

DOMESTIC PACKAGE POLICY

IMPORTANT: This policy is a legal contract and it is important that you examine it carefully to make sure it meets your requirements, if it does not, or if you require change, please let us know right away. You are reminded of the need to tell us immediately of any facts or changes which we would take into account in our assessment or acceptance of this insurance as failure to disclose all relevant facts may invalidate the policy, or may result in the policy not operating fully.

Madison Insurance Company Zambia Limited agrees (subject to the terms, definitions, exclusions, provisions and conditions of this policy) that if after payment of the first premium any of the property Insured described in the Schedule be lost destroyed or damaged by any of the perils stated in the policy as covered during the period of insurance (or any subsequent period for which the Company accepts a renewal premium) the Company will pay to the Insured the value of the property at the time of its loss or destruction or the amount of the damage or at the Company's options reinstate or replace such property or any part of it

provided that the liability of the Company under this policy shall not exceed:

- (i) in the whole the total sum insured or in respect of any items its sum insured at the time of the loss destruction or damage
- (ii) the sum insured remaining after deduction for any other loss destruction or damage occurring during the same period of insurance, unless the Company shall have agreed to reinstate any such sum insured.

This policy incorporates the Schedule, Specification and Endorsements which shall

be read together as one contract. Words and expressions to which specific meaning is given in any part of this policy shall have the same meaning wherever they appear.

Signed on behalf of the Company

FOR/CHIEF EXECUTIVE UNDERWRITER

General Exclusions

This policy does not cover:

1. the first amount of each claim under each section as stated on the schedule
2. any damage to open-sided buildings or their contents or property in the open caused by any of the Insured perils.
3. liability arising under any contract or agreement which imposes upon the Insured a liability which the Insured would not otherwise have been under.
4. loss or destruction occasioned by war invasion act of foreign enemy hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection military or usurped power.
5. loss or destruction of or damage to any property whatsoever resulting or arising therefrom consequential loss directly or indirectly caused by or contributed to by or arising from:
 - (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
 - (b) the radioactivity toxic explosive or other hazardous properties of

- any explosive nuclear assembly or nuclear component thereof.
5. loss or destruction or damage caused by pollution or contamination but this shall not exclude destruction of or damage to the Property Insured, not otherwise excluded, by caused by:
 - (a) pollution or contamination which itself results from a peril hereby insured against
 - (b) any peril hereby insured against which itself results from pollution or contamination
 7. Property which at the time of the happening of DAMAGE is insured by or would but for the existence of this policy be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected.
 8. any property more specifically insured by or on behalf of the Insured.
 9. property outside the limits of the Republic of Zambia.
 10. Loss or damage directly or indirectly caused by the failure or interruption of any gas, water or electricity service or supply.

Political Risks Exclusion Clause

The following shall be excluded from this Agreement:

Any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:

1. War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.
2. Permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
3. Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising,

insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.

4. Plundering, looting, war pillage in connection with riots and/or civil commotion.
5. Acts of terrorism committed by a person or persons acting on behalf of or in connection with any organisation.

For the purpose of this provision "terrorism" shall mean the use of violence for political ends and shall include any use of violence for the purpose of putting the public or any section of the public in fear.

In any action, suit or other proceeding in which the Insurer alleges that by reason of these provisions any loss or damage is not covered by this Agreement, the burden of proving that such loss or damage is covered shall be upon the Insurer.

DEFINITION: The word "DAMAGE" in capital letters, shall mean theft, loss or destruction of or damage to the property insured.

General Conditions

1. Policy Voidable

This Policy shall be voidable in the event of misrepresentation, misdescription or nondisclosure in any particular material.

2. Alteration

This policy shall be avoided with respect to any of the Property Insured in regard to which there may be any alteration after the commencement of this insurance.

- (a) by removal or
- (b) whereby the risk of DAMAGE is increased or
- (c) whereby the interest of the Insured ceases except by will or operation of law.

Unless admitted by the Company in writing.

3. Warranties

Every warranty to which this Policy or any item thereof is or may subject shall from the time the warranty attaches apply and continue to be in force during the whole currency of this Policy. Non-compliance with any such warranty in so far as it increases the risk of DAMAGE shall be a bar to any claim in respect of such DAMAGE provided that whenever this Policy is renewed a claim in respect of DAMAGE occurring during the renewal period shall not be barred by reason of warranty not having been complied with at any time before the commencement of such period.

