract of insurance and in setting the terms and premium, We relied on the information You gave Us. You must ensure that every information provided is accurate and complete to the best of Your knowledge.

If We establish that You deliberately or recklessly provided Us with false or misleading information, We will treat this insurance contract as if it never existed and deny all claims.

Applicable Law

This insurance contract shall be subject to the laws of the Republic of the Philippines.

Average Clause

If the Actual Cash Value of the insured property is more than the Sum Insured at the time of loss, the Insured shall be considered as being his own insurer for the difference and shall bear a proportionate share of the loss.

Every item, if more than one of the Policy shall be separately subject to this condition.

Assignment

Assignment of interest under this Policy shall not bind Us until Our consent is secured and the necessary endorsement is issued. If You die, or be adjudged bankrupt or insolvent:

- (a) We will recognize Your legal representative as the Insured while he is acting within the scope of his authority;
- (b) with respect to Your property, whether real or personal, to the person or corporation having proper temporary custody thereof, as the Insured, but only until the appointment and qualification of the legal representative.

Action or Suit Clause

If a claim be made and rejected and an action or suit be not commenced either in the Insurance Commission or any court of competent jurisdiction within twelve (12) months from receipt of notice of such rejection, or in case of arbitration taking place as provided herein, within twelve (12) months after due notice of the award made by the arbitrator or arbitrators or umpire, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

In no case whatever shall We be liable under this Policy after the expiration of twelve (12) months from the happening of any event giving rise to a claim hereunder unless such claim is the subject of pending court action or arbitration.

Basis of Valuation and Indemnity

The basis of determining the amount payable for loss, damage or destruction of the insured property shall be as indicated herein or in the Schedule.

Benefit of Insurance

This insurance shall in no way inure directly or indirectly to the benefit of any carrier or other bailee.

Changes in the Risk

You must inform Us within thirty (30) days of You becoming aware about any changes in the information You have provided to Us which happens before or during any period of insurance.

When We are notified of a change, We will tell You if it affects Your policy. For example, We may not effect any change in the terms of Your policy, or amend the terms of the policy, or require You to pay additional premium for Your insurance, or discontinue Your insurance. If You do not inform Us about a change, it may affect any claim You make or could result in Your insurance being invalid.

This insurance shall cease, unless You, before the occurrence of any loss or damage, obtain Our written agreement signified by endorsement to this policy, under any of the following circumstances:

- (a) If the nature of the use of or other circumstances affecting the insured property be changed in such a way as to increase the risk of loss or damage by an Insured Peril;

- (b) If the insured property be removed to any location or place other than that stated to be insured;
- (c) If the interest in the insured property pass from You otherwise than by will or operation of law.

Cancellation

This insurance contract may be cancelled by Us if:

- a) You fail to pay the premium;
- b) You are convicted of a crime arising out of acts increasing the risks and perils insured against;
- c) it is discovered that You committed fraud or material misrepresentation;
- d) it is discovered that You commit willful or reckless acts or omissions increasing the hazards insured against;
- e) physical changes in the insured property which result in the property becoming uninsurable;
- f) there is a determination by the Insurance Commissioner that the continuation of this insurance contract would violate or would place Us in violation of the Insurance Code, as amended.

Our cancellation of this insurance contract shall be based only on the grounds stated above and shall be valid upon service to You of a written notice of cancellation mailed or delivered to You in the address indicated in the Schedule. We may also serve the notice of cancellation upon Your Broker whom You have appointed to represent You in the negotiation and issuance of this insurance contract.

You can also cancel this insurance contract at any time by serving upon Us a written notice of cancellation. The premium that may be returned to You upon Your cancellation of this insurance contract will depend on how long this insurance contract has been in force or whether You have made a claim.

When You cancel this insurance contract, We will retain a portion of the premium based on the following scale of percentages:

If policy is in force for:	We will retain:	If policy is in force for:	We will retain:
1 month or less -	20% of the premium	6 months -	70% of the premium
2 months -	30% of the premium	7 months -	75% of the premium
3 months -	40% of the premium	8 months -	80% of the premium
4 months -	50% of the premium	9 months -	85% of the premium
5 months -	60% of the premium	Over 9 months -	The annual premium

The pertinent provisions in the Insurance Code, as amended, in case of cancellation after a claim is made by You or paid by Us, shall apply.

