

3. 보험약관

Fire Insurance Policy (F. O. C)

This Policy of insurance witness _____ (hereinafter called the Insured), having paid to THE INSURANCE COMPANY LIMITED (hereinafter called the Company) the sum of _____ for insuring against loss or damaged by Fire, as hereinafter provided, the property hereinafter described, in the sum or several sums following, namely:

The Company hereby agrees with the Insured, subject to the Conditions expressed in and endorsed upon this Policy and which are to be taken as part thereof, that if the Property hereinbefore described, or any part thereof, shall be destroyed or damaged by Fire between the day of _____, 20____, and of the (____) day of _____, 20____, or before (____) of the last day of any subsequent period in respect of which there shall have been paid to and accepted by the Company the sum required for the renewal of this Policy, the Company will pay or make good to the Insured the value of the Property so destroyed, or the amount of such damage thereto, to an amount not exceeding, in respect of each or any of the several items above specified, the Sum set opposite thereto respectively, not exceeding, in the whole, the Sum of _____ nor exceeding, in any case, the amount of the insurable interest therein of the Insured at the time of the happening of such Fire. It is hereby declared and agreed that wherever the word Fire appears in the printed conditions of this policy, it is understood to read "Fire and Lightning".

THE CONDITIONS REFERRED TO IN THIS POLICY ARE AS FOLLOWS:

1. If there be any material misdescription of any of the property hereby insured, 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, the Company shall not be liable upon this Policy so far as it relates to property affected by any such misdescription, misrepresentation or omission.
2. No payment in respect of any premium shall be deemed to be payment to the Company unless a printed form of receipt for the same signed by an Official or duly appointed Agent of the Company shall have been given to the Insured.
3. The Insured shall give notice to the Company of any insurance or insurances already effected, or which may subsequently be effected, covering any of the property hereby insured, and unless such notice be given and the particulars of such insurance or insurances be stated in or endorsed on this Policy by or on behalf of the Company before the occurrence of any loss or damage, all benefit under this Policy shall be forfeited.
4. All insurance under this Policy
 - (1) on any building or part any building,
 - (2) on any property contained in any building,

- (3) on rent or other subject matter of insurance in respect of or in connection with any building or any property contained in any building, shall cease immediately upon any fall or displacement
- (a) of such building or of any part thereof,
 - (b) of the whole or any part of any range of buildings or of any structure of which such building forms part,

Provided that such fall or displacement is of the whole or a substantial or important part of such building or impairs the usefulness of such building or any part thereof leaves such building or any part thereof or any property contained therein subject to increased risk of fire or is otherwise material and provided That such fall or displacement is not caused by fire, loss or damage by which is covered by this Policy or would be covered if such building, range of buildings or structure were insured under this Policy.

In any action, suit or other proceeding, the burden of proving that any fall or displacement is caused by fire as aforesaid shall be upon the Insured.

5. This insurance' does not cover
- (a) Loss by theft during or after the occurrence of a fire.
 - (b) Loss or damage to property occasioned by its own fermentation, natural heating or spontaneous combustion (except as may be provided in accordance with Condition 7(f), or by its undergoing any heating or drying process.
 - (c) Loss or damage occasioned by or through or in consequence of
 - (1) The burning of property by order of any Public authority.
 - (2) Subterranean Fire
6. This insurance does not cover any loss or damage which either in origin or extent is, directly or indirectly, proximately or remotely, occasioned by or contributed to by any of the following occurrences, or which, either in origin or extent, directly or indirectly, proximately or remotely, arises out of or in connection with any of such occurrences namely:
- (a) Earthquake, volcanic eruption or other convulsion of nature
 - (b) Typhoon, hurricane, Tornado, Cyclone or other atmospheric Disturbance. (whether war be declared or not), Civil war.
 - (c) War, invasion, act of foreign enemy, hostilities or war-like operations (whether war be declared or not), Civil war.
 - (d) mutiny riot, military or popular 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.
- Any loss or damage happening during the existence of abnormal conditions (whether physical or otherwise), directly or indirectly, proximately or remotely, occasioned by or contributed to by arising out of or in connection with any of the said occurrences or shall be deemed to be loss or damage which is not covered by this insurance, except to the extent that the Insured shall prove that such loss or damage happened independently of the existence of such abnormal conditions.
- In any action, suit or other proceeding, where the Company alleges 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 the Insured.
7. Unless otherwise expressly stated in the Policy this insurance does not cover
- (a) Goods held in trust or on commission.

- (b) Bullion or unset precious stones.
 - (c) Any curiosity or work of art for an amount exceeding \$100.
 - (d) Manuscripts. Plans, drawings, or designs, patterns, models or moulds.
 - (e) Securities, obligations, or documents of any kind, stamps, coins or paper money, cheques, books of account or other business books.
 - (f) Coal, against loss or damage occasioned by its own spontaneous combustion.
 - (g) Explosives.
 - (h) Any loss or damage occasioned by or through or in consequence of explosion; but loss or damage by explosion of gas used for illuminating or domestic purposes in a building in which gas is not generated and which does not form part of any gas works, will be deemed to be loss by fire within the meaning of this Policy.
 - (i) Any loss or damage occasioned by or through or in consequence of the burning, whether accidental or otherwise, of forests, bush, prairie, pampas or jungle, and the clearing of lands by fire.
8. Under any of the following circumstances the insurance ceases to attach as regards the property affected unless the Insured, before the occurrence of any loss or damage, obtains the sanction of the Company signified by endorsement upon the Policy, by or on behalf of the Company.
- (a) If the trade or manufacture carried on be altered, or if the nature of the occupation of or other circumstances affecting the building insured or containing the insured property be changed in such a way as to increase the risk of loss or damage by fire.
 - (b) In the building insured or containing the insured property become unoccupied and so remain for a period of more than 30 days.
 - (c) If property insured be removed to any building or place other than that in which it is herein stated to be insured.
 - (d) If the interest in the property insured pass from the Insured otherwise than by will or operation of law.
9. This insurance does not cover any loss or damage to property which, at the time of the happening of such loss or 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.
10. This insurance may be terminated at any time at the request of the Insured, in which case the Company will retain the customary short period rate for the time the Policy has been in force. This insurance may also at any time be terminated at the option of the Company, on notice to that effect being given to the Insured, in which case the Company shall be liable to repay on demand a ratable proportion of the premium for the unexpired term from the date of the cancellation
11. On the happening of any loss or damage the Insured shall forthwith give notice thereof to the Company, and shall within 15 days after the loss or damage, or such further time as the Company may in writing allow in that behalf, deliver to the Company
- (a) a claim in writing for the loss and damage containing as particular an account as may be reasonably practicable of all the several articles or items of property damaged or destroyed, and of the amount of the loss or damage thereto respectively, having regard to their value at

the time of the loss or damage, not including profit of any kind.

(b) particulars of all other insurances, if any.

The Insured shall also at all times at his own expense produce, procure and give to the Company all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies thereof, documents, proofs and information with respect to the claim and the origin and cause of the fire and the circumstances under which the loss or damage occurred, and any matter touching the liability or the amount of the liability of the Company as may be reasonably required by or on behalf of the Company together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

No claim under this Policy shall be payable unless the terms of this condition have been complied with.

12. On the happening of any loss or damage to any of property insured by this Policy, the Company may

- (a) enter and take and keep possession of the building or premises where the loss or damage has happened.
- (b) take possession of or require to be delivered to it any property of the Insured in the building or on the premises at the time of the loss or damage.
- (c) keep possession of any such property and examine, sort, arrange, remove, or otherwise deal with the same.
- (d) sell any such property or dispose of the same for account of whom it may concern.

The powers conferred by this condition shall be exercisable by the Company at any time until notice in writing is given by the Insured that he makes no claim under the Policy or, if any claim is made, until such claim is finally determined or withdrawn, and the Company shall not by any act done in the exercise or purposed exercise of its powers hereunder, incur any liability to the Insured or diminish its right to rely upon any of the conditions of this Policy in answer to any claim.

If the Insured or any person on his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the company in the exercise of its power hereunder, all benefit under this Policy shall be forfeited.

The Insured shall not in any case be entitled to abandon any property to the company whether taken possession of by the Company or not.

13. If the claim be in any respect fraudulent, or if any false declaration be made or used in support thereof, or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this Policy: or, if the loss or damage be occasioned by the willful act, or with the convenience of the Insured: or, if the claim be made and rejected and an action or suit be not commenced within three months after such rejection, or (in case of an arbitration taking place in pursuance of the 18th condition of this Policy) within three months after the arbitrators or arbitrators umpire shall have made their award, all benefit under this Policy shall be forfeited.

14. The Company may at its option reinstate or replace the property damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or may join with any other Company or Insurers in so doing, but the Company shall not be bound to reinstate exactly or completely, but only as circumstances permit and in reasonably sufficient manner, and in no

case shall the Company be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage, not more than the sum insured by Company thereon.

If the company so elect to reinstate or replace any property the Insured shall, at his own expense, furnish the Company with such plans, specifications, measurements, quantities, and such other particulars as the Company may require, no acts done, or caused to be done by the Company with a view to reinstatement or replacement shall be deemed an election by the Company to reinstate or replace.

If in any case the Company shall be unable to reinstate or repair the property hereby insured, because of any municipal or other regulations in force affecting the alignment of streets, or the construction of buildings, or otherwise, the Company shall in every such case, only be liable to pay such sum as would be requisite to reinstate or repair such property if the same could lawfully be reinstated to its former condition.

15. The Insured shall, at the expense of the Company, do, and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or surrogated, upon its paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.
16. If at the time of any loss or damage happening to any property hereby insured, there be any other subsisting insurance or insurances, whether effected by the Insured or by any other persons, covering the same property, this Company shall not be liable to pay or contribute more than its ratable proportion of such loss or damage.
17. If the property hereby insured shall, at the breaking out of any fire, 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 item, if more than one, of the Policy shall be separately subject to this condition.
18. If any difference arises as to the amount of any loss or damage such difference shall independently of all other questions be referred to the decision of an arbitrator to be appointed in writing by the parties in difference, or, if they cannot agree upon a single arbitrator, to the decision of two disinterested persons as arbitrators, of whom one shall be appointed in writing by each of the parties within two calendar months after having been required so to do in writing by the other party. In case either party shall refuse or fail to appoint an arbitrator within two calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole arbitrator, and in case of disagreement between the arbitrator, the difference shall be referred to the decision of an umpire who shall have been appointed by them in writing before entering on the reference and who shall sit with the arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the arbitrator, arbitrators or umpire respectively; and in the event of the death of an arbitrator or umpire, another shall in each case be appointed in his stead by the party or arbitrators (as the case may be) by whom the arbitrator or umpire so dying was appointed. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such arbitrator, arbitrators or

umpire of the amount of the loss or damage if disputed shall be first obtained.

19. In no case whatever shall the Company be liable for any loss or damage after the expiration of twelve months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration.

20. Every notice and other communication to the Company required by these Conditions must be written or printed.

In witness whereof, this Company has executed and attested these presents; but this Policy shall not be valid until countersigned by a duly authorized Representative of the Company.

Electronic Apparatus Clause

(This clause voids as to windstorm insurance)

It electrical appliances or devices(including wiring) are covered under this policy, this company shall not be liable for any electrical injury or disturbance to the said electrical appliances or devices(including wiring) caused by electrical currents artificially generated unless fire ensues, and if fire does ensue, this company shall be liable only for its proportion of loss caused by such ensuing fire.

Debris Removal CLAUSE:

It is understood and agreed that this insurance covers expenses incurred in the removal of all debris of the property insured hereunder which may be occasioned by loss caused by any of the perils insured against in this policy. However, the total liability under this policy shall not exceed the amount named therein, nor such proportion of such expense as the amount of insurance hereunder bears to the total amount of all insurance, whether such insurance includes this clause or not. In no event shall this policy cover the cost of demolition and removal of a building damaged by any of the perils insured against in this policy whether or not such demolition is required by law, ordinance or civil authority, unless such liability is specifically assumed elsewhere in this policy. Cost of removal of debris shall not be considered in the determination of actual cash value when applying any Average Clause attached to this policy.

ROLLING STOCK EQUIPMENT ENDORSEMENT

1. This policy covers the following described property only, for not exceeding the amount or amounts shown below, against physical loss or damage caused directly the perils enumerated herein, all while contain with in the territorial limits of the Republic of Korea.

Schedule

Description	Year Built	Model	Amount Insured
1)			
2)			
3)			
4)			
5)			
6)			
7)			

2. This Policy Insures Against Direct Physical Loss or Damage Cause By:

- (a) Fire and/or Lightning
- (b) Explosion(excepting explosion originating within steam boilers or internal combustion engines.)
- (c) Collision, Derailment or overturn(Collision as used herein shall not be deemed to include the coming together of equipment during coupling or uncoupling operations.)

3. Deductible Clause

Each claim for loss or Damage hereunder shall be adjusted separately and from the amount of each adjusted claim the sum of shall be deducted.

4. Property Excluded

This policy does not cover loss or damage to:

- (a) Automobiles, railroad passenger cars, freight cars or any other similar conveyance unless specifically named herein.

5. Perils Excluded

This policy does not insure:

- (a) Against loss or damage occasioned by the weight of the load exceeding the registered lifting capacity of any machine.
- (b) Against loss or damaged caused by short circuit or other electrical disturbance of any kind(excepting lightning) unless fire ensues and then for loss or damage caused by fire only.
- (c) Against loss or damage caused by the neglect of the insured to use all reasonable means to save and preserve the property insured at and after any disaster insured against.
- (d) Against loss or damage due to wear and tear or gradual deterioration or incidental to actual operation of the property insured.
- (e) Against loss or damage caused by or resulting from:
 - (1) hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack, (a) by any government or sovereign power(de jure or de facto), or by any authority maintaining or using military, naval or air forces

; or (b) by military, naval or air forces; or (c) by an agent of any such government, power, authority or forces: (2) any weapon of war employing atomic fission or radioactive force whether in time of peace or war, (3) insurrection, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence; seizure or destruction under quarantine or customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade;

- (f) Loss or damage caused by or resulting from strikes, lockouts, labor disturbances, riots, civil commotions or the acts of any persons or persons taking part in any such occurrence or disorder.

Subject to the terms and conditions of the policy to which this form is attached, except that any and all terms and condition in the body of said policy in conflict with the terms and conditions of this form are hereby waived and declared null and void.

BUSINESS INTERRUPTION FORM NO.3

(Gross Earnings Form for Mercantile or Non-Manufacturing Risks)

Insurance applies to this item(s) only when "Business Interruption". a specific amount and a co-insurance percentage are specified therefore in this policy, and unless otherwise provided, all provisions and stipulations of this form and policy shall apply separately to each such item.

Section I – Description of Coverage

1. This policy insures against loss resulting directly from necessary interruption of business caused by damage to or destruction of real or personal property by the peril(s) insured against, during the term of this policy, on premises occupied by the Insured and situated as herein described.
2. In the event of such damage or destruction this Company shall be liable for the actual loss sustained by the Insured resulting directly from such interruption of business, but not exceeding the reduction in Gross Earnings less charges and expenses which do not necessarily continue during the interruption of business, for only such length of time as would be required with the exercise of due diligence and dispatch to rebuild, repair or replace such part of the property here in described as has been damaged or destroyed, commencing with the date of such damage or destruction and not limited by the date of expiration of this policy. Due consideration shall be given to the continuation of normal charges and expenses, including payroll expense, to the extent necessary to resume operations of the Insured with the same quality of service which existed immediately preceding the loss.
3. **Resumption of Operations** : It is a condition of this insurance that if the Insured could reduce the loss resulting from the interruption of business,
 - (a) by complete or partial resumption of operation of the property herein described, whether damaged or not,
 - (b) by making use of merchandise or other property, at the location (s) described herein or elsewhere.such reduction shall be taken into account in arriving at the amount of loss hereunder.
4. **Gross Earnings**: For the purposes of this insurance "Gross Earnings" are defined as the sum of:
 - (a) Total net sales, and
 - (b) Other earnings derived from operations of the business, less the cost of:
 - (c) Merchandise sold, including packaging material therefore,
 - (d) Materials and supplies consumed directly in supplying the service (s) sold by the Insured, and
 - (e) Service(s) purchased from outsiders(not employees of the Insured) for resale which do not continue under contract.

No other costs shall be deducted in determining Gross Earnings.

In determining Gross Earnings due consideration shall be given to the experience of the business before the date of damage or destruction and the probable experience thereafter had no loss occurred.

5. **Definition of "Normal"** : The condition that would have existed had no loss occurred.

Section II – Extensions of Coverage

1. **Alterations and New Buildings** : Permission granted to make alterations in or to construct additions to any building described herein and to construct new buildings on the described premises. This policy is extended to cover, subject to all its provisions and stipulations, loss resulting from damage to or destruction of such alterations, additions or new buildings while in course of construction and when completed or occupied, provided that, in the event of damage to or destruction of such property(including building materials, supplies, machinery or equipment incident to such construction or occupancy while on the described premises or within 100 feet thereof) so as to delay commencement of business operations of the Insured, the length of time for which this Company shall be liable shall be determined as otherwise provided herein but such determined length of time shall be applied and the loss hereunder calculated from the date that business operations would have begun had no damage or destruction occurred.
This clause does not waive or modify any of the conditions of the Automatic Sprinkler Clause, if any, attached to this policy.
2. **Expenses to Reduce Loss**: This policy also covers such expenses as are necessarily incurred for the purpose of reducing loss under this policy(except expense incurred to extinguish a fire), but in no event shall the aggregate of such expenses exceed the amount by which the loss otherwise payable under this policy is thereby reduced. Such expenses shall not be subject to the application of the Co-insurance Clause.
3. **Interruption by Civil Authority**: This policy is extended to include the actual loss sustained by the Insured, resulting directly from an interruption of business as covered hereunder, during the length of time, not exceeding 2 consecutive weeks, when, as a direct result of damage to or destruction of property adjacent to the premises herein described by the peril(s) insured against, access to such described premises is specifically prohibited by order of civil authority.

Section III – Co-insurance

This Company shall not be liable for a greater proportion of any loss than the amount of insurance specified for this item bears to the amount produced by multiplying the Gross Earnings that would have been earned(had no loss occurred) during the 12months immediately following the date of damage to or destruction of the described property by the coinsurance percentage applicable(specified on the first page of this policy, or by endorsement).