4. Cancellation

This policy may be cancelled at any time at the request of the Insured in writing to the Company and the premium hereon shall be adjusted on the basis of the Company receiving or retaining the customary short term premium or minimum premium. This policy may also be cancelled by the Company by fourteen days notice given in writing to the Insured at his last known address and the premium hereon shall be adjusted on the basis of the Company receiving or retaining pro rata premium.

5. Reasonable Precautions

The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the insured to prevent DAMAGE.

6. Standard Construction

Unless otherwise stated the buildings are built of brick, stone or concrete with slate, tile, concrete, asbestos or metal roofs.

Claims Conditions

1. Actions by the Insured

- (a) In the event of DAMAGE the Insured shall:

notify the Company within fourteen 14 days of occurrence

notify the Police Authorities immediately it becomes evident that any DAMAGE has been caused by Malicious Persons.

carry out and permit to be taken any action which may be reasonably practicable to prevent further DAMAGE

deliver to the Company at the Insured's expense within thirty (30) days of occurrence

- (i) full information in writing of the property lost destroyed or damaged and of the amount of DAMAGE.
 - (ii) details of any other insurances on any property hereby insured.
 - (iii) all such proofs and information on relating to the claim as may reasonably be required.
 - (iv) if demanded, a statutory declaration of the truth of the claim and of any matters connected with it.
- (b) No claim under this Policy shall be payable unless the terms of this conditions have been complied with.

2. Fraud

If a claim is fraudulent in any respect or if fraudulent means are used by the Insured or by anyone acting on his/her behalf to obtain any benefit under this Policy or if any DAMAGE is caused by the wilful act or with the connivance of the Insured all benefit under this Policy shall be forfeited.

3. **Reinstatement**

If any property is to be reinstated or replaced by the Company the Insured shall at his own expense provide all such plans, documents, books and information as may reasonably be required. The Company shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than its sum insured.

4. **Insurer's Right following a Claim**

On the happening of DAMAGE in respect of which a claim is made the Company and any person authorised by the Company may without thereby incurring any liability or diminishing any of the Company's rights under this Policy, enter take or keep possession of the premises where such DAMAGE has occurred and take possession or require to be delivered to the Company any property insured and deal with such property for all reasonable purposes and in any reasonable manner. No claim under this Policy shall be payable unless the terms of this condition have been complied with.

No property may be abandoned to the Company whether taken possession of by the Company or not.

5. **Contribution and Average**

If at the time of any DAMAGE there is any other insurance affected by or on behalf of the Insured covering any of the property lost destroyed or damaged the liability of the Company hereunder shall be limited to its rateable proportion of such DAMAGE.

If any such other insurance is subject to any average (under insurance) condition this Policy if not already subject to any such condition of average shall be subject to average in like manner.

If any such other insurance is subject to any provision whereby it is excluded from ranking concurrently with this Policy either in whole or in part or from contributing rateably the liability of the

Company under this Policy shall be limited to that proportion of the DAMAGE which the sum insured under this Policy bears to the value of the property.

6. **Subrogation**

Any claimant under this Policy shall at the request and expense of the Company take and permit to be taken all necessary steps for enforcing rights against any other party in the name of the Insured before or after any payment is made by the Company.

7. **Arbitration**

If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any action against the Company.

SECTION A - DOMESTIC BUILDINGS

The residence being a private dwelling house or private flat shown in the Schedule including domestic outbuildings (hereinafter to as "the Buildings") landlords fixtures and fittings, walls, gates and fences (other than hedges) all on the same premises.

The Buildings are covered against loss or damage directly caused by:

1. **Fire, lightning, thunderbolt, subterranean fire, explosion**
2. **Earthquake, excluding any loss or damage (other than loss or damage by fire) arising directly or indirectly from mining operations.**
3. **Riot and strike which for the purpose of this insurance shall mean:**
 - (a) the act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an excluded peril

contained in the exceptions hereto.