Changes in the Policy

None of the provisions, conditions and terms of this policy shall be waived or altered except by endorsement signed or initialed by Our authorized official and issued whenever applicable in accordance with the provisions of Sec. 50 of the Insurance Code.

Claims

The following shall apply to all claims under any of the Sections of the Policy and Endorsements to this insurance contract. Claims conditions may apply specific to each Section of the Policy and Endorsements.

Things You need to do in case of claim

In the event of a claim or possible claim under this contract of insurance:

1. You must notify Us by telephone, short messaging service (SMS), letter or email, as soon as possible but not later than thirty (30) days from the date of accident, giving full details of what has happened;
2. You must forward to Us as soon as possible, but not later than fourteen (14) days from Your receipt of any letter, claim, writ, summons or other legal document for claim for liability is made against You;
3. You must inform the Police as soon as possible following malicious act, violent disorder, riots or civil commotion, robbery, theft, burglary or lost property;
4. You must not admit liability or offer or agree to settle any claim without Our written permission;
5. You must take all reasonable precautions and care to limit any loss, damage, bodily injury, expenses or legal liability;
6. You shall, within sixty (60) days after the accident, unless such time is extended in writing by Us, render to Us proof of loss, signed and sworn to by You;
7. You, as often as may be reasonably required, shall exhibit to any person designated by Us the insured property, persons, premises or operations, and submit to examination under oath by any person named by Us, and subscribe the same; and,
8. As often as may be reasonably required, You shall produce for examination all books of account, bills, invoices and other vouchers, or certified copies thereof if originals be lost, at such reasonable time and place as may be designated by Us or Our representative, and shall permit extracts and copies thereof to be made.

If You fail to comply with any of the above duties We may not pay Your claim.

Defense of Claims

We may:

- a. take full responsibility for conducting, defending or settling any claim in Your name;
- b. take any action We consider necessary to enforce Your rights or Our rights under this contract of insurance.

Subrogation

We will require from You an assignment of all rights against any party for loss to the extent that payment therefor is made by Us. You shall execute all papers required and do everything that may be necessary to secure such assignment.

Sanctions

We shall not provide any benefit under this contract of insurance to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

Deductible

Any claim under this Policy shall be adjusted separately, and from the amount of each adjusted claim, the Deductible indicated in this policy shall be deducted.

In consideration of the policy having different deductibles applying, it is agreed that the highest deductible amount shall apply for each accident in case several deductibles are applicable.

Payment of Claims

We will pay Your claim within thirty (30) days after Our receipt of the proof of loss and after the loss or damage is ascertained by Us or by Our agreement with You.

If no ascertainment is made or no agreement is reached within sixty (60) days from Our receipt of the proof of loss, We will pay Your claim within ninety (90) days from Our receipt of said proof of loss.

Refusal or failure to pay the loss or damage within the time prescribed herein will entitle You to collect interest on the proceeds of the policy for the duration of the delay at the rate of twice the ceiling prescribed by the Monetary Board, unless such failure or refusal to pay is attributable to the Insured or based on the grounds that the claim is fraudulent.

Documentary Stamp

Under Revenue Regulations Number 15-2001 of the Bureau of Internal Revenue (BIR), the Documentary Stamp Tax (DST) is payable upon issuance of the Policy, and that no refund will be made as a result of the cancellation of the policy or reduction in the premium.

Dispute Resolution

In the event of any controversy or claim arising out of or relating to this insurance contract, or a breach thereof, You and Cocogen agree first to try and settle the dispute by mediation, administered by the Insurance Commission before resorting to arbitration, litigation or some other dispute resolution.

If You elect arbitration, You agree that the dispute will be subject to the Philippine Dispute Resolution Center, Inc. (PDRCI) Arbitration Rules as at present in force.

If You elect litigation, You agree to file Your case before the Insurance Commission-Claims Adjudication Division if Your claim does not exceed Php 5 million.