Section IV – Limitations and Exclusions

1. **Electrical Apparatus Clause**: This Company shall not be liable for any loss resulting from any electrical injury or disturbance to electrical appliances, devices, fixtures or wiring caused by electrical currents artificially generated unless fire as insured against insures, and then this Company shall be liable for only its proportion of loss caused by the ensuing fire.
2. **Limitation– Media for Electronic Data Processing**: With respect to loss resulting from damage to or destruction of media for, or programming records pertaining to electronic data processing or electronically controlled equipment, including data thereon, by the perils) insured against, the

length of time for which this Company shall be liable hereunder shall not exceed

(a) 30 consecutive calendar days; or

(b) the length of time that would be required to rebuild, repair or replace such other property herein described as has been damaged or destroyed;

whichever is the greater length of time.

3. Nuclear Clause: The word "fire" in this policy or endorsements attached hereto is not intended to and does not embrace nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and loss by nuclear radiation or nuclear radiation or radioactive contamination is not intended to be and is not insured against by this policy or said endorsements, whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by "fire" or any other perils insured against by this policy or said endorsement; however, subject to the foregoing and all provisions of this policy, loss by "fire" resulting from nuclear reaction or nuclear radiation or radioactive contamination is insured against by this policy.

4. Special Exclusion: This company shall not be liable for any increase of loss resulting from;

(a) enforcement of any ordinance or law regulating the use, construction, repair or demolition of property; or

(b) interference at the described premises, by strikers or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of business!; or

(c) the suspension, lapse or cancellation of any lease, license, contract or order unless such suspension, lapse or cancellation results directly from the interruption of business, and then this Company shall be liable for only such loss as affects the Insured's earnings during, and limited to, the period of indemnity covered under this policy; not shall this Company be liable for any other consequential or remote loss.

Section V – Other provisions

1. Control of Property: This insurance shall not be prejudiced by any act of neglect of any person(other than the Insured), when such act or neglect is not within the control of the Insured.

2. Divisible Contract Clause: If this policy covers two or more buildings or the contents of two or more buildings, the breach of any condition of the policy in any one or more of the buildings covered or containing the property covered shall not prejudice the right to recover for loss occurring in any building covered or containing the property covered, where at the time of loss a breach of condition does not exist.

3. Inspection of Property and Operations: This Company and any person or organization making inspections on this Company's behalf shall be permitted but not obligated to inspect the Insured's property and operations at any time. Neither the right of this Company and any person or organization to make such inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to determine or warrant that such property or operations are safe or healthful or are in compliance with any law, rule or regulation.

4. Liberalization Clause: If during the period that insurance is in force under this policy, or within 45

days prior to the inception date thereof, on behalf of this Company there be adopted, or filed with and approved or accepted by the insurance supervisory authorities, all in conformity with law, any changes in the form attached to this policy by which this form of insurance could be extended or broadened without increased premium charge by endorsement or substitution of form, then such extended or broadened insurance shall insure to the benefit of the Insured hereunder as though such endorsement or substitution of form had been made.

- 5. Loss Clause:** Any loss hereunder shall not reduce the amount of this policy.
- 6. Pro Rata Clause:** The liability under this policy shall not exceed that proportion of any loss which the amount of insurance hereunder bears to all insurance, whether collectible or not, covering in any manner the loss insured against by this policy.
- 7. Protective Safeguards:** It is a condition of this insurance that the Insured shall maintain so far as is within his control such protective safeguards as are set forth by endorsement hereto. Failure to maintain such protective safeguards shall suspend this insurance, only as respects the location of situation affected, for the time of such discontinuance.
- 8. Requirements in Case Loss Occurs:** The Insured shall give immediate written notice to this Company of any Business Interruption loss and protect the property from further damage that might result in extension of the period of interruption; and within 60 days following the date of damage to or destruction of the real or personal property described, unless such time is extended in writing by this Company, the Insured shall render to this Company a proof of loss, signed and sworn to by the Insured, stating the knowledge and belief of the Insured as to the following:
- (a) the time and origin of the property damage or destruction causing the interruption of business,
 - (b) the interest of the Insured and of all others in the business,
 - (c) all other contracts of insurance, whether valid or not, covering in any manner the loss insured against by this policy,
 - (d) any changes in the title, nature location, encumbrance or possession of said business since the issuing of this policy, and
 - (e) by whom and for what purpose any building herein described and the several parts thereof were occupied at the time of damage or destruction, and shall furnish a copy of all the descriptions and schedules in all policies, and the actual amount of business interruption value and loss claimed, accompanied by detailed exhibits of all values, costs and estimates upon which such amounts are based.

The Insured, as often as may be reasonably required, shall exhibit to any person designated by this Company all that remains of any property herein described, and submit to examinations under oath by any person named by this Company, and subscribe the same; and, as often as may be reasonably required, shall produce for examination all books of account, bills, invoices and other vouchers, or certified copied thereof if originals be lost, at such reasonable time and place as may be designated by this Company or its representative, and shall permit extracts and copies thereof to be made.

- 9. Subrogation Clause:** This insurance shall not be invalidated should the Insured waive in writing prior to a loss any or all right of recovery against any party for loss occurring to the property

described.

① Ordinary Payroll Exclusion Endorsement

In consideration of the rate charged and substitution of the following Coinsurance Clause in lieu of the Co-insurance clause contained in the form attached to this policy, This company shall not be liable for any Ordinary Payroll Expenses as hereinafter defined.

CO-INSURANCE CLAUSE: This Company shall not be liable for a greater proportion of any loss than the amount of insurance specified for this item bears to the amount produced by multiplying the gross earnings that would have been earned (Had no loss occurred) during the 12 months immediately following the date of damage to or destruction of the described property, less the ordinary payroll expenses for that 12 month period, by the coinsurance percentage applicable specified on the first page of this policy or by endorsement.

DEFINITION OF ORDINARY PAYROLL EXPENSE: The Entire Payroll Expenses for all employees of the Insured, Except Officers, Executives, Department Managers, Employees under contract and other important employees.

②Ordinary Payroll Limited Coverage Endorsement

In consideration of the rate charged and substitution of the following Co-insurance Clause in lieu of the Co-insurance Clause contained in the form attached to this policy, The Liability of this company for ordinary payroll expense, as hereinafter defined, is limited to such expense which must necessarily continue during the interruption of business for not exceeding 90* consecutive calendar days immediately following the date of damage to or destruction of the described property.

CO-INSURANCE CLAUSE: This Company shall not be liable for a greater proportion of any loss than the amount of insurance specified for this item bears to the amount produced by multiplying the gross earnings that would have been earned(Had no loss occurred) during the 12 months immediately following the date of damage to or destruction of the described property, less the ordinary payroll expense for the portion of that 12 month period which follows the 90* days specified above by the coinsurance percentage applicable specified on the first page of this Policy, or by Endorsement.

DEFINITION OF ORDINARY PAYROLL EXPENSE: The entire payroll expense for all employees of the insured, except officers, executives, department managers, employees under contract and other important employees.

Note: *The 90-day limit may be increased, as provided in the rules, by stipulating the number of days on the first page of this policy or by endorsement.

③Media for Electronic Data processing Extension Endorsement

The form attached to this policy is amended as follows(check and complete one of the extensions below):

The provision entitled "Limitation – – – Media for Electronic Data Processing," is deleted.

The provision entitled "Limitation – – –Media for Electronic Data Processing," sub-paragraph A, is revised to read;

(90 or 180)

consecutive calendar days, or

The liability under this policy including this endorsement, shall not exceed that proportion of any loss which the amount of insurance under this policy bears to all insurance covering in any manner the loss insured against by this policy, whether or not all such other insurance includes this or a similar extension of coverage and whether all such other insurance is collectible or not.

④Business Interruption Premium Adjustment Endorsement

AMOUNT OF
INSURANCE

PERCENT OF THE LIMIT OF LIABILITY OF
ALL BUSINESS INTERRUPTION INSURANCE

\$

%

1. The intent of this endorsement being to convert the insurance provided by this policy to a premium adjustment form, the premium consideration therefor is provisional and this policy is amended to the extent set forth in the provisions of this endorsement. In all other respects the policy remains unchanged.
2. **Limits of Liability:** This Company's liability for loss under this policy including this endorsement shall not exceed the smallest of the following amounts (a), (b), (c) or (d)–
 - (a) This policy being for the amount of insurance specified above, being the percentage specified above of the limit of liability of all business interruption insurance covering the loss insured against by this policy(whether or not such insurance is written subject to the provisions of this endorsement), liability under this policy shall in no event exceed the same percentage of any loss or amount of this policy;
 - (b) The amount of liability resulting from application of the Contribution Clause in the form attached to this policy.
 - (c) In consideration of the provision for adjustment of the premium hereunder which is based upon that percentage of Gross Earnings specified in the Contribution Clause in the form attached to this policy, liability under this policy shall in no event exceed this policy's proportion of said percentage of Gross Earnings that would have been earned(had no loss occurred) during the 12months immediately following the date of damage to or destruction of the described property;
 - (d) Liability under this policy shall in no event exceed this policy's percentage of that proportion of any loss hereunder/which the last reported Gross Earnings received by this Company prior to the date of damage or destruction bears to the actual Gross Earnings during the period covered by such report.
3. **Other Insurance:** This insurance does not attach nor become operative if at the time of damage or destruction there is in force other insurance(whether collectible or not) that is not written upon the same plan, terms, conditions and provisions contained in the forms and endorsements, including this endorsement attached to this policy, until the liability of such other insurance has been exhausted.
4. **Reporting Clause:** It is a condition of this insurance that the Insured shall submit reports to this Company upon forms(sample printed on reverse side hereof) prescribed by this Company, in accordance with the following requirements:
 - (a) On the effective date of this endorsement, a report showing the Gross Earnings as defined in this policy, except that such report shall cover the Insured's latest preceding fiscal year for which such figures are available;
 - (b) Within 120 days after the close of each of the Insured's succeeding fiscal years, a report similar to that described above covering the preceding fiscal year; and
 - (c) Within 120 days after the expiration or cancellation of this policy by this Company, a similar report except that such report shall cover from the close of the Insured's last fiscal year to, or beyond the

expiration or cancellation date of this policy.

5. Premium Adjustment Clause

- (a) The premium under this policy being provisional shall be adjusted after receipt of the final reports as required by the provisions of this endorsement;
- (b) If the effective date of this endorsement is subsequent to the effective date of this policy, the premium applicable to the period preceding the effective date of this endorsement shall be considered as fully earned and no adjustment shall be made thereon;
- (c) If there has been any change in the percentages referred to in Paragraph 2 of this endorsement or in the rates named in this policy during the term of this endorsement, the final adjusted premium hereunder shall be determined by applying the method prescribed herein to each period that elapsed between the effective dates of such changes;
- (d) All reported Gross Earnings applying only in part to such period as are prescribed for premium computation hereunder shall be prorated to each such period;
- (e) All reported Gross Earnings shall be adjusted to the percentage specified in the Contribution Clause, and shall then be further adjusted to this policy's percentage of all business interruption insurance, as indicated above. The total earned premium for this policy shall be determined by adding the premium, if any, applicable to the period preceding attachment of this endorsement to the premium developed by applying the proper proportion of the rates named in this policy to the Gross Earnings for each period covered by this endorsement;
- (f) If the total earned premium under this policy as developed by the above method is less than the provisional premium paid, this Company shall refund to the Insured the excess paid, but in no event shall the total premium retained under this policy be less than \$50.00; and
- (g) If the Insured fail to submit any report Gross Earnings when and as required herein or if, at the request of the Insured, the policy is cancelled on a short rate basis, the provisions of this endorsement shall cease to apply and no adjustment of premium shall be made under this endorsement.

6. **Verification of Values:** This Company, or its duly appointed representative, shall be permitted at all reasonable times during the term of this policy, or within a year after its expiration or cancellation to inspect the property described hereunder and to examine the Insured's books, records and such policies of insurance as cover in any manner the loss insured against hereunder. This inspection or examination shall not waive or in any manner affect any of the terms or conditions of this policy.

<sample> REPORT OF VALUES UNDER BUSINESS INTERRUPTION PREMIUM ADJUSTMENT ENDORSEMENT

TO
INSURANCE COMPANY
INSURED
LOCATION
REPORT OF VALUES FROM
AGENT/BROKER

DATE
POLICY NO.
TO
ADDRESS

A. Total annual net sales value of production from Manufacturing Operations : and total annual net sales from Merchandising or Non-Manufacturing Operation, (Gross sales less discounts, returns, bad accounts and prepaid freight, if included) \$

B. Add other earnings (if any) derived from operation of the business :

1. Cash Discounts Received
2. Commissions or Rents from Leased Dept's
- 3.

C. Total ("A" Plus "B") \$

D. Deduct cost of :

1. Raw stock from which such production is derived \$
2. Supplies consisting of material consumed directly in the conversion of such raw stock into finished stock or in supplying the service(s) sold by the Insured \$
3. Merchandise sold, including packing materials therefore \$
4. Service(s) purchased from outsiders (not employees of the Insured) for resale which do not continue under contract \$
5. Total Deductions \$

E. GROSS EARNINGS ("C" Minus "D") \$

INSURANCE WRITTEN WITH ORDINARY PAYROLL EXCLUSION ENDORSEMENTS, DEDUCT FROM "F" ABOVE :

F. All Ordinary Payroll Expense \$

G. Business Interruption Basis for contribution ("E" Minus "F") \$

The fiscal year ends each

Date.

I certify the foregoing is a true and correct report of Values as required under the policy indicated above for the period indicated above.

INSURED NAMED IN POLICY
BY
TITLE

EXTENDED COVERAGE ENDORSEMENT

(Perils of Windstorm, Hail, Explosion, Aircraft,
Vehicles, Smoke, Except as Hereinafter Provided)

1. It is hereby agreed and declared that this policy shall, subject to the provisions and stipulations (hereinafter referred to as "Provisions") herein and in the policy to which this endorsement is attached, including riders and endorsements thereon, extend to cover direct loss or damage (including fire loss or damage) caused by windstorm, hail, explosion, aircraft, vehicles and smoke.
2. This endorsement does not increase the amount or amounts of insurance provided in the policy to which it is attached. If this policy covers on two or more items, the provisions of this endorsement shall apply to each item separately.
3. **SUBSTITUTION OF TERMS:** In the application of the provisions of this policy, including riders and endorsement (but not this endorsement), to the perils covered by this Extended Coverage Endorsement, wherever the word "fire" appears there shall be substituted therefor the peril involved or the loss caused thereby, as the case requires.
4. **FALL OF BUILDING CLAUSE:** The Fall of Building Clause, if any, in the policy to which this endorsement is attached shall not apply when the fall is caused by any of the perils included in this endorsement.
5. **APPORTIONMENT CLAUSE:** This Company shall not be liable for a greater proportion of any loss less the amount of the deductible, if any, from any peril or perils included in this endorsement than (1) the amount of insurance under this policy bears to the whole amount of fire insurance covering the property, or which would have covered the property except for the existence of this insurance, whether collectible or not, and whether or not such other fire insurance covers against the additional peril or perils insured hereunder; (2) nor for a greater proportion of any loss less the amount of the deductible, if any, than the amount hereby insured bears to all insurance, whether collectible or not, covering in any manner such loss, or which would have covered such loss except for the existence of this insurance; except if any type of insurance other than fire extended to cover additional perils or windstorm insurance applies to any loss to which this insurance also applies, or would have applied to any such loss except for the existence of this insurance, the limit of liability of each type of insurance for such loss, hereby designated as "joint loss" shall first be determined as if it were the only insurance, and this type of insurance shall be liable for no greater proportion of joint loss than the limit of its liability for such loss bears to the sum of all such limits. The liability of this Company (under this endorsement) for such loss shall be limited to its proportionate part of the aggregate limit of this and all other insurance of the same type.

The words "joint loss", as used in the foregoing mean that portion of the loss in excess of the highest deductible, if any, to which this endorsement and other types of insurance above referred to both apply.
6. **PROVISIONS APPLICABLE ONLY TO WINDSTORM AND HAIL:** It is hereby agreed that condition No. 6 (b) of the policy is deleted.

This Company shall not be liable for loss caused directly or indirectly by (a) frost or cold weather or (b) ice (other than hail), snowstorm, sleet, waves, tidal wave, high water or overflow, whether

driven by wind or not.

This Company shall not be liable for loss to the interior of the building or the property covered therein caused, (a) by rain, snow, sand or dust, whether driven by wind or not, unless the building covered or containing the property covered shall first sustain an actual damage to roof or walls by the direct force of wind or hail and then shall be liable for loss to the interior of the Building or the property covered therein as may be caused by rain, sand or dust entering the building through openings in the roof or walls made by direct action of wind or hail or (b) by water from sprinkler equipment or other piping unless such equipment or piping be damaged as a direct result of wind or hail.

Unless liability therefor is assumed in the form attached to this policy, or by endorsement hereon, this Company shall not be liable for damage to the following property: (a) grain, hay, straw or other crops outside of buildings of (b) wind-mills, wind-pumps or their towers, or (c) crop silos (or their contents), or (d) cloth awnings, signs, outdoor radio and television equipment, metal smokestacks, or (e) buildings (or their contents) in process of construction unless entirely enclosed and under roof with all outside doors and windows permanently in place.

7. **PROVISION APPLICABLE ONLY TO EXPLOSION:** Loss by explosion shall include direct loss resulting from the explosion of accumulated gases or unconsumed fuel within the firebox (or combustion chamber) of any fired vessel or within the flues or passages which conduct the gases of combustion therefrom. However, this Company shall not be liable for loss by explosion, rupture or bursting of:

- (a) steam boilers, steam pipes, steam turbines or steam engines; or
- (b) rotating parts of machinery caused by centrifugal force; if owned by, leased by or actually operated under the control of the Insured.

The following are not explosions within the intent or meaning of these provisions:

- (a) Concussion unless caused by explosion.
- (b) Electrical arcing,
- (c) Water hammer,
- (d) Rupture or bursting of water pipes.

provided always that all the conditions of this policy (except insofar as Condition No, 7(h) is expressly varied) shall apply as if they had been incorporated herein.