- (b) the action of lawfully constituted authority suppressing, preventing or attempting to suppress any such disturbance or minimising the consequence of any such disturbance.
 - (c) the wilful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out.
4. **Malicious Intent** which for this purpose shall mean loss or damage directly caused by any malicious act of any person whether or not such act is committed in the course of a disturbance of the public peace. Excluding any loss or damage whilst the buildings are unfurnished and/or unoccupied.
5. **Storm, Tempest, Flood** excluding:
- (a) loss or damage caused by subsidence or landslide
 - (b) loss or damage of gates, fences retaining walls and boundary walls.
6. **Bursting or overflowing of water tanks, apparatus or pipes** excluding:
- (a) loss or damage whilst the buildings are unfurnished and/or unoccupied.
7. **Aircraft** and other aerial devices or articles dropped therefrom.
8. **Impact With The Buildings** by any road vehicle or animal not belonging to the Insured or any members of the family normally residing with him.
9. **Housebreaking Or Any Attempt Thereat**
10. **Theft Or Any Attempt Thereat** of Landlords fixtures and fittings in or on the Buildings accompanied by **Actual Forcible and Violent Breaking** in or out of the buildings excluding theft whilst the buildings are left unfurnished and/or unoccupied.

Provided that during any period when the private dwelling house(s) are left without an inhabitant cover against theft is suspended from the beginning of the thirty first consecutive day of such unoccupancy.

11. In the event of the Building being rendered uninhabitable by any of the Perils specified above the Company will indemnify the Insured against:

Loss of rent payable to the Insured actually incurred by the Insured during the period necessary for reinstatement of the Buildings Provided that the amount recoverable shall not exceed 15% of the total sum insured but not more than ZMW200.00.

Exceptions relating to buildings

The Company shall not pay in respect of:

- A. Explosion, Riot and Strike any accident, loss, damage, expense, liability occasioned by or through or in consequence directly or indirectly of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrow by force of the Government de jure or de facto or to the influencing of it by Terrorism or Violence.

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

- B. Except as provided for under peril (3) above any accident, loss, damage, expense, liability or bodily injury occasioned by or through or in consequence directly or indirectly or confiscation, commandeering, requisition or order of the Government de jure or de facto or any public municipal or local authority of the country or area in which the Buildings are situated.

- C. Consequential loss of any kind except as provided in contingency 11.

Average Condition (under insurance)

If the property hereby insured shall, at the time of replacement be collectively of greater replacement value than the sum insured thereon, the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the Schedule shall be separately subject to this condition.

SECTION B - DOMESTIC CONTENTS

The contents of the residence being a private dwelling house or private flat shown in the Schedule consisting of furniture household goods and personal effects of every description (except as aftermentioned) the property of the Insured or any member of his family normally residing with him and fixtures and fittings the Insured's own or for which he is legally responsible not being landlord's fixtures and fittings.

Property not Insured

1. Property more specifically insured.
2. Deeds, bonds, bills of exchange, promissory notes, cheques, securities for money, stamps, documents of any kind, cash, currency notes, manuscripts, medals, coins, motor vehicles and livestock, alcoholic beverages, unless specially agreed herein.
3. Any part of the structure or ceilings of the buildings, wallpapers and the like or external television and radio antennae, aerial fittings, casts and towers.
4. Property outside the limits of Zambia

No one article shall be deemed of greater value than K50 on the Contents unless such article is specifically insured. The total value of platinum, gold and silver articles, jewellery and furs shall not exceed one third of the total sum insured in contents unless specially agreed hereon.

This section covers against loss of or damage caused by the following perils:

1. **Fire, lightning, thunderbolt, subterranean fire, explosion**
2. **Earthquake, excluding any loss or damage (other than loss or damage by fire) arising directly or indirectly from mining operations.**
3. **Riot and strike which for the purpose of this insurance shall mean:**
 - (a) the act of any person taking part with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an excluded peril contained in the exceptions hereto.
 - (b) the action of lawfully constituted authority in suppressing or attempting to suppress any such disturbance or minimising the consequences of any such disturbance.
 - (c) the wilful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out.
 - (d) the action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimising the consequences of any such act.
4. **Malicious Intent** which for this purpose shall mean loss or damage directly caused by any malicious act of any person whether or not such act is committed in the course of a disturbance of the public peace.
5. **Storm, Tempest, Flood**
6. **Bursting or overflowing of water tanks, apparatus or pipes (excluding damage caused thereto)**
7. **Aircraft and other aerial devices or articles dropped therefrom.**
8. **Impact With The Buildings** by any road vehicle or animal not belonging to the Insured or any members of the family normally residing with him.