Your claim shall be considered abandoned if You did not commence any action or suit either in the Insurance Commission or any court of competent jurisdiction within one (1) year from:

- (a) Your receipt of Our denial letter; or
- (b) termination of the mediation proceedings.

Definitions

Each time We use the words or phrases listed below, it will have the same meaning wherever it appears in Your policy unless We state otherwise.

Application	the Application Form for this insurance signed by the Applicant/Insured, the original, if submitted, of which is on file with Us.
Accidental Damage	physical damage caused suddenly and unexpectedly by an outside force.

Actual Cash Value	the amount equal to the replacement cost minus depreciation of a property at the time of the loss.
Aggregate Limit	the total amount that We will pay You for all losses, damages, bodily injury, costs, expenses, and/or liability for one year or any one period of insurance.
Depreciation	the decline in the value of the Insured Property which is computed based on its life expectancy.
Heavy Equipment	refers to heavy vehicles that are specifically designed for construction, agriculture, warehousing, earthmoving tasks, and other industrial purpose. It includes machines like wheel loaders, bulldozers, excavators, backhoes, scrapers, graders and all-terrain forklifts. The term is not made in reference to weight or size of the machine, rather the heavy-duty nature of the tasks it performs. Uses mainly hydraulic drives as a primary source of motion. Requires certain level of operational skill and training to operate, and operators are required to obtain certification.
Insured Peril	a source or cause of damage or loss which is covered by this contract of insurance.
Period of Insurance	the length of time for which this insurance contract is in force, as shown in the Schedule and for which You have paid and We have accepted a premium.
Premises	the location of the Insured Property which is shown in the Schedule.
Replacement Cost	the amount, value or cost to replace a property, immediately before the loss or damage at its present location and at the present time.
Schedule	that part of this policy showing Your name, Mailing Address, Insured Premises, Amount of Insurance, Period of Insurance, conditions, clauses, warranties, and the endorsements, which apply to this contract of insurance.
We / Us / Our / Insurer / Cocogen	Cocogen Insurance, Inc.
You / Your / Insured	the person or persons or entity named in the Schedule.
Your Property	real and personal property You own, or You have insurable interest on.
Your Broker	the insurance broker who arranged this contract of insurance on Your behalf.

Fraudulent Claims

If You, or anyone acting on Your behalf, makes a claim knowing it to be false or fraudulent in amount or in any other respect, this contract of insurance shall be invalid and all claims shall be forfeited.

Insured Property

This Policy covers the insured property described in the Schedule including appurtenances thereof, attached thereto and/or contained thereon for an amount not exceeding the sum set opposite thereto.

You hereby warrant that:

- (a) the insured property is in sound condition at the inception of this policy;
- (b) the maintenance of the insured property is undertaken in accordance with the specifications of the original manufacturer; and,
- (c) the insured property is positioned, protected, manned and operated in accordance with the specifications of the original manufacturer and sound industry practice.

Indemnification Clause

Notwithstanding any other conditions contained herein, in the event of loss or damage to the insured property:

- A. We, at Our option may pay cash, repair, reinstate or replace the insured property lost or damaged with others of like kind and quality within a reasonable time.
- B. Unless otherwise provided, We shall not be liable for more than the Actual Cash Value of the insured property at the time of loss or damage or the Sum Insured appearing in the Schedule of this policy, or the cost to replace with material of like kind and quality, whichever is less.

Inspection and Audit

Upon prior written notice, We shall be permitted but not obligated to inspect Your property, premises, conveyance and operations at any reasonable time. Neither Our right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking by Us on Your behalf or for Your benefit or others to determine or warrant that such property, conveyance or operations are safe or healthful, or are in compliance with any law,

rule or regulation. We may examine and audit Your books and records at any time during the Policy Period and extensions thereof and within three (3) years after the final termination of the Policy, as far as they relate to the subject matter of this Insurance.

Limit of Insurance

We will not pay more than the sum insured shown in the Schedule.

Misdescription, Misrepresentation and Omission

If there be any material misdescription of any of the insured property, 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, We will not be liable under this insurance contract in so far as it relates to the insured property, person, premises, operation, or circumstances affected by said misdescription, misrepresentation and omission.

