

## COMMERCIAL VEHICLE INSURANCE POLICY

### **IMPORTANT NOTICE**

This Policy is an important document. You are requested to examine it carefully, with particular attention to the detailed terms, exclusions and conditions. If anything is unclear, incorrect or it is not in accordance with your intentions, please contact us or your Insurance Broker/Agent immediately.

---

### **PERSONAL INFORMATION COLLECTION STATEMENT**

The information you provided to The Tokio Marine and Fire Insurance Co. (HK) Ltd. ("the Company") is collected to enable the Company to carry on insurance business and may be used for the purpose of:

- any insurance or financial related product or service or any alterations, variations, cancellation or renewal of such product or service;
- any claim or investigation or analysis of such claim; and
- exercising any right of subrogation

and may be transferred to

- any related company or any other company carrying on insurance or reinsurance related business or an intermediary of a claim or investigation; or other service provider providing services relevant to insurance business for any of the above or related purposes;
- any association, federation or similar organization of insurance companies ("the Federation") that exists or is formed from time to time for any of the above or related purposes or to enable the Federation to carry out its regulatory functions or such other functions that may be assigned to the Federation from time to time and are reasonably required in the interest of the insurance industry or any member(s) of the Federation;
- any members of the Federation by the Federation for any of the above or related purposes; and
- government agencies and authorities as required or permitted by law

Moreover, the Company is hereby authorized to obtain access to and/or to verify any of your data with the information collected by the Federation from the insurance industry.

You have the right to obtain, to access to and to request correction of any personal information concerning yourself held by the Company. Requests for such access can be made in writing to our Compliance Officer, 27A, United Centre, 95 Queensway, Hong Kong.

## **(1) INSURING CLAUSE**

The Insured and the Company agree :

- (a) the Proposal and Declaration is incorporated in and is the basis of this insurance contract;
- (b) the Insured will pay the Premium specified in the Schedule;
- (c) the Company will provide the insurance subject to the terms and conditions of this Policy in respect of any Event occurring during the Period of insurance specified in the Schedule; and
- (d) the following shall be conditions precedent to any liability of the Company :
  - (i) observance of the terms and conditions of this Policy relating to anything to be done or not to be done or to be complied with by the Insured or any other person claiming to be indemnified; and
  - (ii) the truth of the contents and statements in the Proposal and Declaration.

This Policy will not be in force unless it has been signed in the Schedule by a person authorized by the Company.

## **(2) GENERAL DEFINITIONS**

For the purposes of this Policy :

- (a) "The Company" means The Tokio Marine and Fire Insurance Co. (HK) Ltd.
- (b) "Event" means any one event or series of events arising out of one common cause or source in connection with the Motor Vehicle.
- (c) "Geographical Area" means the territories of Hong Kong and includes its territorial waters for the purpose of the transit of the Motor Vehicle by sea (including incidental loading or unloading) by a craft designed for the carriage of motor vehicles.
- (d) "The Insured" means the person specified as such in the Schedule.
- (e) "The Motor Vehicle" means the motor vehicle specified in the Schedule.
- (f) "The Policy" means this Commercial Vehicle Insurance Policy the Schedule and any memoranda and endorsements contained herein or endorsed hereon which shall be read as one document and any word or expression to which a specific meaning has been assigned shall bear such meaning throughout.
- (g) "The Proposal and Declaration" means any signed proposal form and declaration and any information supplied by or on behalf of the Insured in addition thereto or in substitution therefor.
- (h) "The Schedule" means the pages attached to this Policy specifying the terms and details of this insurance contract.
- (i) "Tractor" means a mechanically propelled motor vehicle constructed for the towage of Trailers
- (j) "Trailer" means a superimposed trailer which is not mechanically propelled and which is constructed to be towed by a Tractor forming part of an articulated vehicle and the term "Trailer" also includes a semi-trailer.
- (k) In this Policy, unless the context otherwise requires, the singular includes the plural and vice versa and a reference to one gender includes a reference to the other genders.