9. **Theft Or Any Attempt Thereat** but excluding:

- (i) theft whilst the buildings or any part thereof are lent, let, or sub-let.
- (ii) theft from any out buildings not directly communicating with the private dwelling house or private flat mentioned in the Schedule or any verandah thereto unless such theft is accompanied by actual forcible and violent breaking into or out of the building mentioned in the Schedule.
- (iii) theft by any of the Insured's family or relative or anyone lawfully on the premises.
- (iv) theft following the use of the keys belonging to the Insured unless such keys have been obtained by violence or threat of violence.

PROVIDED THAT during any period when the Insured's private dwelling house or private flat is left without an inhabitant cover against THEFT is entirely suspended from the beginning of the eighth consecutive day of such unoccupancy. The premises shall not be deemed occupied where a person only inhabits servants quarters or non-communicating buildings.

Extensions

1. **Loss of or damage to buildings and landlords fixtures and fittings**

This Policy extends to insure against loss of or damage to the Buildings mentioned in the Schedule and/or Landlord's Fixtures and Fittings therein for which the Insured is legally responsible as tenant and not as owner (but only if the private dwelling house or private flat mentioned in the Schedule be furnished and occupied) directly caused by Storm or Tempest (but excluding destruction or damage caused by Subsidence or Landslip), Bursting or Overflowing of Water Tank, Apparatus or Pipes.

Theft accompanied by actual forcible and violent breaking into or out of the Buildings or any attempt thereat

provided however that this indemnity excludes the first 10% of each and every loss and shall not exceed in the aggregate 10% of the Total Sum Insured as stated In the Schedule.

2. **Temporary Removal**

This Policy extends to cover the contents specified in the Schedule if they are not otherwise insured within Zambia.

(a) Against the perils set out above whilst:

- (i) in any Private Residence, Hotel, Inn, Boarding House, Club, Nursery Home or Hospital in which the Insured or any member of the Insured's family normally residing with the Insured may be temporarily residing at the time of loss.

- (ii) deposited for Safe Custody in any Bank or Safe Deposit.

(b) Against the perils of Fire, Lightning, Explosion and Theft accompanied by actual Forcible and Violence breaking into or out of the Buildings or any attempt thereat, whilst:

- (i) in any Laundry or other trade premises for the purpose of making up, renovation, repair cleaning, or dyeing or whilst in any furniture depository.

- (ii) in any office, business or trade premises where the Insured or any member of the Insured's family normally residing with the Insured is employed.

(c) Against the perils of Fire, Lightning and Explosion whilst temporarily elsewhere, Company's liability under each of the Extensions (a), (b) and (c) above shall be limited to 15% of the Total Sum Insured as stated in the Schedule.

3. **Loss of Money**

This Policy also covers loss of money not exceeding ZMW100 in all contained only in the Private Residence mentioned in the Schedule, by any of the Insured Perils but excluding loss by theft unless such theft is accompanied by actual forcible and violent breaking into or out of the Private Residence mentioned in the Schedule.

4. **Alternative Accommodation**

Additional Expense of Alternative Accommodation and loss of Rent in the event of the Buildings being rendered uninhabitable by any of the perils specified above this Policy extends to indemnify the Insured against:

- (a) Reasonable additional expense for alternative accommodation.
- (b) Loss of rent payable to the Insured, actually incurred by the Insured during the period necessary for reinstatement of the Buildings.

PROVIDED THAT the amount recovered hereunder shall not exceed 10% of the Total Sum Insured but not more than ZMW200.00

Exceptions Relating to Contents

The Company shall not be liable in respect of:

- A. Explosion, Riot and Strike, any act of any person acting on behalf of or in connection with organisation with activities towards the overthrow by force of Government de jure or de facto or the influence of it by terrorism.
- B. Except as provided for Under Peril (3) above only, any accident, loss, damage, expense, liability or bodily injury occasioned by or through or in consequence directly or indirectly of confiscation, commandeering, requisition or destruction of or damage of the Buildings or the contents by order of the Government de jure or de facto or any public, municipal or local authority of the

country of area in which the Buildings are situated.