Notice to Us

Every notice and other communication to Us required by any of the Conditions under this insurance contract shall be sent to Us through telephone, short messaging service (SMS), letter or email.

Open Policy

This is an open policy as defined in Sec. 60 of the Insurance Code. In the event of loss, whether total or partial, it is understood that the amount of the loss shall be subject to appraisal and Our liability, if established, shall be limited to the actual loss, subject to the applicable terms, conditions, warranties and clauses of this policy, and in no case shall exceed the amount of the policy.

Other Insurance

When making a claim on this policy, You must also supply Us with written details of all existing policies or which may subsequently be effected, that may pay or partially pay that claim.

If at the time of any accident hereby insured, there be any other subsisting insurance or insurances, whether effected by You or by any other person or persons covering the same property or liability, We shall not be liable to pay or contribute more than its rateable proportion of such loss or damage, except as may be expressed specifically elsewhere in the policy.

Premium Payment

You agree that this insurance contract shall be valid and binding only when the premiums have been actually paid in full and duly acknowledged in a receipt signed by Us or Our authorized officer or representative. If agreed, You will pay premium in instalments as specified in the Schedule of this Policy.

Pair and Set

In the event of loss or damage to any articles which are part of a set, the measure of loss or damage to such articles shall be a reasonable and fair proportion of the total value of the set, giving consideration to the importance of said article or articles, but in no event shall such loss or damage be construed to mean total loss of set.

Parts

In case of loss or injury to any part of the insured property consisting when complete for sale or use, of several parts, We shall only be liable for the insured value of the part lost or damaged.

Sue and Labor

Subject to the limit stated in the Schedule, this policy extends to include reasonable expenses incurred by You in Your efforts to recover, safeguard or preserve the insured property, to minimize any loss insured thereunder or to prosecute in its own name any claim for indemnity or damages or otherwise in respect of such loss provided We have consented to such action.

Reduction Clause

The amount of insurance shall be reduced automatically by the amount of any claim paid under this Policy.

Renewal

Unless We mail or deliver to You at least forty-five (45) days before the end of the policy period, at the address shown in the Schedule of Our intention to renew this insurance contract or to condition the renewal of this insurance contract upon reduction of limits or elimination of coverage, You are entitled to renew this insurance contract upon payment of the premium due on the effective date of renewal.

In the event the period of insurance under this policy is less than one (1) year and is intended to provide cover while there are properties in storage, this renewal provision shall not apply.

If any portion of this provision is inapplicable by law, the rest of the provisions consistent with the law shall continue.

Reasonable Precautions & Requirements

You shall take reasonable precautions and measures:

1. to comply with all statutory obligations and regulations imposed by any statutory or governmental authority;
2. to prevent, minimize and mitigate any accident that may give rise to a claim under this policy;
3. to ensure Your operator of the insured property is experienced and certified to operate the insured property, and has undergone re-training and upgrade as reasonably required; and
4. to observe reasonable working shifts among operators.
5. to practice safety in the work area.

Natural Calamity Precautions

The following provisions shall be a precondition to any liability covered by this Policy:

- (a) You shall have at all times efficient and continuous monitoring of the Weather Bulletins of the Philippine Atmospheric Geophysical and Astronomical Administration (PAGASA), or the Philippine Institute of Volcanology and Seismology (PHIVOLCS) and should heed precautions in the event of imminent storm, typhoon, storm surge, tsunami, volcanic eruption, earthquake, or any natural calamity;
- (b) all waterborne crafts and vessels shall be moored at least five hundred (500) meters away from the premises one (1) day before the expected passing of the storm, typhoon, storm surge, tsunami, volcanic eruption, earthquake, or any natural calamity.

Policy Exclusions

The following shall apply to any Sections of the Policy and Endorsements to this insurance contract:

Asbestos Exclusions

All liability is excluded for asbestos, directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the manufacture of, mining of, use of, sales of, installation of, survey or investigation of, management of, removal of, distribution of, existence of or exposure to asbestos products, asbestos fibers or asbestos dust, or property or materials containing any of the foregoing, including without limitation all liability to pay claimants' or Your legal costs and expenses or any other costs and expenses, howsoever incurred in the investigation, defense and/or settlement of any claim or Legal Proceeding against You.