## **(3) OPERATIVE INSURANCE COVER**

- (a) Where the "Operative Insurance Cover" in the Schedule is stated to be "Comprehensive Insurance", Section (I) and (II) of this Policy are operative.
- (b) Where the "Operative Insurance Cover" in the Schedule is stated to be "Third Party Legal Liabilities Insurance", only Section (II) of this Policy is operative.

## **(4) LIMITATIONS AS TO USE OF THE MOTOR VEHICLE**

- (a) The insurance coverage under any part of this Policy is operative only when the Motor Vehicle is used :
  - (i) in connection with the Insured's business or the business of any person to whom the Motor Vehicle is hired; or
  - (ii) for social domestic and pleasure purposes.Whilst the Motor Vehicle is so used, the carriage of passengers (other than for hire or reward) is permitted.
- (b) This Policy will not operate when the Motor Vehicle is used :
  - (i) for racing pace-making reliability-trial or speed testing ;
  - (ii) whilst drawing a vehicle except the towing of any one disabled mechanically propelled vehicle ;-
  - (iii) for carriage of passengers for hire or reward.
- (c) Where the Schedule states in "Body Type" that the Motor Vehicle is a Tractor, insurance coverage under this Policy is also operative whilst the Motor Vehicle is drawing a Trailer.

## **(5) INSURED DRIVER**

For the purposes of this Policy, "Insured Driver" means any of the following :

- (a) whilst the Motor Vehicle is used in connection with the Insured's business or the business of any person to whom the Motor Vehicle is hired :
  - (i) the Insured or any other person who is in the Insured's employ and is driving on the Insured's order or with his permission; or
  - (ii) any person to whom the Motor Vehicle is hired or any other person who is in the employ of such hirer and is driving on his order or with his permission;
- (b) whilst the Motor Vehicle is used for social domestic or pleasure purposes, the Insured or any other person who is driving on the Insured's order or with his permission;

PROVIDED that the person driving holds a licence to drive the Motor Vehicle or has held and is not disqualified from holding or obtaining such a licence, and the term "licence" means a licence or other permit required under the laws or regulations or by the licensing authority of the Geographical Area.

**(6) SECTION (I) INSURANCE - AGAINST LOSS OF OR DAMAGE TO THE MOTOR VEHICLE**

- (a) The Company will indemnify the Insured against loss of or damage to the Motor Vehicle and/or its accessories and/or its spare parts whilst thereon. The Company may, as its option, repair reinstate or replace the Motor Vehicle and/or its accessories and/or its spare parts or pay in cash the amount of such loss or damage.

The Company's indemnity pursuant to this paragraph 6(a) is limited to :

- (i) the reasonable market value of the Motor Vehicle at the time of its loss or damage; or
  - (ii) the Insured's Estimated Value of the Motor Vehicle as specified in the Schedule;
- whichever is the lesser amount.
- (b) If the Motor Vehicle is disabled by reason of loss or damage insured by this Policy, the Company will additionally pay the reasonable cost of protection and removal of the Motor Vehicle to the nearest repairer and redelivery after repair to the Insured's address within the Geographical Area where the loss or damage was sustained provided that the amount recoverable hereunder shall not exceed 20% of the agreed cost of repairs to the Motor Vehicle.
- (c) In the event of loss of or damage to the Motor Vehicle and/or its accessories and/or its spare parts necessitating the supply of a part not obtainable from stock held in the Geographical Area in which the Motor Vehicle is held for repair or in the event of the Company exercising the option to pay in cash the amount of the loss or damage the liability of the Company in respect of any such part will be limited to the price quoted in the latest catalogue or price list issued by the manufacturer or his agents for the Geographical Area in which the Motor Vehicle is held for repair or, if no such catalogue or price list exists, the price last obtaining at the manufacturer's works plus the reasonable cost of transport otherwise than by air to the Geographical Area in which the Motor Vehicle is held for repair and the amount of the relative import duty and the reasonable cost of fitting such part.