In any action, suit or other proceedings where the Insurer alleges that by reason of the provisions of this Exception any accident, loss, damage, expense, liability or bodily injury is not covered by this insurance, the burden of proving that such accident, loss, damage, expense, liability or bodily injury is covered shall be upon the Insured.

- C. Any change being made in the premises in which the property is situated or in condition of the risk as existing at the time of acceptance unless with written consent of the Company.
- D. Consequential loss or damage of any kind except as provided in Extension No. 4.

Average Condition (Under Insurance)

If the property hereby insured shall, at the time of any loss, be collectively of greater value than the sum insured thereon, the Insured shall be considered as being his own insurer for the difference, and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the Schedule shall be separately subject to this condition.

SECTION C - ALL RISKS

The Company agrees, subject to the terms contained herein or endorsed hereon, to pay the Insured for Loss or Damage to the property insured by any cause (other than as stated in the Exceptions) occurring during the Period of insurance.

The Company may at its option repair, reinstate or replace any such property lost or damaged or may pay in cash the amount of the loss or damage.

Provided that the liability of the Company under this section for damage occurring during any one period of insurance shall not exceed the sum insured on each item of the Property Insured under this Scheme or in the whole the Total Sum Insured hereby.

Exceptions to Section C

The Company will not be liable under this Section for :

1. Loss or damage
 - (a) arising from wear and tear depreciation gradual deterioration, moth, vermin, insects, inherent vice, rust, atmospheric conditions or action of light.
 - (b) arising from electrical or mechanical breakdown, faulty manipulation of mechanical defects.
 - (c) to the property insured caused by it undergoing any process involving the application of heat or the actual process of dyeing, cleaning, repair, renovation, alteration or its being worked upon.
 - (d) occurring outside the limits of the Republic of Zambia.
 - (e) due to theft or attempted theft by any relative of the Insured or any relative or the wilful act of any other person with the connivance of the Insured's or any relative.
 - (f) to property in transit unless accompanied by the Insured or any member of his family or household normally residing with him.
 - G) directly and indirectly caused by the failure or interruption of any gas, water or electric service or supply.
2. Breaking of glass (other than lenses) or other articles of a brittle or fragile nature (other than jewellery) or sporting equipment whilst in course of play unless breakage is caused by fire or theft or accident to any conveyance.
3. Theft of any property insured from Motor Vehicles unless the property stolen is contained at the time of loss, in a locked locker forming an integral part of the vehicle.

4. Damage to or scratching of lenses or prisms unless other damage to the property is sustained at the time.
5. Loss of each currency bank notes or securities of any kind stamps, coupons, bonds, title deeds, manuscripts, negotiable instruments or credit cards.
6. Consequential loss of any kind or description.
7. Loss or damage due to or arising out of delay, confiscation or detention by Customs or other Officials or Authorities.

Memorandum

Average Clause (Applicable to Item.....)

Wherever an item of Property insured described In the Schedule is stated to be subject to Average, if the Property covered thereby shall in the event of loss or damage be of greater value than the Sum Insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss or damage accordingly.

Pair and Set Clause

When any item insured under this Policy consists of articles in a pair or set, the Company's liability shall not exceed the value of any particular part or parts which may be lost or damaged without reference to any special value which such article or articles may have as part of such pair or set or more than a proportionate part of the Insured value of the pair or set.

Definition of Clothing and Personal Effects

- (a) Wearing apparel (other than furs).
- (b) Luggage containers and briefcases.
- (c) Jewellery trinkets.
- (d) Other personal effects (excluding contact lenses) generally or usually carried on or with the person.