Biological and Chemical Contamination Clause

We will not pay for:

1. loss or damage to any property whatsoever, or any loss or expenses whatsoever resulting or arising therefrom;
 2. any expenses or legal liability of whatsoever nature;
 3. death or injury to any person;
- directly or indirectly caused by or contributed to by or arising from Biological or Chemical contamination due to or arising from;
- (a) terrorism; and/or
 - (b) steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, threatened, suspected or perceived terrorism.

For the purposes of this exclusion "terrorism" means any act(s) of any person(s) or organization(s) involving:

i. the causing, occasioning or threatening of harm of whatever nature and by whatever means;

ii. putting the public or any portion of the public in widespread and extraordinary panic and fear;

in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organization(s) concerned are wholly or partly of a political, religious, ideological or similar nature. The term "terrorism" shall also include the definition as provided under Republic Act No. 11479 or "The Anti-Terrorism Act of 2020."

Electronic Data Endorsement

1. Electronic Data Exclusion

- 1.1 Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:
 - 1.1.1 This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
 - 1.1.2 ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment;
 - 1.1.3 COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system

or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

2. Electronic Data Processing Media Valuation

2.1 Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

2.1.1 Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However, this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

Electronic Date Recognition Clause

This policy is hereby amended as follows:

A. We will not pay for Damage or Consequential Loss directly or indirectly caused by, consisting of, or arising from, the failure of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the Insured or not, and whether occurring before, during or after the year 2000 that results from the inability to:

- 1) correctly recognize any date as its true calendar date;
- 2) capture, save or retain &/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date &/or;
- 3) capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.

B. It is further understood that we will not pay for the repair or modification of any part of an electronic data processing system or its related equipment, to correct deficiencies or features of logic or operation;

C. It is further understood that We will not pay for Damage or Consequential Loss arising from the failure, inadequacy, described in A above.

Such damage or Consequential Loss described in A, B or C above, is excluded regardless of any other cause that contributed concurrently or in any other sequence.

Existing and Deliberate Damage Exclusions

We will not pay for loss, damage, bodily injury, expenses or legal liability

- a) occurring before cover starts or arising from an event before cover starts;
- b) caused deliberately by You or Your employees or Your authorized representatives.

Further, We will not pay Your claim should there be prima facie evidence of arson. For this purpose, Sec. 6 of Presidential Decree No. 1613 or the Arson Law of the Philippines is deemed incorporated in this contract of insurance:

PRIMA FACIE EVIDENCE OF ARSON – Any of the following circumstances shall constitute prima facie evidence of arson:

1. if the fire started simultaneously in more than one part of the Building or establishment;
2. If substantial amount of flammable substances or materials are stored within the Building not necessary in the business of the offender nor for household use;
3. If gasoline, kerosene, petroleum or other flammable or combustible substances or materials soaked therewith or containers thereof, or any mechanical, electrical, chemical, or electronic contrivance designed to start a fire, or ashes or traces of any of the foregoing are found in the ruins or Premises or the burned Building or property;
4. If the Building or property insured for substantially more than its actual value at the time of the issuance of the policy;
5. If during the lifetime of the corresponding fire insurance policy more than two fires have occurred in the same or other Premises owned or under the control of the offender and/or Insured;
6. If shortly before the fire, a substantial portion of the effects insured and stored in a Building or property had been withdrawn from the Premises except in the ordinary course of business;
7. If a demand for Money or other valuable consideration was made before the fire in exchange for desistance of the offender or for the safety of the person or property of the victim.

CONFISCATION OF OBJECT OF ARSON – The Building, Contents or Stocks which are the object of arson including the land on which it is situated shall be confiscated and escheated to the State, unless the owner thereof can prove that he has no participation in nor knowledge of such arson despite the exercise of due diligence on his part.

Indirect Loss or Damage Exclusion

We will not pay for any loss, damage, bodily injury, expenses, or legal liability that is not directly associated with

the incident that caused You to claim, unless expressly stated in this contract of insurance.