8. **PROVISIONS APPLICABLE ONLY TO LOSS BY AIRCRAFT AND VEHICLES:** The term "vehicles," as used in this endorsement, means vehicles running on land or tracks but not aircraft. Loss by aircraft or by vehicles shall include only direct loss resulting from actual physical contact of an aircraft or a vehicle with the property covered hereunder or with building containing the property covered hereunder, except that loss by aircraft includes direct loss by objects falling therefrom. This Company shall not be liable, however, for loss (a) by any vehicles owned or operated by the Insured or by any tenant of the described promises; (b) by any vehicle to fences, driveways, walks or lawns; (c) to any aircraft or vehicle including contents thereof other than stocks of aircraft or vehicles in process of manufacture or for sale.

9. **PROVISIONS APPLICABLE ONLY TO SMOKE:** The term "smoke," as used in this endorsement means only smoke due to a sudden, unusual and faulty operation of any heating or cooking unit, only when such unit is connected to a chimney by a smoke, pipe or by a vent, and while in or on the premises described in this policy excluding, however, smoke from fireplaces or industrial apparatus.

10. **WAR AND OTHER OCCURRENCES EXCLUSION CLAUSE:** This insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely;

- (a) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.
- (b) Munity, riot, military or popular 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, the act of any person acting on behalf of, or in connection with any organization with activities directed towards the overthrow by force of the government "de lure" or "de facto" or to the influencing of it by terrorism or violence.

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, except to the extent that the Insured shall prove that such loss or damage happened independently of the existence of such abnormal conditions.

In any action, suit or other proceeding where the Company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of the proving that such loss or damage is covered shall be upon the Insured.

11. **CONSEQUENTIAL LOSS EXCLUSION CLAUSE:** This Company shall not be liable for Consequential or indirect loss or damage of any kind or description including loss of earnings, loss by delay, loss by deterioration or loss of market.

12. **PROVISIONS APPLICABLE ONLY WHEN THIS ENDORSEMENT IS ATTACHED TO A POLICY COVERING BUSINESS INTERRUPTION, EXTRA EXPENSE, ADDITIONAL LIVING EXPENSE, RENTS, LEASEHOLD INTEREST, PROFITS AND COMMISSIONS, OR CONSEQUENTIAL LOSS:** When this endorsement is attached to a policy covering Business Interruption, Extra Expense, Additional Living Expense, Rents, Leasehold Interest, Profits and Commissions or Consequential Loss, the term "direct," as applied to loss, means loss, as limited and conditioned in such policy, resulting from direct loss to described property from perils, insured against; and, while the business of the owner or tenant(s) of the described building(s) is interrupted by a strike at the described location, this Company shall not be liable for any loss owing to interference by any person(s) with rebuilding, repairing or replacing the property damaged or destroyed or with the resumption or continuation of business.

SPECIAL EXTENDED COVERAGE ENDORSEMENT

(With respect to any item(s) of this policy to which this endorsement applies, the extended coverage endorsement (of any) attached to this policy is superseded by this endorsement)

1. COVERAGE:

In consideration of the premium for this coverage, and subject to provisions herein and in the policy to raw materials, finished products and semi-finished products collectively known as stock which this endorsement is attached including endorsements thereon, THIS POLICY IS EXTENDED TO INSURE AGAINST ALL OTHER RISKS OF DIRECT PHYSICAL LOSS EXCEPT AS HEREINAFTER PROVIDED.

2. DEDUCTIBLE:

The sum of \$100 shall be deducted from the amount of loss resulting from any peril other than (1) windstorm or hailstorm, or (2) fire, lightning, aircraft, vehicles, smoke explosion, riot or civil commotion.

This deductible shall apply separately to each building or structure.

3. EXCLUSIONS:

This policy does not insure against loss

- (a) By wear and tear, deterioration, rust or corrosion, mould, wet or dry rot: inherent or latent defect: smog, smoke, vapor or gas from agricultural or industrial operations: technical breakdown, including rupture or bursting caused by centrifugal force, settling, cracking shrinkage, bulging or expansion of payments, foundations, wall, floors, roofs or ceilings: animals, birds, vermin termites or other insects: unless such loss results from a peril not excluded in this policy, if loss by a peril not excluded in this policy ensues, then this Company shall be liable for only such ensuing loss.
- (b) Caused by, resulting from, contributed to or aggravated by any of the following
 - (1) water which backs up through sewers or drains:
 - (2) water below the surface of the ground including that which exerts pressure on flows, seeps or leaks through sidewalks, driveways, foundations walls, basement or other floors, or through doors, windows or any other openings in such sidewalks, driveways, foundations, walls or floors: unless loss by fire or explosion not excluded in this policy ensues, and then this Company shall be liable for only such ensuing loss.
- (c) By unexplained or mysterious disappearance of any property, or shortage disclosed on taking inventory or caused by any wilful or dishonest act or omission of the insured or any associate, employee or agent of any insured.
- (d) By vandalism, malicious mischief, theft or attempted theft, if the described buildings had been vacant beyond a period of 30 consecutive days immediately preceding the loss, unless loss by a peril not excluded in this policy ensues, and then this Company shall be liable for only such ensuing loss.
- (e) Occasioned directly or indirectly by enforcement of any local or state ordinance or law regulating the construction, repair or demolition of buildings or structures.
- (f) Plumbing, heating, air conditioning or fire protective systems or other equipment or appliances, or for loss by leakage or overflow from such systems, equipment or appliances, caused by or resulting from freezing while the described building(s) is vacant or unoccupied, unless the insured shall have exercised due diligence with respect to maintaining heat in the building(s) or unless such

systems, equipment and appliances had been drained and the water supply shut off during such vacancy or unoccupancy.

- (g) Steam boilers, steam pipe, steam turbines or steam engines, caused by any condition or occurrence within such boilers, pipes, turbines or engines(except direct loss resulting from explosion of accumulated gases or unconsumed fuel within the firebox, or combustion chamber, of any fired vessel or within the flues or passages which conduct the gases of combustion therefrom):and this policy does not insure against loss by explosion of steam boilers, steam pipes, steam turbines or steam engines, if owned by leased by or operated under the control of the insured, or for any ensuing loss except by fire or explosion not excluded in this policy and then this Company shall be liable for only such ensuing loss.
- (h) Hot water boiler or to other equipment for heating water, caused by any conditions or occurrence within such boilers or equipment, other than an explosion.
- (i) Electrical appliances, devices, fixtures or wiring, caused by artificially generated electrical currents, unless loss by fire or explosion not excluded in this policy ensues, and then this Company shall be liable for only such ensuing loss.
- (i) Glass, unless caused by fire, lightning, wind, hail, aircraft, vehicles, discharge from fire protective or building service equipment, explosion riot or civil commotion, and then only to the extent that such perils are insured against in this policy.
- (k) Fences, pavements, swimming pools and related equipment, retaining walls, bulkheads, piers, wharves or docks, when covered under this policy, caused by freezing or thawing, impact of water craft, or by the pressure or weight of ice or water whether driven by wind or not.
- (l) Metal smokestacks not, when outside of buildings, to cloth owning, signs, radio or television antenna including their lead- wiring, masts or towers caused by ice, snow or sleet, not by wind or hail unless liability therefor is assumed in the form attached to this policy or by endorsement hereon.
- (m) Lawns, trees, shrubs or plants, when covered under this policy, unless caused by fire, lightning, aircraft, explosion, riot or civil commotion, and then only to the extent that such perils are insured against in this policy.
- (n) The interior of buildings, caused by rain, snow, sand or dust, whether driven by wind or not, unless: (1) the building(s) shall first sustain an actual damage to roof or walls by the direct action of wind or hail and then this Company shall be liable for loss to the interior of the building(s) as may be caused by rain, snow, sand or dust entering the buildings(s) through openings in the roof or walls made by direct action of wind or hail: or (2) such loss results from fire, lightning, aircraft, vehicles, explosion, riot or civil commotion, vandalism or malicious mischief, to the extent that such periods are insured against in this policy.
- (o) Buildings or structures in process of construction, including materials and supplies therefor, when covered under this policy, unless caused by fire, lightning, wind hail, aircraft, vehicles, smoke, explosion riot of civil commotion, vandalism or malicious mischief, and then only to the extent that such perils are insured against in this policy.
- (p) Any property undergoing, alterations, repairs, installation or servicing, including materials and supplies therefor, if directly attributable to the operations or works being performed thereon, unless loss by a peril not excluded in this policy ensues, and then this Company shall be liable for only such ensuing loss.

War Risk Exclusion(This clause applies to all perils except fire and lightning, which perils are otherwise provided for in this policy.)

This Company shall not be liable for loss caused directly or indirectly by (a) hostile or warlike action in

time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack, (1) by any government or sovereign power(de jure or de facto), or by any authority maintaining or using military, naval or air forces; or (2) by an agent of any such government, power, authority or forces, it being understood that any discharge, explosion or use of any weapon of war employing nuclear fission or fusion shall be conclusively presumed to be such a hostile or warlike action by such a government, power, authority or forces; (b) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence.

Nuclear exclusion(This clause applies to all perils except fire and lightning, which perils are otherwise provided for in Nuclear Clause attached to this policy): Loss by nuclear reaction or nuclear radiation or radioactive contamination all whether controlled or uncontrolled, or due to any act or condition incident to any of the foregoing, is not insured against by this policy, whether such loss be direct or indirect, proximate or remote, or be in whole or a part caused by, contributed to or aggravated by any of the perils insured against by this policy.

4. OTHER PROVISIONS:

- (a) This endorsement does not increase the amount(s) of insurance provided in this policy.
- (b) If this policy covers on two or more items, this endorsement shall apply separately to each item to which this endorsement applies.
- (c) A claim for loss under this endorsement, except as provided under Exclusions F. and H. shall not be barred because of change of occupancy, nor because of vacancy or unoccupancy.
- (d) The term 「riot or civil commotion」, as used in shall include direct loss by acts of striking employees of the owner or tenant(s) of the described buildings while occupied by said striking employees and shall also include direct loss from pillage and looting occurring during and at the immediate place of a riot or civil commotion.

5. APPORTIONMENT:

This Company shall not be liable for a greater proportion of any loss less the amount of deductible, if any from any peril or perils insured against by this endorsement than (1) the amount of insurance under this policy bears to the whole amount of fire insurance covering the property, or which would have covered the property except for the existence of this insurance, whether collectible or not, and whether or such other fire insurance insures against the additional peril or perils insured against hereunder, nor (2) for a greater proportion of any loss less the amount of deductible, if any, than the amount hereby insured bears to all insurance whether collectible or not, covering in any manner such loss, or which would have covered such loss except for the existence of this insurance: except if any type of insurance other than fire extended cover additional perils or windstorm insurance applies to any loss to which this insurances also applies, or would have applied to any such loss except for the existence of this insurance the limit of liability of each type of insurance for such loss, hereby designated as "joint loss", shall first be determined as if it were the only insurance, and this type of insurance shall be liable for no greater proportion of joint loss than the limit of its liability for such loss bears to the sum of all such limits. The liability of this company(under this form) for such joint loss shall be limited to its proportionate parts of the aggregate limit of this and all other insurance of the same type. The words "joint loss" as used in the foregoing, mean that portion of the loss in excess of the highest deductible, if any, to which this form and other types of insurance above referred to both apply.

6. PROVISIONS APPLICABLE ONLY WITH THIS ENDORSEMENT IS ATTACHED TO A POLICY COVERING BUSINESS INTERRUPTION, TUITION FEES, EXTRA EXPENSE, RENT OR RENTAL VALUE, LEASEHOLD INTEREST OR OTHER CONSEQUENTIAL LOSS:

The term "direct" as applied to loss, means loss, as limited and conditioned in such policy, resulting from direct loss to described property from the peril(s) insured against: and while the business of the owner or tenant(s) of the described building(s) is interrupted by a strike at the described location, this Company shall not be liable for any loss due to interference by any person(s) with rebuilding, repairing or replacing the property damaged or destroyed or with the resumption or continuation of business.

EXTENDED COVERAGE ENDORSEMENT(S. R)

(Perils of Windstorm, Typhoon, Hurricane, Tornado, Cyclone, Hail, Explosion, Riot, Riot Attending a Strike, Civil Commotion, Aircraft, Vehicles, Smoke, Except as Hereinafter provided)

1. In consideration of Premium and subject to the conditions, provisions and stipulations herein and in the policy to which this endorsement is attached, including riders and endorsements thereon, the coverage of this policy is extended to include DIRECT loss or damage(including fire lose or damage) caused by WINDSTORM, TYPHOON, HURRICANE, TORNADO, CYCLONE, HALL, EXPLOSION, RIOT, RIOT ATTENDING A STRIKE, CIVIL COMMOTION, AIRCRAFT, VEHICLES AND SMOKE.
2. This endorsement does not increase the amount or amounts of insurance provided in the policy to which it is attached. If this policy covers on two or more items, the provisions of this endorsement shall apply to each item separately.
3. **SUBSTITUTION OF TERMS:** In the application of the provisions of this policy, including riders and endorsements(but not this endorsement) to the perils covered by this endorsement. wherever the word "fire" appears there shall be substituted therefore the peril involved or the loss caused thereby, as the case requires.
4. **FALL OF BUILDING CLAUSE:** The Fall of Building Clause, if any, in the policy to which this endorsement is attached shall not apply when the fall is caused by any of the perils included in this endorsement.
5. **APPORTIONMENT CLAUSE:** This Company shall not be liable for a greater proportion of any loss from any peril or perils included in this endorsement than (1) the amount of insurance under this policy bears to the whole amount of fire insurance covering the property, whether valid or not and whether collectible or not, and whether or not such other fire insurance covers against the additional peril or perils insured hereunder: (2) nor for a greater proportion than the amount of insurance under this policy bears to the amount of all insurance, whether valid or not, and whether collectible or not, covering in any manner such loss; furthermore, if there be insurance other than fire insurance covering any one or more of the perils causing loss hereunder, covering specifically and individual unit of property involved in the loss, only such proportion of the insurance under this policy shall apply to such unit specifically insured, as the value of such unit shall bear to the total value of all the property covered under this policy, whether such other insurance contains a similar clause or not.
6. **PROVISIONS APPLICABLE ONLY TO WINDSTORM, TYPHOON, HURRICANE, TORNADO, CYCLONE & HALL:** This Company shall not be liable for loss caused directly or indirectly by (a) frost or cold weather or (b) snowstorm, tidal wave, high water or overflow, whether driven by wind or not. This Company shall not be liable for loss to the interior of the building or the insured property therein caused (a) by rain, snow, sand or dust, whether driven by wind or not, unless the building insured or containing the property insured shall first sustain an actual damage to roof or walls by the direct force of wind or hail and then shall be liable for loss to the interior of the bulling or the insured property therein as may be caused by rain, snow, sand or dust entering the building through opening in the roof or walls made by direct action of wind or hail or (b) by water from sprinkler equipment or other piping, unless such equipment or piping be damaged as a direct result of wind, typhoon, hurricane, tornado,

cyclone or hail. Unless liability therefor is specifically assumed by policy to this policy, this Company shall not be liable for damage to the following property:

- (a) grain, hay, straw or other growing or harvested crops outside of buildings.
- (b) Windmills, wind pumps.
- (c) Crop silos or their contents.

7. **PROVISIONS APPLICABLE ONLY TO EXPLOSION:** This Company shall not be liable for loss by explosion, rupture or bursting of steam boilers, steam pipes, steam turbines, steam engines, fly-wheels owned, operated or controlled by the Insured or located in the building(s) described in this policy.

8. **PROVISIONS APPLICABLE ONLY TO RIOT, RIOT ATTENDING A STRIKE AND CIVIL COMMOTION:** This Company shall be liable for loss of or damage to the property insured(including loss or damage due to fire or explosion) directly caused by persons taking part in riots or civil commotions or by strikers or locked-out workers or by persons taking part in labor disturbances or by persons of malicious intent acting on behalf of or in connection with any political organization; also for loss of or damage to the property insured(including loss or damage due to fire or explosion) directly caused by the action of any lawfully constituted Authority in connection with foregoing perils only.

This insurance does not extent to cover (a) loss or damage occasioned by cessation of work, (b) loss or damage occasioned by confiscation, 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.

Also, notwithstanding anything in the printed conditions of this policy or endorsed thereon, it is specifically understood and agreed that, if the RIOT, RIOT ATTENDING A STRIKE AND CIVIL COMMOTION Insurance provided by this endorsement is terminated at the request of the Insured prior to its expiration, this Company shall not return the premium or any part thereof charged for said insurance except where the title and ownership of the property insured hereunder has passed from and is no longer vested in the Insured, under which circumstances, if terminated at the request of the Insured, this Company will retain the customary short period rate for the time said insurance has been in force.

9. **PROVISIONS APPLICABLE ONLY TO LOSS BY AIRCRAFT AND VEHICLES:** Loss by "Aircraft" includes direct loss by objects falling therefrom. The term "Vehicles" as used in this endorsement means vehicles running on land or tracks but not aircraft.

This Company shall not be liable however, for loss (a) by any vehicle owned or operated by the Insured or by any tenant of the described premises; (b) by vehicles to fences, driveways, walks or lawns; (c) to aircraft or vehicles including their contents other than stocks of aircrafts or vehicles in process of manufacture or for sale.

10. **PROVISIONS APPLICABLE ONLY TO SMOKE:** The term "smoke" as used in this endorsement means only smoke, due to a sudden, unusual and faulty operation of any heating or cooking unit, only when such unit is connected to a chimney by a smoke pipe, and while in or on the premises described in this policy, excluding, however, smoke from fireplaces or industrial apparatus.

11. **WAR AND OTHER OCCURRENCES EXCLUSION CLAUSE :** This Company shall not be liable for loss or damage caused by any of the perils hereby insured against under this endorsement if

such loss of damage either in origin or extent, directly or indirectly, proximately or remotely, arises out of or in connection with any of such occurrences, namely; War, invasion, act of foreign enemy, hostilities or warlike operations(whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, conspiracy, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation of or maintenance of martial law or state of siege except that the I portion of this exclusion referring to "Martial Law or State of Siege" does not apply to the perils of Riot and Civil Commotion.

12. **CONSEQUENTIAL LOSS EXCLUSION CLAUSE:** This Company shall not be liable for consequential loss or damage of any kind or description including delay, deterioration and loss of market.
13. **PROVISIONS APPLICABLE ONLY WHEN THIS ENDORSEMENT IS ATTACHED TO A POLICY COVERING BUSINESS I INTERRUPTION(USE AND OCCUPANCY), EXTRA EXPENSE, ADDITIONAL, LIVING EXPENSE, RENTS, LEASEHOLD INTEREST OR PROFITS AND COMMISSIONS :** When this endorsement is attached to a policy covering Business interruption(Use and Occupancy), Extra Expense, Additional living Expense, Rents, Leasehold Interests, Profits and Commission, the term 'direct' as applied to loss, means loss, as limited and conditioned in such policy, resulting from direct loss to described property from perils insured against; and, while the business of the owner or tenant(s) of the described building(s) is interrupted by a strike at the described location, this Company shall not be liable for any loss owing to interference by any person(s) with rebuilding, repairing or replacing the property damaged or destroyed or with the resumption or continuation business.