Personal Liability

Subject to the Jurisdiction Clause and other terms and conditions and exceptions of this policy the Company will indemnify the

insured against liability at law to pay compensation in respect of:

- a) Accidental bodily injury (including illness) to any person other than a member of the Insured's family household or a person in his service at the time of the occurrence giving rise to the injury. The Company's liability shall be limited to ZMW1,000.00 (One Thousand Kwacha)
- b) Accidental loss of or damage to property not belonging to or in the custody or control of the Insured or of a person in his service occurring on or about the Premises mentioned in the Schedule during the currency of the Policy for which the Insured may be legally liable as owner and/or as occupier of the said premises (the Company's liability being restricted to a maximum amount of ZMW100 for any one claim or series of claims arising out of one event) excluding any liability from:
 - (i) any business or profession or the use of lifts, hoists, vehicles or any waterborne vessel.
 - (ii) any liability which attaches by virtue of an agreement but which would not have attached in the absence of such agreement.
 - (iii) sports involving the use of mechanical power or from the possession or use of vehicles (other than pedal cycles perambulators and children's toys) motors cycles, aircraft, locomotives, boats (other than hand propelled craft) animals (other than domestic dogs, cats and horses) or firearms.
 - (iv) any business trade or profession or the ownership or occupation of any land or building (other than the occupation of a private dwelling house as a tenant but not as an owner).

In addition, in respect of a claim to which the indemnity expressed in these Sections applies, the Company will pay

- (a) all costs and expenses recovered by any claimant from the Insured.

- (b) all costs and with the written consent of the Company.

In the event of the death of the Insured, the Company will, in respect of the liability incurred by the Insured, indemnify the Insured's personal representatives in the terms of and subject to the limitations of this Section provided that such personal representatives shall as though they were the Insured observed, fulfil and be subject to the Terms Condition's and exceptions of the Policy so far as they can apply.

For the purpose of these sections, the expression "the Insured" shall be deemed to include the husband or wife of the Insured.

Jurisdiction Clause

The indemnity under the Extensions to Section A and B of this Policy shall not apply in respect of judgements which are not in the first instance delivered by or obtained from a court of competent jurisdiction within the Republic of Zambia.

Premium Payment Warranty

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy, it is warranted that the premium shall be paid and in the possession of the Company within sixty (60) days from the inception or renewal date of the policy. Where a Premium Instalment Agreement Plan has been entered into between the insured and the Company, the terms and provisions of the Instalment Plan shall take precedence.

In the event of the warranty not being complied with, this Policy shall automatically lapse from the date of expiry of the stated period. When the policy so lapses, any claim arising during the period of lapsation shall not be admissible even upon revival of the policy. The policy may be revived at any time within 30 days from the date of lapsation upon payment of the premium in full. The Policy shall then be reinstated with effect from the date of payment.

Section 1

This insurance does not cover any loss, damage cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

- a) the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not; or
- b) any change, alteration or modification involving the date change to the year 2000 or any other date change, including leap year calculations, to any such computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not.

This clause applies regardless of any other cause or event that contributes concurrently or in any sequence of the loss, damage, cost, claim, or expense.

However, this section shall not apply in respect of physical damage occurring at the insured's premises arising out of the perils of fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, hurricane, cyclone, riot, strike, civil commotion, vandalism, malicious mischief, earthquake, volcano, tsunami, freeze or weight of snow.

Section 2

Notwithstanding Section 1 above, this reinsurance does not cover any costs and expenses whether preventative, remedial or otherwise, arising out of or relating to change, alteration or modification of any computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer or non

computer equipment whether the property of the insured or not.

Section 3

- i) The date change to the year 2000 or any other date change, including leap year calculations shall not in and of itself be regarded as an event for the purpose of this insurance.

Political Risks Exclusion Clause

The following shall be excluded from this Agreement:

Any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:

- 6. War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.**
- 7. Permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.**
- 8. Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.**
- 9. Plundering, looting, war pillage in connection with riots and/or civil commotion.**

Terrorism Exclusion Clause

Notwithstanding any provision to the contrary within this policy or any endorsement thereto, this policy does not cover any liability, loss, damage or expense of whatsoever nature directly or indirectly caused by, resulting from, happening through or in connection with any act of terrorism, regardless of any other cause contributing concurrently or in any other sequence to the loss, damage or expense.

For the purpose of this exclusion, terrorism means an act of violence or an act dangerous to human life, tangible or intangible property or infrastructure with the intention or effect to influence any government or to put the public or any section of the public or any section of the public in fear.

In any action suit or other proceedings where the insurer alleges that by reason of this definition a loss, damage or expense is not covered by this policy, the burden of proving that such loss, damage or expense is covered shall be upon the insured.