**(7) SPECIAL CONDITIONS APPLICABLE TO SECTION (I) INSURANCE**

- (a) If at the Insured's request a Hire Purchase Owner has been specified in the Schedule or in a Memorandum endorsed hereon, any payment in cash by the Company in respect of loss of or damage to the Motor Vehicle shall be made to the Hire Purchase Owner so specified whose receipt shall be a full and final discharge of all liability of the Company in respect of such loss or damage.
- (b) The Insured may authorize the repair of the Motor Vehicle necessitated by damage for which the Company may be liable under this Policy provided that :
- (i) the estimated cost of such repair does not exceed HK\$1,000;
  - (ii) the Company is furnished forthwith with a detailed estimate of the repair cost; and
  - (iii) the Insured shall give the Company every assistance to see that such repair is necessary and the charge is reasonable.
- (c) Where repair cost to the Motor Vehicle is the subject of a claim under Section (I), the Company shall have a right of veto concerning a proposed place of repair or repair firm.

**(8) SPECIAL EXCEPTIONS TO SECTION (I) INSURANCE**

The Company will not be liable in respect of :

- (a) consequential loss;
- (b) depreciation wear and tear mechanical or electrical breakdown failure or breakage;
- (c) loss of or damage to the Motor Vehicle arising out of the operation as a tool of the Motor Vehicle or any plant forming part of the Motor Vehicle or attached thereto;
- (d) damage to tyres unless damage is caused to other parts of the Motor Vehicle at the same time;
- (e) damage caused by overloading or strain; and
- (f) any claims excesses applicable to Section (I).

**(9) CLAIMS EXCESSES APPLICABLE TO SECTION (I) INSURANCE**

- (a) In respect of any Event giving rise to a claim (other than an Event of theft or attempted theft), the Company will not be liable for the first amount of such claim specified in the Schedule as "Own Damage Claims Excess"
- (b) The first amount of any claims for which the Company is not liable pursuant to paragraph 9(a) will be increased if at the time of the occurrence of the Event giving rise to the claim:
- (i) the Motor Vehicle is being driven by a person other than a "Named Driver" specified in the Schedule, by an additional amount by way of the "Unnamed Driver Excess" specified in the Schedule;
  - (ii) the Motor Vehicle is being driven by a person under 25 years of age, by an additional amount by way of the "Young Driver Excess" specified in the Schedule;
  - (iii) the Motor Vehicle is being driven by a person who has not held for a period of 2 years a driving licence (other than a provisional driving licence), by an additional amount by way of the "Inexperienced Driver Excess" specified in the Schedule.
  - (iv) the Motor Vehicle is parked, by an additional amount by way of the "Parking Damage Excess" specified in the Schedule.
- (c) In respect of any claim arising out of theft or attempted theft of the Motor Vehicle, the Company will not be liable for the first amount of each claim specified in the Schedule as "Theft Loss Excess"
- (d) In the Event of a claim under Section (I):
- (i) if paragraph 9(c) is applicable, then paragraph 9(a) and 9(b) will not be applicable;
  - (ii) if paragraph 9(a) and any or more of sub-paragraph 9(b)(i), 9(b)(ii) are applicable, the first amount of such claim for which the Company is not liable will be calculated cumulatively;
  - (iii) if the expenditure incurred by the Company shall include any amount for which the Company is not liable pursuant to paragraph 9(a), 9(b), or 9(c), the Insured shall forthwith repay such amount to the Company.
- (e) The provisions of paragraph 9(a) and 9(b) shall not apply to loss of or damage to the Motor Vehicle caused by fire self-ignition lightning or explosion which arises independently and not out of any preceding accident involving the Motor Vehicle.

**(10) SECTION (II) INSURANCE - AGAINST THIRD PARTY LEGAL LIABILITIES**

Subject to Policy Limits of Liability Conditions and Exceptions, the Company will indemnify the Insured and/or any Insured Driver against all sums including claimant's costs and expenses which the Insured and/or such Insured Driver shall become legally liable to pay and other costs and expenses incurred by or on behalf of the Insured and/or such Insured Driver with the Company's written consent in respect of :

- (a) death of or bodily injury to any person; and/or
- (b) damage to property;

where such death or bodily injury or property damage arises out of an accident caused by or in connection with the Motor Vehicle including the loading or unloading of goods onto or from the Motor Vehicle and within the limits of any carriageway or thoroughfare the bringing of goods to the Motor Vehicle for loading thereon or the taking away of goods from the Motor Vehicle after unloading therefrom.