* Each and every word "Company" appeared in the above shall be construed to mean "Companies".

VANDALISM AND MALICIOUS MISCHIEF ENDORSEMENT

(For Use Only with Extended Coverage Endorsement No.1)

1. In consideration of the premium for this coverage shown on the first page of this policy, and subject to the provisions of this policy of fire insurance and the Extended Coverage Endorsement attached therein and of this endorsement, the coverage under said, Extended Coverage Endorsement is hereby extended to include direct loss to the described property by vandalism and malicious mischief.
2. The term "Vandalism and Malicious Mischief" as used herein is restricted to and includes only wilful and malicious physical injury to or destruction of the described property.
3. When this endorsement is attached to a policy covering direct loss to the described property, this Company shall not be liable under this endorsement for any loss.
 - (a) to glass (other than glass building blocks) constituting a part of the building;
 - (b) by pilferage, theft, burglary or larceny, except loss by wilful and malicious physical injury to or destruction of a building described and insured hereunder;
 - (c) by explosion, rupture or bursting of steam boilers, steam pipes, steam turbines, steam engines, or rotating parts of machinery caused by centrifugal force, if owned by, leased by or actually operated under the control of the Insured;
 - (d) from depreciation, delay or loss of market; nor unless specifically endorsed hereon in writing for any loss resulting from change in temperature or humidity.
4. When this endorsement is attached to a policy covering Business Interruption, Extra Expense, Rent of Rental value, Leasehold Interest or other Consequential Loss, this company shall not be liable under this endorsement for any loss due to damage to the described property when such damage results from any of the causes listed in subdivisions (b), (c), or (d) of Paragraph NO. 3 above.
5. The permitted period of vacancy as provided by said fire policy shall apply to liability under this endorsement except when such permitted period is in excess of thirty days, in which case this Company shall not be liable for loss under this endorsement occurring while the described building is vacant beyond a period of thirty days, whether or not such period commenced prior to the inception date of this endorsement; but a building in process of construction shall not be deemed vacant.
6. **Nuclear Exclusion** : Loss by nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, or due to any act or condition incident to any of the foregoing, is not insured against by this endorsement, whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by Vandalism and Malicious Mischief.

REPLACEMENT COST CLAUSE

(Building(s) and Equipment)

1. The provisions of this policy are amended to substitute the term replacement cost (without deduction for depreciation) for the term actual cash value wherever it appears in this policy subject, however, in all other respects to the provisions of this endorsement and of the policy to which this endorsement is attached.
2. This endorsement shall not apply to stock (raw, in process or finished) or merchandise, including materials and supplies in connection therewith, property of others, household furniture or residential contents in portions of a building occupied as the insured's residence; or to manuscripts; or to painting, etchings, pictures, tapestries, statuary, marbles, bronzes, antique furniture, rare books, antique silver, porcelains, rare glassware and bric-a-brac, or other articles of art, rarity or antiquity.
3. The claim payable by the Company will be calculated as follows:
 - (a) If the amount of insurance equals or exceeds 80% of its replacement cost : Full amount of loss on a replacement cost basis, however in no case shall total claim amount exceed the amount of insurance under this policy.
 - (b) If the amount of insurance is less than 80% of its replacement cost : $\text{Amount of loss on a replacement cost basis} \times \text{Amount of Insurance} / \text{Replacement Value}$
4. This company shall not be liable under this endorsement for any loss
 - (a) Occasioned directly or indirectly by enforcement of any local or state ordinance or law regulating the construction, repair or demolition of building(s) or structure(s), unless such liability has been specifically assumed under this policy;
 - (b) Unless and until the damaged or destroyed property is actually repaired or replaced by the insured with due diligence and dispatch and, in the case of building (s) or structure(s), on the same premises.
5. The replacement cost coverage extension does not apply in certain respects until actual repair or replacement has been completed. Failing such completion, the insured would receive only the actual cash value (the depreciated value) of the loss. And the insured may make further claim for any additional liability brought about by this endorsement in accordance with its provisions, provided this company is notified in writing within 180 days after loss, of the insured's intent to make such further claim.
6. This company's liability for loss on a replacement cost basis shall not exceed the smallest of the following amounts:
 - (a) The amount of this policy applicable to the damaged or destroyed property;
 - (b) The replacement cost of the property or any part thereof identical with such property on the same premises and intended for the same occupancy and use; or
 - (c) The amount actually and necessarily expended in repairing or replacing said property or any part thereof.
7. **APPORTIONMENT CLAUSE:** This company shall not be liable under this policy including this endorsement for a greater proportion of any loss than the amount of this policy applying to the

property to which this endorsement applies bears to the total amount of insurance on such property against the peril involved whether or not such other insurance includes the extension of coverage provided under this endorsement, and whether such other insurance is collectible or not.

8. If the coverage on property under this policy be divided into two or more items, all of the foregoing shall apply separately to each item to which endorsement applies.

TIDAL WAVE AND EXPLOSION OFF PRESSURE VESSELS

CLAUSE

1. It is understood and agreed that this Company shall be liable for loss or damage caused directly and only by tide or tidal water which means the rising(including the overflowing or breaking of boundaries) of seas, whether driven by wind or not.

However, this Company shall not be liable for loss or damage caused by flood that a general and temporary conditions of partial or complete inundation of normally dry land area from swells and the rising of lakes, ponds, reservoirs, rivers, streams and similar bodies of water, whether driven by wind or not.

2. It is hereby specially understood and agreed that the article seven (7) of the Extended Coverage Endorsement No.1 is extended to include direct loss or damage resulting from explosion of steam boilers, steam pipes, steam turbines or steam engines of the properties insured under this policy. It is further understood and agreed that the following are not explosions within the intent or meaning of these provisions:
 - (a) Concussion unless caused by explosion
 - (b) Electrical arcing
 - (c) Water hammer
 - (d) Rupture or bursting of water pipes.

PREMIUM ADJUSTMENT CLAUSE

1. Assured's stock inventory of this policy having been issued at a deposit premium equivalent to ()% of premium it is a conditions of the insurance that within a reasonable time after each monthly period of this policy, the insured shall furnish a statement last day of the proceeding monthly period, together with a report of any other insurance in force on the same property or any part thereof.
2. At the end of the policy period and after deducting the amount of specific insurance, if any, an average of all monthly values reported during the policy period shall be made and if the premium on such average annual values exceeds the deposit premium under this policy, is less than the deposit premium, the company shall refund to insured any excess paid.
3. In the event of cancellation of the insurance for any cause, the company shall have earned a premium based on the rate at which this policy is written and on the average of all monthly value which are required to be reported under this policy up to the date of cancellation; such cancellation, however, shall be subject to the terms and conditions of this policy.
4. This policy however does not cover the loss exceeding the insured amount specified in the policy.

FLOOD, INUNDATION, RAIN & FRESH WATER DAMAGE COVERAGE CLAUSE

It is understood and agreed that this policy covers the direct loss due to flood, inundation, rain and fresh water.

SPECIAL RISKS OF PIER AND UNLOADING EQUIPMENT FOR GRAIN CLAUSE

INSURING CLAUSE

Subject to the terms, conditions and exclusions hereinafter contained, this policy insures all real and/or personal property(including Improvements and betterments) of the Assured or property held by the Assured in trust or on commission or on a consignment for which the Assured may be held legally liable against ALL RISKS OF DIRECT PHYSICAL LOSS OR DAMAGE occurring during the period of this policy as stated in the Schedule attaching to and forming part hereof, (hereinafter referred to as the "Schedule")

PERILS EXCLUDED

This policy DOES NOT INSURE AGAINST;–

- 1) Loss or damage caused by or resulting from moth, vermin, termites, or other insects, inherent vice, latent defect, wear, tear, or gradual deterioration, contamination, rust, wet or dry, rot, mold, dampness of atmosphere, smog or extremes of temperature, Electrical and Mechanical Breakdown.
- 2) Loss or damage arising directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear reaction, nuclear radiation or radioactive contamination may have been caused. Nevertheless if a fire arises directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination any loss or damage arising directly from that fire shall (subject to the provisions of this policy) be covered excluding however all loss or damage caused by nuclear reaction, nuclear radiation or radioactive contamination arising directly or indirectly from that fire.
- 3) Loss or damage to the property insured occasioned directly or indirectly by war, invasion, hostilities, acts of foreign enemies, civil war, rebellion, insurrection, military or usurped power or martial law or confiscation by order of any Government or public authority.

SUM INSURED

Company shall not be liable for more than the sum insured stated in the Schedule in respect of each loss or series of losses arising out of one event at each location.

DEDUCTIBLE

Each loss or series of losses arising out of one event at each location shall be adjusted separately and from the amount of each such adjusted loss, the sum stated in the Schedule shall be deducted.

CONTRIBUTION

If at the time of any loss or damage happening to any property hereby insured, there be any other subsisting insurance or Insurances, whether effected by the Insured or by any other persons, covering the same property, this Company shall not be liable to pay or contribute more than its ratable proportion of such loss or damage.

PROPERTY EXCLUDED

this policy does not cover ;–

- 1) a) Aircraft, watercraft, vehicles designed for highway use, jewellery, precious stones, furs or garments trimmed with fur, standing timber, growing crops and animals
b) Accounts, bills, currency, money, notes, securities, deeds, evidences of debt and valuable papers
c) data processing equipment and media, including but not limited to, film, tape, disc, drum, cell and other recording or storage media for data processing.
- 2) Property in transit, except as may otherwise be provided by endorsement hereto.
- 3) property sold by or under encumbrance to the Assured after it leaves the custody of the Assured or an employee of the Assured.

Neon signs, and automatic or mechanical electric signs, plate glass or any lettering or ornamentation thereon, unless such loss is caused directly by fire or the combating thereof.

Buildings for structure in process of construction, including materials and supplies thereof.

Power Transmission and Feeder Lines not on the Assured's premises

PROTECTION MAINTENANCE

It is agreed that any protection provided for the safety of the insured property shall be maintained in good order throughout the currency of this policy and shall be in use at all times out of business hours or when the Assured's premises are left unattended, and that such protection shall not be withdrawn or varied to the detriment of the interests of the Company without their consent.

CONDITIONS

- 1) On the happening of any loss or damage the Insured shall forthwith give notice thereof to the Company, and shall within 15 days after the loss or damage, or such further time as the Company may in writing allow in that behalf, deliver to the company.

(a) a claim in writing for the loss and damage containing as particular an account as may be reasonably practicable of all the several articles or items or property damaged or destroyed, and of the amount of the loss or damage thereto respectively, having regard to their value at the time of the loss or damage, not including profit of any kind.

(b) particulars of all other insurances, if any.

The insured shall also at all times at his own expense produce, procure and give to the Company all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies thereof, documents, proofs, and information with respect to the claim and the origin and cause of the fire and the circumstances under which the loss or damage occurred, and any matter touching the liability or the amount of the liability of the Company as may be reasonably required by or on behalf of the Company together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

No claim under this policy shall be payable unless the terms of this condition have been complied with.

- 2) The Company may at its option reinstate or replace the property damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or may join with any other

Company of Insurers in doing so, but the Company shall not be bound to reinstate exactly or completely, but only as circumstances permit and in reasonably sufficient manner, and in no case shall the Company be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage, nor more than the sum insured by the Company thereon.

If the Company so elect to reinstate or replace any property the insured shall at his own expense, furnish the Company with such plans, specifications measurements, quantities, and such other particulars as the Company may require and no acts done or caused to be done by the Company with a view to reinstatement or replacement shall be deemed an election by the Company to reinstate or replace.

If in any case the Company shall be unable to reinstate or repair the property hereby insured, because of any municipal or other regulations in force affecting the alignment of streets, or the construction of buildings, or otherwise, the Company shall, in every such case, only be liable to pay such sum as would be requisite to reinstate or repair such property if the same could lawfully be reinstated to its former condition.

- 3) The Insured shall, at the expense of the Company, do and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing an right and remedies, or of obtaining relief or indemnity from other parties to the Company shall be or would become entitled or subrogated, upon its paying for or making good any loss or damage under this policy whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.
- 4) If the property hereby insured shall, at the time of any 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 item, if more than one, of the Policy shall be separately subject to this condition.
- 5) If any difference arises as to the amount of any loss or damage such difference shall independently of all other questions be referred to the decision of an arbitrator, to be appointed in writing by the parties in difference, or, if they cannot agree upon a single arbitrator, to the decision of two disinterested persons as arbitrator, to the decision of two disinterested persons as arbitrators, or who, one shall be appointed in writing by each of the parties within two calendar months after having been required so do to in writing by the other party. In case either party shall refuse or fail to appoint an arbitrator within two calendar months after receipt of notice in writing requiring an appointo in, the other party shall be atnthberty to appoint, a sole arbitrator; and in case of disagreeo in between the arbitrators, the difference shall be referred to the decision of an umpire who shall have been appointed by them in writing before entering on the reference and who shall sit it with the arbitratorsshall reside at their mg bings The death of any party shall not rn oke or affect the authority or powerssof the arbitrator, arbitratorssor umpire respectively; and in n wriv in writhe death of an arbitrator or umpire, another shall in each case be appointed in his stead by the party or arbitrators(as the case may be) by whom the arbitrator or umpire so dying was appointed. The costs of the reference and of the award shall be in the discretion of the arbitrator, arbitrators or umpire making the award. And it is hereby expressly stipulated and declared that it shall be a conditions precedent to any right of action or suit upon this policy that the award by such arbitrator, arbitrators or umpire of the amount of the loss or damage if disputed shall be first obtained.

STRIKES, RIOTS AND CIVIL COMMOTIONS CLAUSE

It is understood and agreed that this Company shall be liable for loss of or damage to the property insured(including loss or damage due to fire or explosion) directly caused by persons taking part in riots or civil commotions or by strikers or locked-out workers or by persons taking part in labor disturbances or by persons of malicious intent acting on behalf of or in connection with any political organization also for loss of or damage to the property insured(including loss or damage due to fire or explosion) directly caused by the action of any lawfully constituted Authority in connection with foregoing perils only.

This insurance does not extent to cover (a) loss or damage occasioned by cessation of work, (b) loss or damage occasioned by confiscation, commandeering requisition or destruction of or damage to property by order of the Government, de lure or de facto, or any Public, Municipal or Local Authority of the county or area in which the property in situated.

Also, notwithstanding anything in the printed conditions of this policy or endorsed thereon, it is specifically understood and agreed that, if the riot attending a strike and civil commotion Insurance provided by this endorsement is terminated at the request of the Insured prior to its expiration, this Company shall not return the premium or any part thereof charged for said insurance except where the title and ownership of the property insured hereunder has passed from and is no longer vested in the Insured, under which circumstances, if terminated at the request of the Insured, this Company will retain the customary short period rate for the time said insurance has been in force.

NOTICE OF CANCELLATION CLAUSE

It is hereby understood and agreed that the policy shall remain in full force for further 30 days from the date of cancellation notice in writing from the insurance Company.

COMMERCIAL PROPERTY FLOATER CLAUSE

1. **Perils insured** : This policy insures against all risks of direct physical loss or damage except as hereinafter provided.
2. **Territorial Limits** : The Republic of Korea.
3. **Perils Excluded** : The policy does not insure loss or damage caused by : or resulting from;
 - a) Mechanical Breakdown, wear and tear, gradual deterioration, moths, vermin, inherent vice or damage sustained due to any process while being actually worked upon or resulting therefrom; whether consequent upon a peril insured against or otherwise;
 - b) Infidelity of the insured's employees or persons to whom the property may be loaned, rented or intrusted;
 - c) Delay, deterioration and/or loss of market;
 - d) Theft, pilferage and/or inventory shortages excepting loss or damage caused by burglary. Burglary as used herein shall mean the forcible entry into the premises containing the property insured and there shall be evidence of such force or violence at the point of entry;
 - e) Poor packing or rough handling and breakage;
 - f) To property insured while waterborne, except while on ferries and/or in cars on transfers in connection with land conveyances;
 - g) The neglect of the insured to use all and reasonable means to save and preserve the property at and after any disaster insured against or when the property is endangered by fire in neighboring premises;
 - h) Due to short-circuiting or other electrical disturbance of any kind, exclusive of lightning, within any electrically equipped article unless fire ensues, and if fire does ensue, this company shall be liable only for loss or damage due to such fire;
 - i) Earthquake;
 - j) War, invasion, act of foreign enemy, hostilities or warlike operation(Whether war be declared or not), civil war;
 - k) Flood(meaning the rising of natural bodies of water).
 - l) Loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material.

This insurance does not cover any loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionizing radiations or contamination by radioactivity from any nuclear fuel or from the combustion of nuclear fuel.

For the purpose of this exclusion only, combustion shall include any self-sustaining process of nuclear fission;
 - m) Mutiny, strike, riot, civil commotion, military or popular 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;
 - n) Property covered therein caused (1) by rain, snow, sand or dust, whether driven by wind or not, unless the building containing the property covered shall first sustain an actual damage to roof or walls by the direct force of wind or hail and then shall be liable for loss to the interior of the building or the property covered therein as may be caused by rain, snow, sand or dust, entering the building through openings in the roof or walls made by direct action of wind or hail or (2) by water from sprinkler equipment or other piping, unless such equipment or piping

be damaged as a direct result of wind or hail.

4. Limit of Liability :

a) Locations of insured object:

Limit of Liability: = US \$

b) Transportation

1) Maximum any one motor vehicle: US \$

2) Maximum any one railroad car: US \$

5. Valuation and Co-insurance : In case of loss of or damage to the property insured hereunder, this Company shall not be liable for more than the cost of repairing or replacing the same with material of like kind and quality, nor for a greater proportion of any loss, damage or expense than the amount insured hereunder bears to the actual cash value of the property lost or damaged at the time such casualty shall occur, nor for more than the proportion which the amount insured hereunder bears to the total amount of insurance effected thereon. It shall be optional with this company to take all or any part of such property at the value ascertained as provided herein and to repair or replace such property with other of like kind and quality within a reasonable time on giving notice, within fifteen days after receipt of the proof herein required, of its intention to do so.

