

Stock Declaration Clause

1. In consideration of the premium by this Policy being provisional in that it is calculated on 75% of the sum insured hereby and is subject to adjustment on expiry of each period of insurance:
 - The insured agrees to declare to the Insurer in writing the value of his stocks (other than retail), less any amount insured by Policies other than declaration policies, on the following basis namely the average of the values at risk during the month and to make such declaration within thirty days of the last day of the calendar month, such declaration to be signed by the Insured or by a responsible person authorized to sign on his behalf.
 - If other policies on a declaration basis cover the stocks hereby insured the declaration shall be made so as to apportion to each policy a share of the value of the stocks insured under such declaration policies, pro rata to the respective amounts named in the policies.
 - In the event of a declaration not being made within the 30 days mentioned above then the Insured shall be deemed to have declared the sum hereby as the value at risk.
 - On the expiry of each period of insurance the premium shall be calculated at the rate quoted on the average sum insured, namely the total of the values declared or deemed to have been declared divided by the number of declarations due to have been made. If the resultant premium be greater than the provisional premium the Insured shall pay the difference, if it be less the difference shall be repaid to the Insured but such repayment shall not exceed one third of the provisional premium.
2. The basis of value for declarations shall be the market value and any loss hereunder shall be settled on the basis of the market value immediately anterior to the loss.
3. If at the time of any loss, there be any other subsisting insurance of insurance on other than a declaration basis, whether effected by the Insured or by any other person or persons, covering the stocks hereby insured, this Policy shall apply only to the excess of the value of such stocks at the time of loss over the sum insured by such insurance or insurance(s), and this Insurer shall not be liable to contribute more than that proportion of such loss which such excess (or, if there be other declaration insurance(s) covering the same stocks, a ratable proportion of such excess), but not exceeding the sum insured hereby, bears to the total value of the stocks.
4. If after the occurrence of a loss it is found that the amount of the last declaration previous to the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion to the amount of the said last declaration bears to the amount that ought to have been declared.
5. Notwithstanding the occurrence of a loss it is understood that the sum insured will be maintained at all times during the currency of the Policy and the Insured therefore undertakes to pay extra premium on the amount of any loss pro rata from

the date of such loss to the expiry of the period of insurance, the premium being calculated at the rate applicable to the stock destroyed and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment of premium.

6. In the event of this Policy being cancelled by the Insured during its currency (whether stocks exist or not) the premium to be retained by the Insurer shall be the appropriate short period premium calculated on the average amount insured up to the date of the cancellation or 50% of the provisional premium whichever is the greater but if the Policy is cancelled by the Insured after a loss has occurred the premium to be retained by the Insurer shall be the pro rata proportion of the premium calculated on the average amount insured on the date of cancellation plus the pro rata proportion of the premium from the date of loss to the expiry of the period of insurance on the amount of the loss paid, or 50% of the provisional premium whichever is the greater.
7. The maximum liability of the Insurer shall not exceed the sum insured hereby and premium shall not be receivable on values insured thereof. The sum insured may, however, be increased by prior agreement with the Insurer in which event the new sum insured and the date from which it is effective will be recorded on the Policy by endorsement.
8. If the stocks hereby insured shall at the time of loss be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a ratable proportion of the loss accordingly. Every time, if more than one Sum Insured exist on stocks (other than retail) it shall be separately subject to this condition.
9. It is warranted that every other Policy on a declaration basis covering the stocks insured hereby shall be identical in wording with this Policy.
10. This insurance is subject in all respect to the printed conditions of the Policy except in so far as they may be varied by these specials.