**(11) POLICY LIMITS OF LIABILITY APPLICABLE TO SECTION (II) INSURANCE**

(a) The Company's indemnity to the Insured and/or any other person claiming to be indemnified under Section (II) including claimant's costs and expenses and other costs and expenses incurred by or on behalf of the Insured and/or such other person with the Company's written consent arising out of any Event is limited to :

- (i) HK\$100,000,000 in respect of death of or bodily injury to any person pursuant to sub-paragraph 10(a); and
- (ii) HK\$1,000,000 in respect of damage to property pursuant to sub-paragraph 10(b).

Where this Policy insures more than one Motor Vehicle, the limitations of the Company's indemnity will nevertheless apply irrespective of the number of insured Motor Vehicles that may be involved in the same Event.

- (b) If the occurrence of any Event results in indemnity to more than one person, the limitations of the Company's indemnity specified in paragraph 11(a) will apply to the aggregate of indemnity to all persons claiming to be indemnified and shall apply in priority to the Insured.
- (c) At any time after the happening of any Event giving rise to a claim or a series of claims under Section (II) the Company may pay to the Insured and/or any other person claiming to be indemnified the respective full amount of the Company's liability specified in paragraph 11(a) (after the deduction of any sums already paid) or any lesser amount for which such claim or claims can be settled and the Company shall relinquish the conduct of any defence settlement or proceedings and shall not then be responsible for damages payable to the claimant and claimant's costs or for any damages alleged to have been caused to the Insured or such person in consequence of any alleged action or omission of the Company in connection with such defence settlement or proceedings or of the Company relinquishing such conduct nor shall the Company be liable for any costs or expenses whatsoever incurred by the Insured or by such person or by any claimant or other person after the Company shall have relinquished such conduct.

**(12) SPECIAL CONDITIONS APPLICABLE TO SECTION (II) INSURANCE**

- (a) Where the Schedule states in "Body Type" that the Motor Vehicle is a Tractor, for the purpose of Section (II) only of this Policy, the Motor Vehicle and any Trailer attached thereto is deemed to constitute the insured Motor Vehicle.
- (b) In the event of the death of any person entitled to indemnity under Section (II), the Company will in respect of the liability incurred by such person indemnify his legal personal representative in terms of and subject to the limitations of this insurance which apply to such deceased person.
- (c) The Company may at its own option and expense:
  - (i) arrange for representation at any inquest or fatal injury in respect of any death which may be the subject of indemnity under Section (II); and/or
  - (ii) undertake the defence of proceedings in any court of law in respect of any act or alleged offence causing or relating to any Event which may be the subject of indemnity under Section (II).

**(13) SPECIAL EXCEPTIONS TO SECTION (II) INSURANCE**

The Company will not be liable :

- (a) to indemnify any person claiming to be indemnified :
  - (i) unless such person shall observe fulfill and be subject to the terms and conditions of this Policy in so far as they can apply;
  - or
  - (ii) if such person is entitled to indemnity under any other insurance policy;
- (b) in respect of death of or bodily injury to any person arising out of and in the course of such person's employment by :
  - (i) any person (including the Insured) claiming to be indemnified under Section (II); or
  - (ii) the employer of any person (including the Insured's) claiming to be indemnified under Section (II);
- (c) in respect of damage to property being conveyed by the Motor Vehicle or by a Trailer attached thereto or to property belonging to or held in trust by or in the custody or control of :
  - (i) any person (including the Insured) claiming to be indemnified under Section (II); or
  - (ii) a member of the same household of any person (including the Insured's) claiming to be indemnified under Section (II) ;
- (d) except so far as is necessary to meet the requirements of the Motor Vehicle Insurance (Third Party Risks) Ordinance, in respect of liability incurred by the Insured arising out of the operation as a tool of the Motor Vehicle or any plant forming part of the Motor Vehicle or attached thereto;
- (e) in respect of loss of or damage to utensils stock-in-trade surgical instruments medical appliances or supplies and X-ray apparatus on the Motor Vehicle;