6. Monthly reporting and premium adjustment clause : The amount for which this policy is written and the premium charged are provisional only, if being agreed that the Insured shall furnish this Company with a statement of the values at risks as of the last day of each month and a statement of all specific insurance which may be in effect on that date, such reports to be submitted to this Company within thirty(30) days after the end of each month. At the expiration of this policy, the premium shall be adjusted on the basis of the average value at risks as determined from the said monthly statements and after deducting any specific insurance. If the earned premium so determined exceeds the provisional premium the insured shall pay the excess but if it be less, the Company shall return the difference to the insured.
However, in no case shall the minimum earned premium be less than \$ 100.00.

7. Full reporting clause : In case of loss, this Company shall not be liable for more than that proportion which the last reported value of the property, less specific insurance, if any, at the location where the loss occurred bore to the actual value of the property, less any specific insurance, at that location, and in no event for more than the actual loss or exceeding the limits set forth herein: however, unintentional errors or omissions in the monthly statements of values shall not operate to the prejudice of the insured and shall be corrected when discovered.

8. Verification of Values : This Company or its duly appointed representative shall, at all reasonable times during the policy period and within a year after its expiration, be permitted to inspect the property and examine the Insured's books and records pertaining to the property insured hereunder.

9. Forms, Endorsements and Riders : The provisions, stipulations and conditions of all forms, endorsements and riders now or hereafter attached to and forming a part of this policy shall supersede any part of the printed conditions of this policy with which they are or might be at variance.

BODILY INJURY LIABILITY COVERAGE CLAUSE

1. (Scope of Liability)

The company agrees to indemnify, subject to the provisions, terms and conditions of this Clause, the Insured for any loss which the Insured shall become legally obligated to pay under the building owner's liability (Hereinafter referred to "Loss") because of bodily injury or death sustained by any other person(s), caused by a fire on the Specific Building as described in the Policy.

2. (Definitions)

The definitions of the terms as used in this Clause shall be as follows:

- (a) "The Specific Building" shall mean any of those buildings as provided in Subparagraph 3, Article 2 of "the Law on Indemnity for Fire Losses Fire Insurance" (hereinafter referred to as "the Law") and paragraph 1, Article 2 of the Decree of the Law (hereinafter referred to as "the Decree").
- (b) "Building Owner's Liability" shall mean the Liability of the owner of the building, as provided in Subparagraph 1, Article 4 of the Law.
- (c) "Any Other Person(s)" shall mean any person other than the owner of the Specific Building and his relatives (Provided in / article 777 of the Civil Law) living with him.

3. (Extent of Loss and Limit of Liability)

- (a) The extent of the loss to be indemnified by the Company shall be as follows, provided however that in case a dispute is arisen between the Insured and the injured or the deceased's bereaved family (hereinafter referred to the "family") as to the loss as defined in Article 1 above the Insured pays any expense for any suit, arbitration or compromise, such expense shall not be indemnified by the Company:
 - i) The sum of the indemnity payable legally by the Insured to the injured or the family in accordance with the provisions of paragraph 1. Article 4 of the law and Article 5 of the Decree.
 - ii) The reasonable expense to be admitted by the Company, provided in Subparagraph (2), Paragraph (a), Article 6 of this Clause.
- (b) The total amount to be indemnified by the Company for the above loss shall be a sum which is admitted by the Company to be reasonable and shall, in no event, exceed the sum provided in Paragraph 1, Article 4 of the law and Article 5 of the Decree:

4. (Exclusions)

The Company shall not indemnify the Insured for

- (a) Loss caused by the injured's or the deceased's willful act; gross negligence or breach of law/ordinance, which should be Born by the injured or the deceased.
- (b) Loss resulting from war, riot or all other similar events.
- (c) Loss resulting from earthquake or all other similar natural disasters.
- (d) Loss caused by radiation or radioactive contamination or nuclear energy.

5. (Succession of Right and obligations of the Insured)

In case where the ownership of the Specific Building is transferred, the transferee or his appointee shall be deemed to have succeeded to the rights and the obligations of the insured, provided that it is proved that the agreement to such succession was made between the Insured and the

transferee.

6. (Occurrence of Accident)

- (a) When the Insured becomes aware of an occurrence of an accident or a loss, he shall perform the followings;
 - i) To give immediate written notice to the Company of the time and the place of the accident occurred, the name and the address of the injured or the deceased, the particulars of the accident occurred, the name and the address of the witness if available and the details of the claims if requested.
 - ii) To effect the necessary proceedings for the preservation or the exercise of the subrogation right if the loss is recoverable from any third party and also every possible measure for preventing and minimizing the loss,
 - iii) To obtain a prior consent from the Company if and when the Insured approves a part or all of the claims except the expenses for any first aid treatment or emergent transportation of the injured or the deceased.
 - iv) To notify immediately the Company when the Insured sues for the indemnity of the loss or has been sued.
- (b) In the event that after the payment of the claims to the Insured by the Company the Insured is found to have breached without any due reason his obligations provided in the precedent paragraph, the Company is entitled to request the Insured to return the full claims in case of Sub-paragraph (iv) above, the amount, by which is deemed to have been reduced. In case of Sub-paragraph (ii) above and the amount being equivalent to such portion as the Company has no liability for the indemnity, in case of Sub-paragraph (iii) above.

7. (Settlement by the Company)

- (a) In case where the Insured is requested by the injured or the family to pay claims, the Company, if necessary, shall be able to have the right to settle the claims directly, on behalf of the Insured, at the Company's expenses. In such case, the Insured shall give the company a full cooperation in every respect.
- (b) In the event that the Insured fails, without due reasons, to give the Company a full cooperation as referred in the precedent paragraph, the Company shall have the right to claim to the extent of the claims paid.

8. (Claims procedures)

- (a) For the settlement of the claims by the Company under this Policy the Insured or the injured or the family shall submit to the Company the application for the claim payment, insurance policy and all other supporting documents required by the Company, as provided in Article 6 of the Decree, within 30 days from the date when the loss provided in paragraph (a). Article 3 of this Clause is finally determined by the Insured and injured or the family, or within the extended period approved in writing by the Company.
- (b) When it is known that a false declaration is made and a fact is concealed or the documents and/or the evidences thereof are fraudulently prepared or forged, the Company is entitled to request the Insured to return the sum equivalent to the claims paid.

9. (Payment of Claims)

The Company shall pay the claims within 5 days from the date when the Insured or the injured or

the family has completed the procedures provided in the preceding Article. However, in case Where the Company has failed to complete the necessary investigation within the above period, the Company shall pay the claims immediately upon the completion of the investigation.

10. (Apportionment of Claims)

In case where the Insured as mentioned in Article 1 above consists of two or more being involved in an identical loss the claims as provided in Article 3 above shall be apportioned to each Insured.

11. (General Clauses of Standard Fired Insurance)

All other terms and conditions not provided in this Clause shall be subject to those provided in the General Clauses of the Standard Fire Insurance Policy unless they are in conflict with the provisions of this clauses.

① Building Owner's Liability for Employee(s) Exclusion Clause

Notwithstanding anything contained in the policy or bodily Injury Liability Coverage Clause, the Company shall not indemnify the insured for any loss which the insured shall become legally obligated to pay under the Building Owner's Liability because of bodily injury or death sustained by employee(s), caused by fire on the Specific Building as described in the policy.

All other terms and conditions not provided in the Clause shall be subject to the policy and bodily Injury Liability Coverage Clause.

Note: This clause must be attached according to the request of the insured, the building owner who is also an insured by Industrial Accident Compensation Insurance.

INSTALLMENT PAYMENT CLAUSES

1. It is specifically agreed and understood that the premium deposit under this policy shall be made by installments equally as follow;
 - a) 1st install. deposit premium due at Inception or %
 - b) 2nd install. deposit premium due on the day of or %
 - c) 3rd install. deposit premium due on the day of or %
 - d) 4th install. deposit premium due on the day of or %
2. In the event of the Insured failing to pay premium within 5 days after its due date, those policy shall terminate forthwith.
3. In cases where a loss for which are Company is liable hereunder occurs before the complete payment of the whole premium by the Insured and where the amount payable by the Company in settlement of such claim(plus the amount already paid by the Company if any) is more than the premium already received by the Company, the Insured shall immediately pay to the Company the next installment premiums (plus any further installment or installments if the aggregate of such next installment premium and the premiums already received is still insufficient to meet the claim), notwithstanding the provision of Paragraph 1 of this Endorsement.
4. If a request is made by the Insured, within one month from the date of termination of this policy in accordance with Paragraph 2 hereof, to revive this policy accompanied with the required premium and the Company agrees thereto, this policy shall then be considered to have been continuously in force from inception, provided, however, that the Company shall not be liable for any loss occurring between the date of termination of this policy and the time the Company's agreement to the revival is despatched.
5. All other terms and conditions remain unchanged.

SPRINKLER LEAKAGE ENDORSEMENT

(For attachment only to a Fire Policy with or without Fire Insurance)

SECTION 1

Insurance attaches only to those items specifically described in this policy for which a specific amount and premium for "Sprinkler leakage" are shown, and, unless otherwise provided, all conditions of this endorsement and the provisions of the policy to which it is attached shall apply separately to each item covered.

The policy by this endorsement, insures against all direct loss by "Sprinkler Leakage" subject to the provisions and stipulations in the policy, except as otherwise provided in this endorsement.

Any loss hereunder shall not reduce the amount of insurance under this policy.

If this policy is canceled at the request of the insured, the total premium retained by the Company shall not be less than the minimum set forth in customary short rate table.

SECTION 2-DESCRIPTION OF COVERAGE

Building coverage : When the insurance under this policy, by this endorsement, covers "Building(s)", such insurance shall include all additions and extensions attached thereto; all permanent fixtures, machinery and equipment forming a part of and pertaining to the service of the building; also the cost of repairs and replacement to the "Automatic Sprinkler System" when the damage sustained is caused directly by (a) breakage of any of its parts resulting in "Sprinkler Leakage" or (b) freezing. Unless liability is specifically assumed hereunder, this policy, by this endorsement, does not cover the cost of (1) excavations; (2) grading or filling;(3) brick, stone or concrete foundations, including foundations of machinery, boilers and engines, which are below the under-surface of the lowest basement floor, or where there is no pipes, flues, wiring and drains which are underground; and the value of such property, if excluded, shall not be used for co-insurance purposes.

Contents Coverage : When the insurance under this policy, by this endorsement, covers "Content", such insurance shall cover contents (not excepted in the printed conditions of this policy) while contained in the building(s), additions and extensions located as described in this policy.

Stock Only Coverage : When the insurance under this policy, by this endorsement, covers "Stock only", such insurance shall include merchandise, materials and supplies,(not excepted in the printed conditions of the policy) usual and incidental to the occupancy of the insured, while contained in the building(s), additions and extensions located as described in this policy.

Furniture and Fixtures Coverage : When the insurance under this policy by this endorsement, covers "Furniture & Fixtures", such insurance shall cover furniture and fixtures usual and incidental to the occupancy of the insured, while contained in the building(s), additions and extensions located as described of the insured, while contained in the building(s), additions and extensions located as described in this policy. This insurance does not cover property appertaining to the service of the building(s) additions and extensions and used in the maintenance thereof.

Machinery Coverage : When the insurance under this policy, by this endorsement, covers "Machinery", such insurance shall cover machinery usual and incidental to the occupancy of the insured, while contained in

the building(s), additions and extensions located as described in this policy, This insurance does not cover property appertaining to the service of the building(s), additions and extensions and used in the maintenance thereof.

Property of Employees or Members of the Firm Coverage : When the insurance under this policy, by this endorsement, covers "Property of Employees or Members of the Firm" the coverage shall be limited to such property while contained in the building(s), additions and extensions located as described in this policy.

Improvements and Betterments Coverage (Applies only when the insured is not the building owner) : When the insurance under this policy, by this endorsement, covers "Improvements and Betterments," such insurance shall cover the insured's use interest in improvements and betterments to the described building.

1. The term "Improvements and Betterments" wherever used in this policy is defined as fixtures, alterations, installations, or additions comprising a part of the described building and made or acquired at the expense of the insured exclusive of rent paid by the insured, but which are not legally subject to removal by the insured.
2. The word "Lease" wherever used in this policy shall mean the lease or rental agreement, whether written or oral, in effect as of the time of loss.
3. In the event improvements and betterments are damaged or destroyed during the term of this policy by the perils insured against, the liability of this Company shall be determined as follows;
 - (a) If repaired or replaced at the expense of the insured within a reasonable time after such loss, the actual cash value of the damaged or destroyed improvements and betterments.
 - (b) If not repaired or replaced within a reasonable time after such loss, that proportion of the original cost at time of installation of the damaged or destroyed improvements and betterments which the unexpired term of the lease at the time of loss bears to the period(s) from the date(s) such improvements and Betterments were made to the expiration date of the lease.
 - (c) If repaired or replaced at the expense of others for the use of the insured, there shall be no liability hereunder.

Extension of Coverage : When the insurance under this policy, by this endorsement, covers personal property, it also covers the interest of the insured in and legal liability for similar property belonging in whole or in part others, and held by the insured, while contained in the building(s) additions or extensions described located as described in this policy.

Limitation of Coverage : This policy, by this endorsement, limits coverage;

- (a) On books of account, drawings, card index systems and other records(except film, recording tape or wire), for not exceeding cost of blank books, blank cards and other materials plus cost of labor for actually transcribing or copying such records;
- (b) On film, recording tape or wire(except stock) for not exceeding the cost of unexposed film or blank tape or wire.

Property Not Covered : This policy, by this endorsement, does not cover personal property in which parties other than the insured also have an insurable interest, when the insured's interest in said property is otherwise covered by insurance.

Time Element Coverage : When the insurance under this policy, and by this endorsement, provides

time element coverage e.g. Business interruption, Tuition Fees, Extra Expense, Additional Living Expense, Rent or Rental Value, Leasehold interest or other Consequential Loss, the term "direct" as applied to loss, as limited and conditioned in such form(s) attached to this policy, resulting from direct physical damage to the described property caused by "Sprinkler Leakage". The conditions in such form(s) attached to this policy supersede the conditions of this endorsement except for those titled, "Sprinkler Leakage", "Automatic Sprinkler System", "Additional Perils not included", "Conditions suspending or Restricting insurance", "Apportionment clause", "Alarm or Watchman Service Clause", and "Nuclear Exclusion Clause".

SECTION 3-DEFINITIONS

Sprinkler Leakage : Wherever in this endorsement the term "Sprinkler Leakage" occur, it shall be held to mean (a) leakage or discharge of water or other substances from within any "Automatic Sprinkler System" or (b) direct loss caused by collapse or fall of tank(s) forming a part of such system.

Automatic Sprinkler System : Wherever in this endorsement the term "Automatic Sprinkler System" occurs, it shall be held to mean any automatic fire protective system including sprinklers, discharge nozzles and ducts, pipes, valves, fittings, tanks (including component parts and supports thereof), pumps and private fire protection mains, all connected with and constituting a part of an automatic fire protective system, and connected with and constituting a part of an automatic fire protective system, and nonautomatic fire protective systems, hydrants, stand pipes or hose outlets supplied from an automatic fire protective system.

SECTION 4

Co-insurance Clause : (This Clause applies only when a percentage of Co-insurance is specified on the first page of this policy or by endorsement hereon.) This Company shall not be liable for a greater proportion of any "Sprinkler Leakage" loss or damage to the property described here in than the sum hereby insured bears to the percentage(s) specified in the first page of this policy(or endorsement hereon) of the actual cast value of said property at the time such loss shall happen, nor or more than the proportion which this policy bears to the total Sprinkler Leakage insurance thereon.

In the event that the aggregate claim for any Sprinkler Leakage loss both less than \$2,500 and less than two percent 2% of the described herein at the time such loss occurs, no special inventory or appraisalment of the undamaged property shall be required provided, however, that nothing herein shall be construed to waive application of the first paragraph of this clause.

SECTION 5-EXCLUSIONS AND LIMITATIONS

Additional Perils Not included : Anything in the policy to the contrary notwithstanding, under this endorsement this Company shall not be liable for loss by "Sprinkler Leakage" or by collapse or fall of a tank caused, directly or indirectly, by; (a) fire; (b) lightning; (c) windstorm; (d) earthquake; (e) blasting; (f) explosion; (g) rupture or bursting of steam boilers or fly wheels; (h) riot; (i) civil commotion; (i) water, except from within an "Automatic Sprinkler System", (k) hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack (1) by any government or sovereign power (de jure or de

facto), or by any authority maintaining or using militaining or using military, naval or air forces; or (2) by military, naval or air force; or (3) by an agent of any such government, power, authority or forces, it being understood that any discharge, explosion or use of any weapon of war employing nuclear fission or fusion shall be conclusively presumed to be such a hostile or warlike action by such a government, power, authority or forces; (1) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence; (m) order of any civil authority.

Nuclear Exclusion : Loss by nuclear reaction or nuclear radiation, radioactive contamination, all whether controlled or uncontrolled, or to any act or condition incident to any of the foregoing, in not insure against by this endorsement, whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by "Sprinkler Leakage" as insured against by this endorsement.

Conditions Suspending or Restricting Insurance : Unless otherwise provided in writing this Company shall not be liable for "Sprinkler Leakage" loss:

- (a) occurring during and resulting from the making of repairs, alterations or extensions involving a wall or support(s) of a floor or roof, or the installation of or change in an "Automatic Sprinkler System" at the location described in this policy after a period of fifteen consecutive days from the beginning of such operations, or
- (b) while a building at the location(s) described in the policy is vacant or unoccupied;

SECTION 6—OTHER PROVISION

Liberalization Clause : If, during the period that insurance is force under this policy, or within 45 days prior to the inception date thereof, on behalf of this company there be adopted, or filed with and approved or accepted by the insurance supervisory authorities, all in conformity with law, any changes in the form attached to this policy by which this form of insurance could be extended or broadened without increased premium charge by endorsement or substitution of form, then such extended or broadened insurance shall insure to the benefit of the Insured hereunder as though such endorsement or substitution of form had been made.

Alarm or Watchman Service Clause : (Applies only when credit in rate has been granted) In consideration of the reduced rate(s) at which this endorsement is written it is expressly stipulated and made a condition thereof that the Insured shall maintain an approved Alarm or Watchman Service insofar as it is under his control or supervision.