Loss of Value Exclusion

We will not pay for any reduction in value of the insured property following repair or replacement paid for under this contract of insurance.

Infectious Disease Exclusion Clause

"Notwithstanding any provision to the contrary, this policy is not liable for and excludes any loss, damage, liability, expense, fines, penalties or any other amount directly or indirectly caused by, in connection with, or in any way involving or arising out of any of the following - including any fear or threat thereof, whether actual or perceived:

- Any infectious disease, virus, bacterium or other microorganism (whether asymptomatic or not); or
- Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) or coronavirus disease (COVID-19), including any mutation or variation thereof; or
- Pandemic or epidemic, as declared as such by the World Health Organization or any governmental authority.

If We allege that, by reason of this exclusion, any amount is not covered by this agreement, the burden of proving the contrary shall rest on You.

Institute Chemical, Biological, Bio-Chemical, Electromagnetic Weapons and Cyber Attack Exclusion Clause

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

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. any chemical, biological, biochemical or electromagnetic weapon;
2. the use or operation, as a means for inflicting harm of any computer, computer system, computer software programme, computer virus or process or any other electronic system.

Political Risk Exclusions

It is agreed that this insurance excludes loss, damage, bodily injury, cost, expense or legal liability of whatsoever nature directly or indirectly caused by, resulting from or in connection with the following regardless of any other cause or event contributing concurrently to or subsequent to the occurrence of the loss;

"Confiscation, expropriation, nationalization, commandeering, requisition or destruction of or damage to property by order of the Government de jure or de facto or any public, municipal or local authority of the country or area in which the property is situated; seizure or destruction under quarantine or customs regulation"

This endorsement also excludes loss, damage, bodily injury, cost, expense or legal liability of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to the above,

If We allege that by reason for this exclusion, any loss, damage, bodily injury, cost, expense or legal liability is not covered by this insurance the burden of proving the contrary shall be upon You.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Radioactive Contamination and Nuclear Assemblies Exclusion

We will not pay for loss, damage, bodily injury, expenses, or legal liability of whatsoever nature directly or indirectly caused by or contributed to, by or arising from:

1. ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
2. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
3. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

War & Terrorism Exclusions

We will not pay for any loss, damage, Bodily Injury, expenses or legal liability directly or indirectly occasioned by, happening through or in consequence of:

1. war, invasion, acts of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, martial law, military or popular rising rebellion, revolution, insurrection, military or usurped power;
2. confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority; and
3. any act of terrorism;

An act of terrorism means an act, including but not limited to the use of force or violence and/or threat, of any person or group 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 similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in widespread and extraordinary panic and fear. The term "terrorism" shall also include the definition as

provided under Republic Act No. 11479 or "The Anti-Terrorism Act of 2020."

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.

In any action, suit or other proceedings where We allege 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 You.

Special Conditions for Heavy Equipment and Contractors' Equipment

The policy shall not cover any loss, damage, expense, liability or cost due to or in consequence of:

1. Unless specifically stated in this policy otherwise:
 - a. Operations in lahar-prone or lahar affected areas including rehabilitation of lahar mega dikes, spur dikes, river channels and other lahar control structures;
 - b. Offshore or wet risk operations within the immediate vicinity of lakes, rivers, canals, breakwaters, piers, harbors, jetties, dams, wharves, or any other bodies of water;
 - c. Usage in irrigation, reclamation, dredging, or in any subaqueous work;
 - d. Usage in logging;
 - e. Usage in any quarrying, river quarrying, underground operations and all kinds of mining/excavation operations;
 - f. Usage in bridge construction projects;
 - g. Usage in construction and maintenance of dams;
 - h. Usage exclusively in wrecking and demolition;
 - i. Subsidence;
 - j. While in Lanao Del Norte, Lanao Del Sur, South Cotabato, North Cotabato, Sultan Kudarat, Zamboanga Del Norte, Zamboanga Del Sur, Sulu Archipelago, Basilan, or Maguindanao.
2. While on public roads or highways operating on its own motive power unless directly in connection with any project necessitating such movement.