- (f) in respect of death of or bodily injury to or illness of any person caused by or through or in connection with or arising from :
  - (i) poisoning of any kind or foreign or deleterious matter in food or drink;
  - (ii) anything harmful in the condition of any goods supplied at or from the Motor Vehicle or defective condition of the container of such goods;
  - (iii) anything harmful or defective in any treatment given at or from the Motor Vehicle;
- (g) in respect of loss of or damage by vibration or by the weight of the Motor Vehicle and/or of the load carried by the Motor Vehicle to any bridge weighbridge viaduct road or anything beneath;
- (h) in respect of damage to any disabled mechanically propelled vehicle or property therein attached to the Motor Vehicle;
- (i) in respect of judgements which are not in the first instance delivered by or obtained from a Court of competent jurisdiction of Hong Kong; or
- (j) any claims excesses applicable to Section (II).

**(14) CLAIMS EXCESSES APPLICABLE TO SECTION (II) INSURANCE**

- (a) Third Party Property Damage Excess - in respect of any Event giving rise to a claim for indemnity against liabilities for third party property damage, the Company will not be liable for the first amount of such claim specified in the Schedule as "Third Party Property Damage Excess".
- (b) the first amount of any claim for which the Company is not liable pursuant to paragraph 14(a) will be increased if at the time of the occurrence of the Event giving rise to the claim:
  - (i) Unnamed Driver Excess - the Motor Vehicle is being driven by a person other than a "Named Driver" specified in the Schedule, by an additional amount by way of the Excess specified in the Schedule as "Unnamed Driver Excess";
  - (ii) Young Driver Excess - the Motor Vehicle is being driven by a person under 25 years of age, by an additional amount by way of the Excess specified in the Schedule as "Young Driver Excess";
  - (iii) Inexperienced Driver Excess - the Motor Vehicle is being driven by a person who has not held for a period of 2 years driving licence (other than a provisional driving licence), by an additional amount by way of Excess specified in the Schedule as "Inexperienced Driver Excess"
- (c) In the Event of a claim under Section (II):
  - (i) if paragraph 14(a) and any or more of sub-paragraphs 14(b) (i), 14(b)(ii) and 14(b)(iii) are applicable, the first amount of such claim for which the Company is not liable will be calculated cumulatively.
  - (ii) if the expenditure incurred by the Company shall include any amount for which the Company is not liable pursuant to paragraphs 14(a) and 14(b), the Insured shall forthwith repay such amount to the Company.
- (d) In the event of an Event giving rise to claims under both Sections (I) and (II), the respective Excess amounts of 9(b) and 14(b) will not be calculated cumulatively.

**(15) AVOIDANCE OF CERTAIN TERMS AND RIGHT OF RECOVERY**

If the Company is obliged by the laws of any country within the Geographical Area or by virtue of any agreement between the Company and The Motor Insurers' Bureau of Hong Kong to pay an amount for which the Company would not otherwise be liable under this Policy the Insured and any other person on whose account the payment is made shall forthwith repay such amount to the Company.

**(16) NO CLAIM DISCOUNT ("THE DISCOUNT")**

- (a) In the event of no claim being made or arising under this Policy during any of the periods of insurance specified below, the next renewal premium shall be reduced by the Discount specified hereunder :

| <u>Period of Insurance</u>  | <u>The Discount</u> |
|-----------------------------|---------------------|
| One year                    | 10%                 |
| 2 consecutive years         | 20%                 |
| 3 or more consecutive years | 30%                 |

- (b) For the avoidance of doubt, any claim made under any part of this Policy during a period of insurance shall result in cancellation of the Discount specified in paragraph 16(a) notwithstanding any assertion or allegation that the Insured and/or the person claiming to be indemnified is not to be blamed for or has not contributed to the occurrence of the Event resulting in the claim under this Policy.
- (c) In the event of a transfer of interest in the Policy with the Company's prior consent from one Insured to another the claim-free period of qualification for the Discount so far as it affects the new Insured shall commence afresh with effect from the date of transfer, and the original Insured shall retain his right to the Discount earned up to the date of transfer which right is applicable to any motor insurance policy taken out by the original Insured on any one commercial vehicle within 12 months of the date of transfer.
- (d) If more than one Motor Vehicle is insured under this Policy, the Discount shall be applied as if a separate Policy had been issued in respect of each such Motor Vehicle.