Apportionment : This Company shall not be liable for a greater proportion of any loss from "Sprinkler leakage" than (1) the amount of insurance applicable under this Endorsement bears to the whole amount of "Sprinkler leakage" written under the same type of insurance, terms and conditions covering the property, or which would have covered the property except for the existence of this insurance, whether collectible or not; not (2) if any type of insurance other than "Sprinkler Leakage" insurance written under the same type of insurance, terms and conditions applies to any loss to which this insurance also applies, or would have applied to any such loss except for the existence of this insurance, the limit of liability of each type of insurance for such loss, hereby designated as "joint loss", shall first be determined as if it were the only greater proportion of joint loss than the

limit of its liability for such loss bears to the sum of all such limits. The liability of this Company (under this endorsement) for such joint loss shall be limited to this proportionate part of the aggregate limit of this and all other insurance of the same type. The words "joint loss", as used in the foregoing, mean that portion of the loss in excess of the highest deductible, if any, to which this endorsement and the types of insurance above referred to both apply.

Control of Property : This insurance shall not be prejudiced by any act or neglect of any person (other than the named insured), when such act or neglect is not within the control of the named insured.

Divisible Contract Clause : If this policy, by this endorsement, covers two or more buildings or the contents of two or more buildings, the breach of any condition of the policy in any one or more of the buildings covered or containing the property covered shall not prejudice the right to recover for loss occurring in any building covered or containing the property covered, where at the time of loss a breach of condition does not exist.

Subrogation clause : This insurance shall not be invalidated should the insured waive in writing prior to a loss any or all right of recovery against any party for loss occurring to the property described herein.

Debris Removal Clause : This insurance, by this endorsement, covers expenses incurred in the removal of all debris of the property covered hereunder which may be occasioned by loss caused by "Sprinkler Leakage".

However, the total liability under this policy for both loss the property and removal of debris shall not exceed the amount of insurance applying under this policy to the property damaged or destroyed. This Company shall not be liable for more than the proportion of such debris removal expense as the amount of insurance under this policy bears to the total amount of insurance on the property covered hereunder, whether or not all such insurance on the property covered hereunder, whether or not all such insurance includes this clause.

Unless liability is otherwise specifically assumed by endorsement attached here to, this Company shall not be liable for debris removal expense occasioned by the enforcement of any state or municipal law or ordinance which necessitates the demolition of any portion of a building covered hereunder which has or has not suffered damage by "Sprinkler Leakage".

Debris removal expense shall not be considered in the determination of actual cash value in the application of the Co-insurance Clause, if any, made a part of this policy.

THE PROVISIONS PRINTED ON THE BACK OF THIS ENDORSEMENT ARE HEREBY REFERRED TO AND HAVE A PART HEREOF.

BUSINESS INTERRUPTION INSURANCE

Gross Earning Form 4 Manufacturing

1. Subject to all its provisions and stipulations, this policy covers only against loss resulting directly from necessary interruption of business caused by damage to or destruction of real or personal property, except finished stock, by the peril(s) insured against, during the term of this policy, on premises occupied by the Insured as and situated
2. In the event of such damage or destruction this Company shall be liable for the actual loss sustained by the Insured resulting directly from such interruption of business, but not exceeding the reduction in Gross Earnings less charges and expenses which do not necessarily continue during the interruption of business, but not exceeding the reduction in Gross Earnings less charges and expenses which do not continue during the interruption of business, for only cash length of time as would be required with the exertion of due diligence and effort to rebuild, repair or replace such part of the property herein described as has been damaged or destroyed, commencing with the date of such damage or destruction and not limited by the date of expiration of this policy. Due consideration shall be given to the continuation of normal charges and expense, including payroll expense, to the extent necessary to resume operations of the Insured with the same quality of service which existed immediately preceding the loss.
3. **Resumption of Operations** : It is a condition of this insurance that if the Insured could reduce the loss resulting from the interruption of business,
 - a) by complete or partial resumption of operation of the property herein described, whether damaged or not, or
 - b) by making use of other property at the location(s) described herein or elsewhere, or
 - c) by making use of stock (raw, in process or finished) at the location(s) described herein or elsewhere, such reduction shall be taken into account in arriving at the amount of loss hereunder.
4. **Expenses Related to Reducing Loss** : This policy also covers such expenses as are necessarily incurred for the purpose of reducing loss under this policy (except expense incurred to extinguish a fire) and such expenses, in excess of normal, as would necessarily be incurred in replacing any finished stock, used by the Insured to reduce loss under this policy; but in no event shall the aggregate of such expenses exceed the amount by which the loss under this policy is thereby reduced. Such expenses shall not be subject to the application of the Contribution Clause.
5. **Gross Earnings' For the purposes of this insurance "Gross Earnings" are defined as the sum of**
 - a) Total net sales of value of production,
 - b) Total net sales of merchandise, and
 - c) Other earnings derived from operation of the business, less the cost of:
 - d) Raw Stock from which such production is derived,
 - e) Supplies consisting of materials, consumed directly in the conversion of such raw stock into finished stock or in supplying the service(s) sold by the Insured.
 - f) Merchandise sold, including packaging materials therefore, and
 - g) Service(s) purchased from outsiders (not employees of the insured) for resale which do not continue under contract.

No other costs shall be deducted in determining Gross Earnings, In determining Gross Earnings due consideration shall be given to the experience of the business before the date of damage or destruction and the probable experience there after had no loss occurred.

6. **Contribution Clause** : In consideration of the rate and from under which this policy is written, this Company shall be liable, in the event of loss, for no greater proportion there of than the amount hereby covered bears to % of the Gross Earnings that would have been earned (had no loss occurred) during the 12months immediately following the date of damage to or destruction of the described property.
7. **Finished Stock** : This Company shall not liable for any loss resulting form damage to or destruction of finished stock, nor for the time required to reproduce said finished stock.
8. **Interruption by Civil Authority** : This policy is extended to include the actual loss as covered hereunder during the period of time, not exceeding 2 consecutive weeks, when, as a direct result of the peril (s) insured against, access to the premises described is prohibited by order of civil authority.
9. **Special Exclusions** : This Company shall not be liable for any increase of loss which may be occasioned by any local or state ordinance or law regulating construction or repair of buildings or structures, not by the suspension, lapse or cancellation of lease or license, contract or order, not for any increase of loss due to interference at described premises by strikers or other persons with rebuilding, repairing or replacing the property or with the resumption or continuation of bossiness; nor shall this Company be liable for any other consequential loss remote loss.
10. **Pro-Rate Clause** : The liability under this policy shall not exceed that proportion of any loss which the amount of insurance hereunder bears to all insurances, whether collectible or not, covering in any manner the loss insured against by this policy.
11. **definition** : The following terms wherever used in this policy shall mean:
 - a) "Raw Stock": material in the state in which the Insured receives it for conversion by the Insured into finished stock.
 - b) "Stock in Process": Raw stock which has undergone any aging, seasoning, mechanical or other process of manufacture at the location(s) herein described but which has not become finished stock. "Finished Stock": Stock manufactured by the Insured which in the ordinary courses of the Insured's business is ready for packing, shipment or sale.
 - c) "Finished Stock" : Stock manufactured by the Insured which in the ordinary courses of the Insured's business is ready for packing, shipment or sale
 - d) "Merchandise": Goods kept for sale by the Insured which are not the product of manufacturing operations conducted by the insured.
 - e) "Normal": the condition that would have existed had no loss occurred.
12. **Loss Clause** : Any loss hereunder shall not reduce the amount of this policy
13. **Work and Material Clause** : Permission granted for such use of the premises as is usual or incidental to the occupancy as described herein.

14. **Electrical Apparatus Clause** (This Clause Void as to Windstorm Insurance): This Company shall not be liable for Business Interruption loss resulting from electrical injury or disturbance to electrical appliances or devices (including wiring) caused by electrical currents artificially generated unless fire ensues, and if fire does ensue this Company shall be liable only for its proportion of Business Interruption loss caused by such ensuing fire.
15. **Alterations and New Buildings Clause** : Permission granted to make alterations in, or to construct additions to, any building described herein and to construct new buildings on the described premises. This Policy is extended to cover, subject to all its provisions and stipulations, loss resulting from damage to or destruction of such alterations, additions, or new buildings, while in course of construction and when completed or occupied, provided that, in the event of damage to or destruction of such property (including building materials, supplies, machinery or equipment incident to such construction or occupancy while on the described premises or within one hundred(100) Feet thereof so as to delay commencement of business operations of the Insured, the length of time for which this Company shall be liable shall be determined as otherwise provided herein but such determined length of time shall be applied and the loss hereunder calculated from the date that business operations would have begun had no loss occurred.)
- If any building herein described is protected by automatic sprinklers, this permit shall not be held to include the reconstruction or the enlargement of any building so protected, without the consent of this Company in writing. This permit does not waive or modify any of the terms or conditions of the Automatic Sprinkler clause (if any) attached to this policy.
16. **Liberalization Clause** : If during the period that insurance is in force under this policy, there be adopted in this state by the fire insurance rating organization on behalf of this Company, any forms, endorsements or rules by which this insurance could be extended or broadened, without additional premium charge, by endorsement or substitution of such form or endorsement, then such extended or broadened insurance shall insure to the benefit of the Insured hereunder as through such endorsement or substitution of from had been made.
17. **Subrogation Clause** : It is hereby stipulated that insurance shall not be invalidated should the Insured waive, in writing prior to a loss any or all right of recovery against any party for loss occurring to the property described herein.
18. **Nuclear Clause** : The word "fire" in this policy or endorsements attached here to is not intended to and does not embrace nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and loss by nuclear reaction or nuclear radiation or radioactive contamination is not intended to be and is not insured against by this policy or said endorsements, whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by "fire" or any other perils insured against by this policy or said endorsements; however, subject to the foregoing and all provisions of this policy, loss by "fire" resulting from nuclear reaction or unclear radiation or radioactive contamination is insured against by this policy.
19. When this form is attached to a policy covering the perils of windstorm and hail, this Company shall not be liable for any Business Interruption loss resulting from damage to or destruction of metal smokestacks by windstorm or hail, unless otherwise provided for by endorsement hereon

and additional premium paid there for.

20. **Special Conditions Applicable To Mining Risks** : The following additional conditions a) and b) are applicable only to Mining risks:

- a) This insurance does not extend to cover any loss caused by the peril(s) insured against occurring in mine or mines or by the disturbance of any property underground, unless as a result of such peril(s) any superstructure above ground is damaged or destroyed and then only for the loss that would be occasioned during the time required to repair or replace such structure or structures.
- b) This policy applies only to the buildings and machinery that contribute to the production of the minning plant. Commissaries, commissary warehouse and dwelling contents of such building, are excluded unless specifically provided for herein.

① Off Premises Power Clause

It is understood and agreed that this policy is extended to include liability, as per the insuring clause, for business interruption loss resulting from damage to or destruction of any generating plant, power house, substation, transformer or other equipment, including transmission lines and connections, used in furnishing electricity, steam or gas to the premises as insured under attached schedules by the perils insured under attached schedules.

② Premium Return(Adjustment) Clause

In the event that the actual gross earnings for each annual period of insurance are less than the estimated amount shown in the schedule of this policy, a pro-rate return of period of insurance will be payable to the insured in respect of the difference.

③ Ordinary Payroll Exclusion Endorsement

In Consideration of the rate charged and substitution of the following Co-insurance Clause in lieu of the Coinsurance Clause contained in the form attached to this policy, this company shall not be liable for any Ordinary Payroll Expenses as hereinafter defined.

CO-INSURANCE CLAUSE: This company shall not be liable for a greater proportion of any loss than the amount of insurance specified for this item bears to the amount produced by multiplying the gross earning that would have been earned (Had no loss occurred) during the 12 months immediately following the date of damage to or destruction of the described property, less the ordinary payroll expenses for that 12 month period, by the coinsurance percentage applicable specified on the first page of this policy or by endorsement.

DEFINITION OF ORDINARY PAYROLL EXPENSE : The Entire Payroll Expenses for all employees of the Insured, Except Officers, Executives, Department Managers, Employees under contract and other important employees.

④ Ordinary Payroll Limited Coverage Endorsement

In Consideration of the rate charged and substitution of the following Coinsurance Clause in lieu of the Co-insurance Clause contained in the attached to this Policy, The liability of this company for ordinary payroll expense, as herein after defined, is limited to such expense which must necessarily continue during the interruption of business for not exceeding 90* consecutive calendar days immediately following the date of damage to or destruction of the described property.

COINSURANCE CLAUSE: This Company shall not be liable for a greater proportion of any loss than the amount of insurance specified for this item bears to the amount produced by multiplying the gross earnings that would have been earned (Had no loss occurred) during the 12 months immediately following the date of damage to or destruction of the described property, less the ordinary payroll expense for the portion of that 12 month period which follows the 90* days specified above by the coinsurance percentage applicable specified on the first page of this policy, or by Endorsement.

DEFINITION OF ORDINARY PAYROLL EXPENSE : The entire payroll expense for all employees of the insured, except officers, executives, department managers, employees under contract and other important employees.

Note: *The 90day limit may be increased, as provided in the rules, by stipulating the number of days on the first page of this policy or by endorsement.

⑤ Business Interruption Premium Adjustment Endorsement

AMOUNT OF INSURANCE

PERCENT OF THE LIMIT OF LIABILITY
ALL BUSINESS INTERRUPTION INSURANCE

\$

%

1. The intent of this endorsement being to convert the insurance provided by this policy to a premium adjustment form, the premium consideration there for is provisional and this policy is amended to the extent set forth in the provision of this endorsement. In all other respects the policy remains unchanged.
2. **Limits of Liability** : This Company's liability for loss under this policy including this endorsement shall not exceed the smallest of the following amount (a), (b), (c) or (d);-
 - (a) This policy being for the amount of insurance specified above of the limit of liability of all business interruption insurance covering the loss insured against by this policy (whether or not such insurance is written subject to the provisions of this endorsement), liability under this policy shall in no event exceed the same percentage of any loss or amount of this policy:
 - (b) The amount of liability resulting from application of the Contribution Clause in the form attached to this policy:
 - (c) In consideration of the provision for adjustment of the premium here under which is based upon that percentage of Gross Earnings specified in the Contribution Clause in the form attached to this policy, liability under this policy shall in no event exceed this policy's proportion of said percentage of Gross Earnings that would have been earned (had no loss occurred) during the 12 months immediately following the date of damage to or destruction of the described property;
 - (d) Liability under this policy shall in no event exceed this policy's percentage of that proportion of any loss here under/which the last reported Gross Earnings received by this Company prior to the date of damage or destruction bears to the actual Gross Earnings during the period covered by such report.
3. **Other Insurance** : This insurance does not attach nor become operative if at the time of damage or destruction there is in force other insurance(whether collectible or not) that is not written upon the same plan, terms, conditions and provisions contained in the forms and endorsements, including this endorsement, attached to this policy, until the liability of such other insurance has been exhausted.
4. **Reporting Clause** : It is a condition of this insurance that the insured shall submit reports to this Company upon forms(sample printed on reverse side hereof) prescribed by this Company, in accordance with following requirements:
 - (a) On the effective date of this endorsement, a report showing the Gross Earnings as defined in the policy, except that such report shall cover the Insured's latest preceding fiscal year for which such figures are available;
 - (b) Within 120 days after the close of each of the Insured's succeeding fiscal years, a report similar to the described above covering the preceding fiscal year; and
 - (c) Within 120 days after the expiration or cancellation of this policy by this Company, a similar

report except that such report shall cover from the close of the Insured's last fiscal year to, or beyond, the expiration or cancellation date of this policy.

5. Premium Adjustment Clause :

- (a) The premium under this policy being provisional shall be adjusted after receipt of the final reports as required by the provisions of this endorsement;
- (b) If the effective date of this endorsement is subsequent to the effective date of this policy, the premium applicable to the period preceding the effective date of this endorsement shall be considered as fully earned and no adjustment shall be made thereon;
- (c) If there has been any change in the percentages referred to in Paragraph 2 of this endorsement or in the rates named in this policy during the term of this endorsement, the final adjusted premium hereunder shall be determined by applying the method prescribed herein to each period that elapsed between the effective dates of such changes;
- (d) All reported Gross Earnings applying only in part to such periods as are prescribed for premium computation hereunder shall be prorated to each such period;
- (e) All reported Gross Earnings shall be adjusted to the percentage specified in the Contribution Clause, and shall then be further adjusted to the policy's percentage of all business interruption insurance, as indicated above. The total earned premium for this policy shall be determined by adding the premium, if any, applicable to the period preceding attachment of this endorsement to the premium developed by applying the proper proportion of the rates named in this policy to the Gross Earnings for each period covered by this endorsement;
- (f) If the total earned premium under this policy as developed by the above method is less than the provisional premium paid, this Company shall refund to the Insured the excess paid, but in no event shall the total premium retained under this policy be less than \$ 50.00; and
- (g) If the Insured fails to submit any report of Gross Earnings when and as required herein or if, at the request of the Insured, the policy is canceled on a short rate basis, the provisions of this endorsement shall cease to apply and no adjustment of premium shall be made under this endorsement.

6. Verification of Values : This Company, or its duly appointed representative, shall be permitted at all reasonable times during the term of this policy, or within a year after its expiration or cancellation to inspect the property described hereunder and to examine the Insured's books, records and such policies of insurance as cover in any manner the loss insured against hereunder. This inspection or examination shall not waive or in any manner affect any of the terms or conditions of this policy.

**<sample> REPORT OF VALUES UNDER BUSINESS INTERRUPTION
PREMIUM ADJUSTMENT ENDORSEMENT**

TO INSURANCE COMPANY INSURED LOCATION REPORT OF VALUES FROM AGENT/BROKER	DATE POLICY NO. TO ADDRESS
---	---

A. Total annual net sales value of production from Manufacturing Operations : and total annual net sales from Merchandising or Non-Manufacturing Operation, (Gross sales less discounts, returns, bad accounts and prepaid freight, if included in sales) \$

B. Add other earnings (if any) derived from operation of the business :

1. Cash Discounts Received
2. Commissions or Rents from Leased Dept's
- 3.

C. Total ("A" Plus "B") \$

D. Deduct cost of :

1. Raw stock from which such production is derived \$
2. Supplies consisting of material consumed directly in the conversion of such raw stock into finished stock or in supplying the service(s) sold by the Insured \$
3. Merchandise sold, including packing materials therefore \$
4. Service(s) purchased from outsiders (not employees of the Insured) for resale which do not continue under contract \$
5. Total Deductions \$

E. GROSS EARNINGS ("C" Minus "D") \$

INSURANCE WRITTEN WITH ORDINARY PAYROLL EXCLUSION ENDORSEMENTS, DEDUCT FROM "F" ABOVE :

F. All Ordinary Payroll Expense \$

G. Business Interruption Basis for contribution ("E" Minus "F") \$

The fiscal year ends each

Date.

I certify the foregoing is a true and correct report of Values as required under the policy indicated above for the period indicated above.

INSURED NAMED IN POLICY
BY
TITLE

VANDALISM INSURANCE FORM

1. In consideration of the payment an additional premium, and subject to the provisions of this Policy and of this endorsement, coverage under this policy is hereby extended to include direct loss to the described property from vandalism and malicious mischief.
2. The term "Vandalism and malicious mischief" as used is restricted to and includes only wilful or malicious physical injury to or destruction of the described property.
3. This company shall not be liable this endorsement for any loss.
 - (a) to glass(other than glass building blocks) consisting a part of the building:
 - (b) from pilferage, theft, burglary or larceny, except loss wilful or malicious physical injury to or destruction of a building described and insured hereunder;
 - (c) from depreciation, delay, deterioration, change in temperature or humidity, loss of market, nor from any other consequential or indirect loss of any kind:
 - (d) caused, directly, by enemy attack by armed forces, including, action taken by military, naval or air forces in resisting an actual or an immediately impending attack: invasion, insurrection, rebellion, revolution, civil war, usurped power.
4. In respect of direct loss to the described property from vandalism and malicious mischief, the company is liable only for the amount by which the loss exceeds() (or the currency in which the policy is written).

LIMITED EXPLOSION CLAUSE

The Company agrees that if after payment of the premium the property insured described herein, or any part of such property, be destroyed or damaged by Explosion(not occasioned by or happening through any of the perils of Earthquake, Subterranean Fire, Riot, Civil Commotion, War, Invasion, Act of Foreign Enemy, Hostilities(Whether War be declared or not), Civil War, Rebellion, Revolution, Insurrection or Military or Usurped Power)

(i) Of Boilers used for domestic purposes only,

(ii) In a building not being part of any Gas Works, of Gas used for domestic purposes or used for lighting or heating the building;

The Company will pay to the Insured subject to the Terms and Conditions described in and endorsed upon this policy.

EXPLOSION COVERAGE ENDORSEMENT

It is understood and agreed that this Policy shall be extended to cover direct loss resulting from the explosion of accumulated gases or unconsumed fuel within the firebox (or combustion chamber) of any fired vessel or within the flues or passages which conduct the gases of combustion therefrom. However, this Company shall not be liable for loss by explosion, rupture or bursting of:

- (a) steam boilers, steam pipes, steam turbines or steam engines: or
- (b) rotating parts of machinery caused by centrifugal force; if owned by, leased by or actually operated under the control of the Insured.

The following are not explosions within the intent or meaning of these provisions:

- (a) Concussion unless caused by explosion.
- (b) Electrical arcing.
- (c) Water hammer.
- (d) Rupture or bursting of water pipes.

CO-INSURANCE CLAUSE(I)

It is further understood and agreed that the following clause is incorporated in this Policy;

"The undersigned issue this insurance policy in acknowledgement that in accordance with the regulations set forth by the Fire Insurance Policy of the Insurance Co., Ltd. and by this Fire Insurance Policy as shown in the copies attached hereto, each of the undersigned companies Policy as shown in the copies attached hereto, each of the undersigned companies has concluded a Fire Insurance Contract within the Limit of Insured Amount apportioned to each company."

Share & Limit of

Insured Amount

Name of Companies

Representative

PAYMENT OF PREMIUM/CLAIM CLAUSE

1. It is understood and agreed that the premiums for this policy shall be paid or returned to the Company / Policyholder in Won currency applying to the first notified T/T Selling Rate of Exchange by Korea Exchange Bank.
 - ① Premiums : Date of Application
 - ② Additional Premiums / Return Premiums : Date of Endorsement
 - ③ Refunds of Surrenders : Date of Surrender
 - ④ Installment Premiums : Due Date
2. It is further understood and agreed that claim paid shall be paid in Won Currency applying to the first notified T/T Selling Rate of Exchange by Korea Exchange Bank or the Certificate of Foreign Exchange equivalent to () currency at the date of loss payment.

CO-INSURANCE CLAUSE(II)

In consideration' of the rate and/or form under which this policy is written, it is expressly stipulated and made a condition of this policy that the Insured shall at all times maintain contributing insurance on each item of property insured by this policy to the extent of least () % of the actual cash value at time of the loss, and that failing to do so, the Insured shall to the extent of such deficit bear his proportion of any loss.

LIMIT OF LIABILITY CLAUSE

It is understood and agreed that the liability of the company under this policy shall not exceed US\$ ()
on () any one occurrence.

THEFT FOLLOWING FORCIBLE AND VIOLENT ENTRY
ENDORSEMENT

In Consideration of the payment of the Additional Premium included in the First premium hereon it is hereby agreed and declared that:

If after actual forcible and violent entry of the buildings described in Item No. any of the property whilst contained therein shall be stolen or damaged by thieves or if as a consequence of such forcible and violent entry or any attempt threat there shall occur any damage to the aforesaid buildings falling to be borne by the Insured.

Then the insurance under the aforesaid item of the Policy shall extend to include such loss or damage.

PROVIDED ALWAYS THAT:

1. Immediately upon having knowledge of any event giving rise or likely to give rise to a claim under this Policy the Insured shall:
 - a) give notice to the police and tender all reasonable assistance in causing the discovery and punishment of any guilty person and in tracing and recovering the property.
 - b) give notice thereof to the company in writing and within seven days thereafter deliver to the company a claim in writing and supply all such detailed proofs and particulars as may be reasonably required.

In no case shall the Company be liable for any loss or damage not notified to the Company within thirty days after the event.

2. The Insured shall take all reasonable precautions for the safety of the Property as regards selection and supervision of employees securing all doors and windows and other means of entrance and otherwise.

Total Sum Insured under this endorsement

It is noted and agreed that for the purposes only of the insurance granted by this endorsement condition No.5 (1) (a) of the Policy is amended by the addition of the words "_____ unless such loss or damage is accompanied by actual forcible and violent entry".

EARTHQUAKE, WATER DAMAGE, STORM, TEMPEST AND FLOOD EXTENSION ENDORSEMENT

It is hereby declared and agreed that, notwithstanding anything in this policy contained to the contrary the insurance under this Policy shall (subject to the provisions and Special Conditions here in after contained) extend to cover Loss or Damage directly caused by:

- a) Earthquake, Fire or Shock
- b) The Bursting or Overflowing of Water Tanks Apparatus or Pipes (Excluding damage caused thereto)
- c) Storm and Tempest
- d) Rain, provided that on the happening of any Loss or Damage to any Buildings or the Contents there of the same Buildings are not already in a damaged or defective condition as regards Foundations, Walls, Ceilings, Gutters, Roofs, Doors, Windows or Roof Lights.
- e) Flood which shall mean;
 - (i) The overflowing or deviation from their normal channels of either natural or artificial water courses and
 - (ii) Any flow or accumulation of water on the ground except when such flow or accumulation be of water emitted from any water supply main, tap, pipe, valve or the like save as referred to in (f) hereof.
- f) Overflowing of Gutting and Down Pipe in connection there with or bursting or overflowing of Municipal or other Public Water Supply mains.

Provided always that all the conditions of this Policy shall apply(except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage directly caused by fire shall be deemed to apply also to loss or damage directly caused by any of the Perils which the Insurance extends to include by virtue of this Endorsement.

GULF INSURANCE ENDORSEMENT NAME OF Insured OR Insureds

Par. No.1 – This policy covers on Real and Personal Property as hereinafter defined, including property which under the conditions of this policy must be specifically assumed or named in order to be covered, the property of the Insured also including the Insured's interest in and liability for the property of others while in trust, on commission, sold but not delivered, on consignment or storage, on trial or approbation, for repairs or alteration, under lease, contract or royalty, or when the Insured has assumed liability or are otherwise liable therefor or has agreed to carry insurance thereon, all while located at or near the Insured's

Par. No.2 – This Policy does not Cover :

- A. Water-borne vessels and their contents;
- B. Accounts, bills, currency, deeds, evidences of debt, monies, notes and securities;
- C. Automobiles or Railroad tank cars otherwise insured;
- D. Underground piping, but it is agreed that tunnels and piping therein, other exposed piping, and contents of piping are not excluded;
- E. Pipe conduits outside of buildings, but it is agreed that concrete underpasses for piping under railroads and roadways are not excluded;
- F. Manifold pits outside of buildings, but it is agreed that concrete under-passed for piping an valves therein are not excluded;
- G. Paving, curbing and masonry sidewalks outside of buildings;
- H. Land valuer
- I. Earthen, concrete and brick dikes;
- J. Aircraft;
- K. Brick, stone and concrete building foundations below the under-surface of the lowest basement floor or when there is no basement, below the surface of the ground;
- L. The Insured's interest in property in which parties other than the Insured also have an insurable interest when the Insured's interest in such property is otherwise specifically insured;
- M. Property insured under separate builder's risk policies or installation floaters.

Par. No.3 – LOSS PAYABLE CLAUSE:

Loss, if any, to be adjusted with and payable to or order.

Par. No.4 – Paragraphs 2, 4, 7, 8 and 17, of the printed conditions of this policy are void.

Par. No.5 – Paragraphs 5(b) and 5(c-1) of the printed conditions of this policy are void; it being understood that this policy covers loss or damage to the described property caused by order of any public authority when such destruction is done in order to prevent the spread of fire, caused by any of the perils insured against hereunder.

Par. No.6 – It is hereby agreed and declared that printed Condition No. 6 of this Policy is replaced by the following

- 6. This insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:

- (a) Earthquake, volcanic eruption, or other convulsion of nature unless fire or explosion ensues and this policy will then insure any loss as a result of such ensuing fire or explosion;
- (b) War, invasion, act of foreign enemy, hostilities or warlike operations(whether war be declared or not),civil war,
- (c) Mutiny, military or popular 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.

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, except to the extent that the Insured shall prove that such loss or damage happened independently of the existence of such abnormal conditions, In any action, suit or other proceeding where the Company alleges 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 the Insured.

Par. No.7 – PERMISSIONS CLAUSE

Permission is specifically granted (1) To work at any and all times; and (2) To change occupancy and increase hazards as may be desired; and (3) To keep and use all articles and materials in such quantities as the exigencies of the business require; and (4) To be and remain vacant and unoccupied an to shut down and cease operation, all without limit of Time; and (5) To make alterations, additions or repairs and to construct additions, new buildings structures and tanks.

When alterations, additions or repairs are made or when new tanks or structures are constructed on the premises described herein, this policy(so far as it applies on buildings, tanks or structures) shall also cover in accordance with its conditions all materials and supplies therefor, therein, or adjacent there to, and this policy shall also cover such alterations or additions or such new buildings, tanks and structures and (so far as it applies on contents) shall extend to cover in such additions or new buildings, tanks and structures. This clause does not waive or modify any of the terms or any attached to this policy; and (6) the property may be or become encumbered by any contract of encumbrance, that contract of sale therefor may be executed and that change may take place in the interest in, title to, or possession of the subject of insurance, whether by legal process or otherwise.

It is agreed that any and all privileges, notices and agreements which are required or necessary to establish or maintain the validity and/or coverage of this insurance are granted under this policy, as if the same were expressly endorsed hereon or added hereto.

Par. No.8 – The words "fifteen days" appearing in Paragraph 11 of this policy are hereby changed to read "sixty days"; the words "three months" appearing in Paragraph 13 of this policy are hereby changed to read "twelve months".

Par. No.9 – DEBRIS REMOVAL CLAUSE:

It is understood and agreed that this insurance covers expenses incurred in the removal of all debris of the property insured hereunder which may be occasioned by loss caused by any of the perils insured against in this policy. However, the total liability under this policy shall not exceed the amount named therein, nor such proportion of such expense as the amount of insurance hereunder bears to the total amount of all insurance, whether such insurance includes this clause or not. In no

event shall this policy cover the cost of demolition and removal of a building damaged by any of the perils insured against in this policy whether or not such demolition is required by law, ordinance or civil authority, unless such liability is specifically assumed elsewhere in this policy. Cost of removal of debris shall not be considered in the determination of actual cash value when applying any Average Clause attached to this policy.

Par. No.10 – OTHER INSURANCE CLAUSE:

If at the time of a loss, any marine or specific insurance exists in the name of the Insured on any property covered hereunder, or where marine or specific insurance has been taken out in the name of others for the benefit of the Insured this insurance shall not attach or be considered to be insurance covering the said property until the amount due from all such marine or specific insurance shall have been exhausted; it being understood and agreed that under this policy the insured is to be reimbursed to the extent of the difference between the amount due from such marine or specific insurance and the amount of actual loss sustained by the insured after applying any and all contribution, co-insurance, average or distribution clauses contained in such policies of marine or specific insurance, not exceeding, however, the limits mentioned in this policy.

Par. No.11 – TIME CLAUSE:

Wherever in the construction of this policy time is of importance, standard time at the location of the property insured shall govern.

Par. No.12 – FOAM LOSS OR DAMAGE ASSUMPTION CLAUSE:

It is agreed that the value of foam solution or other fire extinguishing materials lost, expended or destroyed in fighting fire in property covered under this policy may be included in arriving at the amount of loss.

Par. No.13 – LOSS CLAUSE:

Due to consideration being given to the Insured's method of annual revaluation, copies of which are on file with the Underwriters, it is understood that any loss hereunder shall not reduce the amount of this policy.

Par. No.14 – CANCELLATION CLAUSE:

Should this policy be cancelled by the Company, 30 day's prior notice, in writing, of such cancellation shall be given by registered mail to the Insured .

Par. No.15 – DIVISIBLE CONTRACT CLAUSE:

If any violation of the terms and conditions of this policy occurs to vitiate this insurance, and the condition which has caused such violation has caused or has been removed, then this insurance shall immediately be considered as being in full force and effect; and further such violation shall not be held to vitiate this entire policy but only that part of the insurance applying to the particular building or structure in which that violation occurred.

Par. No.16 – PROPERTY OF EMPLOYEES:

Subject to its terms and conditions, this insurance shall cover the tools, wearing apparel and other personal property excluding automobiles, of officers and employees of the Insured not otherwise insured while situated on premises of Insured for not exceeding \$ 500, for any one officer or

employee. This coverage shall not apply on premises occupied for dwelling purposes.

Par. No.17 – REMOVAL CLAUSE:

This Policy is extended to cover property insured here under against all direct loss or damage by removal from premises in danger by the perils insured against, and for ten days any place to which such property shall necessarily be removed for preservation from the perils insured against.

Par. No.18 – NO CONTROL CLAUSE:

This policy shall not be affected by failure of the Insured to comply with any of the warranties or conditions endorsed hereon in any portion of the premises over which the Insured has no control.

Par. No.19 – LIBERALIZATION CLAUSE:

If, during the period that insurance is in force under this policy, the policy of any authorized endorsements of filed rules and regulations affecting the same are revised by statute or otherwise so as to extend or broaden this insurance without additional premium charge, such extended or broadened insurance shall insure to the benefit of the Insured hereunder.

Par. No.20 – SUBROGATION CLAUSE:

This insurance shall not be invalidated if the Insured in writing has waived or may hereafter, (but prior to the occurrence of any loss covered hereunder) waive its right of recovery from any firm, corporation or individual for loss covered hereunder and this company expressly waives subrogation against any parent, subsidiary, or affiliated Company of the Insured.

Par. No.21 – PERMISSION TO REPAIR:

It is understood and agreed that in the case of loss or damage, the Insured is at liberty to immediately make all necessary repairs, notice of loss to be given to the company without delay upon knowledge of and the Insured hereby agrees to keep and produce a record of both materials and labor used in replacing and/or repairing the actual damage done.

Par. No.22 – In lieu of paragraphs 12 and 14 of the printed form of this policy, it shall be optional with this Company to take all, or any part of the property at the agreed or appraised value; and also to repair, rebuild or replace the property destroyed or damaged with other of like kind and quality within a reasonable time, on giving notice of its intention to do so within 30 days after the receipt of the proof of loss herein required. There can be no abandonment to this Company of any property.

Par. No.23 – ELECTRICAL APPARATUS CLAUSE:

This Company shall not be liable for any loss resulting from any electrical injury or disturbance to electrical appliances, devices or wiring caused by electrical currents artificially generated unless fire ensues and; if fire does ensue this Company shall be liable only for its proportion of loss caused by such ensuing fire.

Par. No.24 – CO-INSURANCE CLAUSE: (Applicable only to Item #)

In consideration of the rate and/or form under which this policy is written, it is expressly stipulated and made a condition of this policy that the Insured shall at all times maintain contributing insurance on each item of property insured by this policy to the extent of at least 90% of the actual cash value at the time of the loss, and that failing to do so the Insured shall to the extent of such deficit

bear his proportion of any loss.

In the event that the aggregate claim for any loss hereunder is less than 5% of the total amount of insurance upon the property described herein at the time such loss occurs, Insured shall not be required to furnish any inventory of the undamaged property provided, however, that nothing herein shall be construed to waive the application of the Co-Insurance Clause.

Paragraphs 25 through 28 inclusive apply to Item 2 only.

Par. No.25 – PROVISIONAL AMOUNT CLAUSE:

The amount for which this item is written is provisional only and it is agreed that the actual amount of insurance shall at all times be equal to 100% of the value of the property covered hereunder; subject, however, to the limit of liability specified herein and also subject to the adjustment of the premium as hereinafter provided.

Par. No.26 – PREMIUM ADJUSTMENT CLAUSE:

- (a) Item No. 2 of this policy having been issued at a deposit premium, it is a conditions of this contract that within a reasonable time after each quarterly period () of this policy, the Insured shall furnish a statement showing the total value(computed as set forth in the basis of settlement clause) of the property covered hereunder on hand the last day of the preceding quarterly period, together with a report of any other insurance in force on the same property or any part thereof.
- (b) On each anniversary date of the contract and after deducting the amount of specific insurance, if any, an average of all quarterly values reported during each annual term of the contract shall be made and if the premium on such average annual values exceeds one -third of the three-year deposit premium under the contract, the insured shall pay to insurer an additional premium for such excess; and if such premium is less than one-third of the three-year deposit premium, the insurer shall refund to this insured any excess paid.
- (c) In the event of cancellation of the contract for any cause, the Company shall have earned a premium based on the rate at which this policy is written and on the of all quarterly values which are required to be reported under this policy up to the date of cancellation; such cancellation, however, shall be subject to the terms and conditions of this policy.