**(17) GENERAL EXCEPTIONS**

- (a) The Company will not be liable under this Policy in respect of:
  - (i) any accident loss damage or liability caused sustained or incurred:
    - (ia) outside the Geographical Area;
    - (ib) whilst on the Insured's order or with his permission or to his knowledge the Motor Vehicle in respect of which indemnity is provided by this Policy is being used otherwise than in accordance with the Limitations As To Use Of The Motor Vehicle, or is being driven by any person other than an Insured Driver or is for the purposes of being driven by him in the charge of such person;

- (ii) any accident loss damage or liability caused by or contributed to by or arising from any failure by the Insured to comply with and observe all provisions regulations or requirements relating to the carriage of dangerous goods whether such provisions regulations or requirements are issued by the Fire Services or any other Government Department or form part of any Statutory Ordinance;
- (iii) any accident loss damage or liability (except so far as is necessary to meet the requirements of the Motor Vehicles Insurance (Third Party Risks) Ordinance) directly or indirectly proximately or remotely occasioned by contributed to by or traceable to or arising out of or in connection with:
  - (iiia) war invasion act of foreign enemy hostilities or warlike operations (whether war be declared or not) civil war mutiny rebellion revolution insurrection military or usurped power;
  - (iiib) strike riot civil commotion; or
  - (iiic) detention seizure confiscation or any attempt thereat;
 or by any direct or indirect consequences of any of the said occurrences;
- (iv) any liability which attaches by virtue of an agreement but which would not have attached in the absence of such agreement;
- (v) any accident loss or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel and, for the purpose of this paragraph 17(a)(v), combustion shall include any self-sustaining process of nuclear fission; and
- (vi) any accident loss damage or liability directly or indirectly caused by or contributed to by or arising from nuclear weapon materials.

In any action suit or other proceedings where the Company alleges that by reason of paragraph 17(a)(iii), any accident loss damage or liability is not indemnifiable by this Policy, the burden of proving that such accident loss damage or liability is indemnifiable shall be upon the person claiming to be indemnified.

(b) Driving under the influence of Drink or Drug Exclusion

The Company will not be liable under this Policy in respect of any accident, loss, damage or liability caused, sustained or incurred whilst the Motor Vehicle is being driven by, or is in the charge of, or is under the control of the Insured of Insured Driver:

- (i) who is convicted of an offence for being under the influence of drink or drugs to such an extent as to be incapable of having proper control of the Motor Vehicle; or
- (ii) when the proportion of alcohol in his/her breath, blood or urine exceeds the prescribed limit as stipulated in Section 2 of the Road Traffic Ordinance (Cap 374) as may be amended from time to time or any legislation which replaces the same; or
- (iii) who is convicted of an offence for failing, without reasonable excuse, to provide a specimen of breath, blood, or urine for testing or analysis as required by law.

(c) War and Terrorism Exclusion Endorsement

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is agreed that this policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

- (i) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- (ii) any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(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 fear.

This endorsement also excludes loss, damage, cost or expense 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 (i) and/or (ii) above. If the Company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this policy the burden of proving the contrary shall be upon the Insured.

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

(d) Terrorism Exclusion for Contamination & Explosives

It is agreed that, regardless of any contributory causes, this policy does not cover any loss, damage, cost or expense directly or indirectly arising out of

- (i) biological or chemical contamination
  - (ii) missiles, bombs, grenades, explosives
- due to any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological, or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

For the purpose of (i) "contamination" means the contamination, poisoning, or prevention and/or limitation of the use of objects due to the effects of chemical and/or biological substances.

If the Company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

- (e) IT Clarification Clause  
 Property damage covered under this policy shall mean physical damage to the substance of property.  
 Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure.  
 Consequently the followings are excluded from this policy:
- (i) Loss of or damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss of or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered.
  - (ii) Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.
- (f) Total Asbestos Exclusion Clause  
 It is agreed and understood that this Policy does not apply to liability arising directly or indirectly out of, caused by or in connection with the existence, handling, processing, manufacturing, mining, sale, transportation, distribution, storage, use, removal, remediation, treatment, disposal or escape of (1) asbestos or silica dust and (2) asbestos, asbestos products or a product containing asbestos.
- (g) Sanction Limitation and Exclusion Clause  
 The Company shall not 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 the Company 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.

## **(18) GENERAL CONDITIONS**

- (a) Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company and in respect of notice or communication to the Insured to his address specified in the Schedule.
- (b) In the event of any occurrence which may give rise to a claim under this Policy the Insured shall immediately give notice thereof to the Company with full particulars. Every letter claim writ summons and process shall be notified or forwarded to the Company immediately on receipt by the Insured. Notice shall also be given in writing to the Company immediately the Insured or any person claiming to be indemnified shall have knowledge of any impending prosecution inquest or fatal inquiry in respect of any occurrence which may give rise to a claim under this Policy. In case of theft or other criminal act which may be the subject of a claim under this Policy the Insured shall give immediate notice to the Police and shall cooperate with the Company in securing the conviction of the offender.
- (c) No admission offer promise payment or indemnity shall be made or given by or on behalf of the Insured or any person claiming to be indemnified without the prior written consent of the Company which shall be entitled to take over and conduct in the name of the Insured or such person the defence or settlement of any claim or to prosecute in the name of the Insured or such person for the Company's own benefit any claim for indemnity or damages or otherwise and the Company shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured and such person shall give all such information and assistance as the Company may require.
- (d) The Insured shall take all reasonable steps to safeguard the Motor Vehicle from loss or damage and to maintain it in efficient condition and the Company shall have at all times free and full access to examine the Motor Vehicle or any part thereof or any driver or employee of the Insured. In the event of any accident or breakdown the Motor Vehicle shall not be left unattended without proper precautions being taken to prevent further damage or loss and if the Motor Vehicle be driven before the necessary repairs are effected any extension of the damage or any further damage to the Motor Vehicle shall be excluded from the scope of indemnity granted by this Policy.
- (e) The Company may cancel this Policy by giving seven days' notice by registered letter to the Insured at his last known address and in such event will return to the Insured the premium paid less the prorata portion thereof for the period the Policy has been in force or the Policy may be cancelled at any time by the Insured on seven days' notice and (provided no claim has arisen during the current Period of Insurance and the current Certificate of Insurance has been returned to the Company on or before the date of cancellation) the Insured shall be entitled to a return of premium less the premium calculated at the Company's short period rates for the period the Policy has been in force.
- (f) If at the time any claim arises under this Policy there is any other insurance covering the same loss damage or liability the Company shall not be liable to pay or contribute more than its rateable proportion of any loss damage compensation costs or expenses provided always that nothing in this paragraph 18(f) shall impose on the Company liability from which but for this paragraph 18(f) it would have been relieved pursuant to sub-paragraph 13(a)(ii).
- (g) All differences arising out of this Policy shall be determined by arbitration in accordance with the prevailing Arbitration Ordinance. If the parties fail to agree upon the choice of arbitrators or umpires, then the choice shall be referred to the Chairman for the time being of the Hong Kong International Arbitration Centre. It is expressly stipulated that it shall be a condition precedent to any right of action or suit upon this Policy that an arbitration award shall be first obtained. If the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
- (h) This Policy is subject to the exclusive jurisdiction of Hong Kong and is to be construed according to the laws of Hong Kong.
- (i) Any person or entity who is not a party to this Policy shall have no rights under the Contracts (Rights of Third Parties) Ordinance (Cap 623 of the Laws of Hong Kong) to enforce any terms of this Policy.