Par. No.27 – BASIS OF SETTLEMENT CLAUSE:

In the event of claim for loss or damage to, the basis of settlement shall be the posted market price there of on the date of the loss, plus the gathering and pipeline charges, plus premium value actually paid by the Insured, to include also, where is delivered to refinery in railroad tank cars, tank trucks, or boats, loading and unloading charges, plus earned freight revenue, but in no case to exceed replacement value of like kind and quality ; and, in the event of claim for loss or damage to other stock, the basis of settlement shall be the market value at the place and at the time of loss, not to exceed replacement value of like kind and quality.

Par. No.28 – LIMIT OF LIABILITY CLAUSE:

This Company shall not be liable for more than on the contents of any one tank in any one loss, disaster, or casualty.

*Each and every word "Company" appeared on the above shall be construed to mean "Companies."

유공 특별약관

It is hereby noted and agreed that the following Terms have added to be operative "Endorsement #1"

(1) Extended Coverage (Broad terms including Riot and Strikes)

(2) Vandalism and Malicious Mischief

(3) In the event any the Companies subscribing hereto should fail to meet his portion of liability hereunder by reason of bankruptcy, or any other reason which causes him an insolvency, the rest of the Companies will bind themselves, each for his portion may be derived at from each amount retained for his own account, to pay or make good such portion of liability to the Assured.

(4) Any payment made under this insurance policy will be applied first in satisfaction of any outstanding indebtedness due the Gulf Oil Corporation and Gulf Oil Corporation, dated September 21. 1963.

(5) a) Any payment made under this Insurance Policy where the amount is US\$50,000 shall be made to the Korean Reconstruction Bank, who remit it in full to KOREA Oil Corporation for application first to repair and replacement of the affected property and any remainder to reduction of outstanding indebtedness due the Gulf Oil Corporation or Subsidiaries under the Loan Contract between the Korea Oil Corporation and Gulf Oil Corporation dated September 23.1963.

b) It is also agreed that the meaning of the word "Spare Parts" appeared on the List of fire Insurance shall be extended to include all the General Material and equipment.

(6) a) In consideration of an additional premium to the Company, it is agreed and understood that during the term of this policy the company will automatically provide the coverage on the newly added additional, newly built building, structures and tanks on the premises described herein under the same term and condition of the original policy for the remaining period of the Said Original Policy, upon the insured's furnishing of a declaration showing the total value of the property to be newly added date of coverage to be effected, location, and other necessary information.

b) It is further agreed and understood that the additional premium for the new additional properties to the original policy for the period as attached thereto shall be in principle based on the premium charged on the original policy.

(7) It is understood and agreed that Par. No.7 in the Extended Coverage Endorsement attached to this policy is hereby declared null and void and following clause substituted:

Provisions applicable only to explosion : Loss by explosion shall include direct loss resulting from the explosion of accumulated gases or unconsumed fuel within the firebox (or the combustion chamber) of any fired vessel or within the flues or passages which conduct the gases of combustion therefrom but this company shall not be liable for loss by explosion, rupture or bursting for steam boilers, steam pipes, steam turbines, steam engines, or rotating parts of machinery, owned, operated or controlled by the Insured, except that this Company shall be liable for direct explosion caused by internal pressure of steam in processing machinery, equipment or apparatus.

Electrical arcing, water hammer, and the bursting of water pipes are not explosions within the intent or meaning of these provisions.

Any other explosion clause made a part made a part of this policy is superseded by this endorsement.

- (8) It is specifically understood and agreed that the Insured amount for the All Property is computed by the Insured, particulars of which read as follows;

DEDUCTIBLE CLAUSE

It is understood and agreed that in case of loss damage, the company shall not be liable for of the loss or damage on any one accident.

PREMIUM INSTALLMENT CLAUSE

(Half year by)

1. It is specifically hereby understood and agreed that the premium under this Policy shall be payable in the following two(2) installments:

a) 1st installment due and payable at inception:

b) 2nd installment due and payable on

Nevertheless it is further understood and agreed that In the event of any installment not being paid until its above due date, the Company shall not be liable for any loss as occurred during the period from such due date to the date when such due installment is paid.

2. In the event of a claim arising hereunder which exceeds the installment premium paid on this Policy the installments of premium the outstanding shall become due and payable forthwith.

COLLAPSE, SUBSIDENCE AND LAND-SLIP CLAUSE

This insurance is extended to include loss of or damage to the property insured arising from collapse, subsidence and land-slip.

APPLICATION OF PROVISIONAL RATES CLAUSE

It is understood and agreed that the premium under this policy shall be adjusted at the premium rate subsequently fixed by the approval of the authorities concerned.

BRAND AND LABEL CLAUSE

It is understood and agreed that in the event of loss or damage occurring for which the Insurers are liable, the damaged goods are not to be sold or otherwise disposed of with the labels on, or in containers embossed with the insured name or trade mark, without the consent of the Insured. And any expenses incurred in removing the original labels or relabelling or bulking or re-conditioning the damaged goods, together with any depreciation, are recoverable from the Insurers.

SONIC BOOM COVERAGE CLAUSE

This insurance is extended to include loss of or damage to the property insured caused by or resulting from Sonic Boom, which shall mean damage caused by or resulting from Sonic Shock Waves.

EARTHQUAKES COVERAGE CLAUSE

Notwithstanding any provisions contained in the policy, the Company shall be liable for loss or damage of property described in this policy caused by or arising out of volcanic eruption, the earthquake and tidal waves due to earthquake.

VESSEL IMPACT COVERAGE CLAUSE

It is agreed and declared that this policy shall, subject to the provisions and stipulations herein and in the policy to which this endorsement is attached, extend to cover direct loss or damage resulting from actual physical contact of a vessel with the property covered hereunder or with building containing the property covered under this policy.

SPECIAL ENDORSEMENT FOR LEASED PROPERTY OF A LEASING COMPANY

1. Indemnification for Loss or Damage:

Our Company(hereinafter called "The Company") shall indemnify for loss or damage of "Property Insured", subject to the General Clauses of the General Clauses of the Fire Policy, the endorsements attached thereto, and this Special Endorsement.

2. The Date of Beginning and Termination of Liability:

Liability of the Company shall start when property to be insured is handed over to the lessee at a place designated by the leasing company after erection or installation and testing or, when erection or installation and testing are not required, when handed over to the lessee at a place designated by the leasing company. The Company's liability shall terminate when the leasing period of the property insured under the lease contract(re-leasing period in the case of a re-leasing contract) expires.

3. Property To Be Insured:

The leasing company shall be a policy-Holder or an Insured, and all property leased to the lessee from the leasing company subject to the lease contract(excluding any items other than said Property Insured under the fire Insurance policy) shall be property to be insured.

4. Application for Additional Property To Be Insured:

(1) The Policy-Holder must make an application without delay prior to the start of the Company's liability, as provided in the paragraph 2 of this special Endorsement, whenever he wants to insure such additional property.

However, if circumstances require, a written notice with the following information to the Company prior to the inception of the Insurance period shall be deemed his application.

- 1) Insurance period
- 2) Description and quantity of property to be insured
- 3) Sum to be insured
- 4) Lease contract number
- 5) Leasing period
- 6) The name of lessee
- 7) Location of the property

(2) Notwithstanding any delay or omission in making such application provided in the preceding subparagraph "(1)", The Company shall indemnify, subject to this special Endorsement, when it is proved that such delay or omission was not caused by the Policy -Holder's wilful or gross negligence. However, the Company shall not be liable for indemnity, in case seven (7) days(including a legal holiday) have elapsed from the date when such property was handed over to the lessee, as provided in the paragraph 2 of this Special Endorsement.

(3) In case of an omission in making the application, the Policy-Holder shall pay a premium for such additional property without any objection even after the expiration of the policy.

(4) The Company, subject to the provisions in the preceding sub-paragraphs "(1)" and "(2)", shall calculate monthly a premium and ask the Policy-Holder for such premium, and the Policyholder shall pay the premium to the Company without delay. however, the deposit

premium provided in paragraph 8 of this Special Endorsement shall be adjusted upon the expiration date.

5. Insurable Value and Sum Insured:

The insurable value of property to be insured and the sum insured shall be the amounts shown below, which are calculated on the basis of the stipulated amounts specified in the lease contract.

Lease Period	Sum Insured
(1) First Year of Lease.	Total stipulated amount Contract
(2) Each following year	The stipulated amount for the current of lease contract year less the amount produced by multiplying the difference between the amount stipulated for the current year and the amount stipulated for the following year by the proportion that the number of elapsed months in the current year prior to the loss bears to 12months.
(3) For insured property repaired or mended as provided in paragraph 6 – (1), the amount agreed between the leasing company and the lessee shall be the value of the preceding sub-paragraph "(1)".	

6. Exclusion Applicable to a Fall of Value:

- (1) The Company, in case of damage on the insured property, shall indemnify all expenses only for repairing or mending of a part of such damaged property, but shall not be liable for loss resulting from a fall of the value of such insured property.
- (2) The Company, in case the repairing or mending expenses defined in the preceding sub-paragraph "(1)" exceed the sum insured, or such property damage can not be repaired or mended, shall indemnify such damage within the limit of the sum insured.

7. Registration of Civil Engineering & Construction Machinery:

- (1) When a registration number, or license number, or the like (except temporary permits of temporary license numbers) is put on property insured which is defined as a vehicle by Automobile Liability Compensation Act, the insurance contract for such property shall become invalid.
- (2) When the insurance contract becomes invalid due to the provisions of the preceding subparagraph "(1)" the Policy-Holder is entitled to receive a return premium for the unearned premium from the Company.

8. Deposit Premium :

- (1) Upon attachment of this endorsement to the policy, the Policy-Holder shall pay a one month deposit premium
- (2) The Company shall not indemnify any loss or damage occurring prior to receipt of the deposit premium provided in the preceding sub-paragraph "(1)"

9. Waiver of Subrogation Rights:

The Company, in case of acquisition of a right of claim for loss or damage caused by negligence of the losses or his agent or his employee(except gross negligence), subject to Article 682 and 718 of the Commercial Code, shall waive such right.

10. A Change of the Conditions:

The Policy-Holder can request in writing for the Company to change this Special Endorsement, and the Company shall notify the Policy-Holder whether or not such a change is accepted within one (1) month from the date of receipt of such request.

11. Others:

Other conditions not provided in this Endorsement shall be subject to the General Clauses of the Fire Policy.

LOSS OF PROFITS CLAUSE

1. Subject to all its provision and stipulations, this policy covers only against loss of profits as hereinafter defined directly resulting from necessary interruption of business caused by damage to or destruction by the perils insured against during the term of this policy of any building or other property or any part thereof used by the Insured at the premises for the purpose of the Business except as hereinafter specially excluded or limited, on premises occupied by the Insured as
and situated at
2. The following printed conditions of this policy are hereby cancelled :-
Condition 7 – Paragraphs (a) to (g) inclusive
Conditions 9,14 and 17.
3. Conditions Nos. 11 and 12 this Policy are replaced by the following
"On the happening of any Damage in consequence of which a claim is or may be made under this Policy, the Insured shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimize or check any interruption of or interference with the business or to avoid or diminish the loss, and in the event of a claim being made under this Policy, the Insured shall, not after than thirty days after the expiry of the Indemnity Period or within such further time as the Insurers may in writing allow, at his own expense deliver to the Insurers in writing a statement setting forth particulars of his claim, together with details of all other insurance (if any) covering the Damage or any part of it or consequential loss of any kind resulting therefrom. The Insured shall at his own expense produce, procure and give to the Insurers such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonable be required by or on behalf of the Insurers for the purpose of investigating or verifying the claim together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith. No claim under the this Policy shall be payable unless the terms of this condition have been complied with and in the event of noncompliance therewith in any respect, and payment on account of the claim already made shall be repaid to the Insurers forthwith."
4. Condition No. 19 of this Policy is replaced by the following:
In no case whatever shall the Insurers be liable in respect of any claim under this Policy after the expiration of
 - a) One year from the end of the Indemnity Period or, if later,
 - b) Three months from the date on which payment shall have been made or liability admitted by the Insurers covering the damage giving rise to the said claim; unless the claim is the subject of pending action or arbitration.
5. It is a condition of this insurance that at the time of the happening of the damage causing interruption of the business carried on by the Insured there shall be in force an insurance covering the interest of the Insured in the property at the premises against such damage and that payment shall have been made or liability admitted therefor under such insurance.
6. This endorsement and attached specification, together with the policy of which they form part,

shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of this endorsement of specification shall bear such specific meanings whatever they may appear.

7. Electrical Apparatus Clause: This company shall not be liable for loss occasioned by or happening through or in consequence of damage caused by electrical disturbance to the generator, exciter, converter, transformer, voltage regulator, condenser switch, contact breaker, lightning arrester, switchboard and other electrical appliances or apparatus. However, this Company shall be liable for loss occasioned by or happening through or in consequence of damage by fire to those other than electrical appliances or apparatus upon which loss or damage as described above has occurred.

SPECIFICATION

Item NO.(1) : Gross Profit Sum Insured :

The insurance under item (1) is limited to loss of Gross Profit due to (a) Reduction in turnover and (b) increase in cost of working and the amount payable as indemnity thereunder shall be:

- a) IN RESPECT OF REDUCTION IN TURNOVER: The sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover.
- b) IN RESPECT OF INCREASE IN COST OF WORKING : The additional expenditure(subject to the provisions of Memo. 2) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided, less any sum saved during the Indemnity Period in respect of such of the Insured Standing Charges as may cease or be reduced in consequence of the Damage, provided that if the Sum Insured by this item be less than the sum produced by applying the Rate of Gross Profit to the annual Turnover, the amount payable shall be proportionately reduced.

Item No. (2): On Week's Wages

Total :

DEFINITIONS

GROSS PROFIT : The sum produced by adding to the Net Profit the amount of the Insured Standing Charges, or if there be not Net Profit the amount of the insured Standing Charges less such a proportion of any net trading loss as the amount of the Insured Standing Charges bears to all the standing Charges of the business.

NET PROFIT : The net trading profit(exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all standing and other charges including depreciation.

INSURED STANDING CHARGES :

TURNOVER : The money paid or payable to the Insured for goods sold and delivered fat services rendered in course of the business at the premises.

INDEMNITY PERIOD : The period beginning with the occurrence of the Damage and ending not later than months thereafter during which the results of the business shall be affected in consequence of the Damage.

RATE OF GROSS PROFIT : The rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage.

ANNUAL TURNOVER : The turnover during the twelve months immediately before the date of the Damage.

STANDARD TURNOVER : The turnover during that period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period to which such adjustments shall be

made as may be necessary to provide for the trend of the business and for variations in or, special circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the result which but for the damage would have been obtained during the relative period after the damage.

MEMO 1 : If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on the Insured's behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

MEMO 2 : If any Standing Charges of the business be not insured by this policy then in computing the amount recoverable hereunder as "increase" in Cost of Working that proportion only of the additional expenditure shall be brought into account which the sum of the Net Profit and the Insured standing charges bears to the sum of the Net Profit and all the standing Charges.

10 % AUTOMATIC INCREASE CLAUSE

It is understood and agreed that this clause extends to cover amount representing increase in value of the sum insured up to 10% over the existing cover limit for each item, it being understood that the Insured undertakes to advise such additional insurances as soon as practicable and to pay the additional premium required from the date of inception thereof. Following advice of any additional insurance, the provisions of this memorandum are fully reinstated.

TEMPORARY REMOVAL CLAUSE

It is understood and agreed that subject to the following provisions the Property insured by this policy other than Buildings, Stocks and Materials in Trade is covered whilst temporarily removed for cleaning, renovation or repair or other similar purposes to any premises not in the Insured's occupation and in transit thereto and therefrom by road, rail or inland waterway anywhere in Korea.

ARCHITECTS AND SURVEYOR'S CONSULTANTS AND LEGAL FEES CLAUSE

It is understood and agreed that indemnity under this clause is limited to those fees necessarily incurred in the repair replacement or rebuilding of property insured consequent upon its destruction or damage and does not extend to fees incurred in preparing any claim under this Policy.

Cyber Exclusion Clause

This agreement does not apply to, and specifically excludes losses of any kind directly or indirectly caused by, arising from, or consisting of, in whole or in part.

- a) The use or misuse of the Internet or similar facility
- b) Any electronic transmission of data or other information
- c) Any computer virus or similar problem
- d) The use or misuse of any Internet address ; Website or similar facility
- e) Any data or other information posted on a Website of similar facility ;
- f) Any loss of data or damage to any computer system, including but not limited to hardware or software (unless such loss or damage is caused by an earthquake, a fire, a flood or a storm) ;
- g) The functioning or malfunctioning of the Internet or similar facility, or of any Internet address, Website or similar facility (Unless such malfunctioning is caused by an earthquake, a fire, a flood, or a storm) ; or
- h) Any infringement, whether intentional or unintentional, of any intellectual property rights (including but not limited to trademark, copyright or patent)

Millennium Exclusion Clause

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the following shall apply to this insurance :

A. Insurer(s) 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 equiedia, microchip, operating systems, microprocessors(computer chip), integrated circuiperating systdevice, any computer softwyse, or any other prodants, and any services, data oerauter sos that directly or indirectly use or rely upon, in any manner, any o microitems listed above, whether the property o microinsurer indnot, that ip)ults from any ay ay aor alleger failure, computer so or inadeantcy due to inabng systo correctly recognize, process, distinguish, interproperattcceper ny date as its true calendar 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 or malfunction or any advice, consultation, design evaluation, inspection installation, maintenance, repair or supervision provided or done by Insured to determine, rectify or test, any potential or actual failure, malfunction or 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.

Exclusion of Terrorism

This endorsement modifies insurance provided under all Coverage Parts :

TERRORISM EXCLUSION

We will not pay for loss or damage caused directly or indirectly by terrorism, including action in hindering or defending against an actual or expected incident of terrorism. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Terrorism means activities against persons, organizations or property of any nature :

1. That involves the following or preparation for the following :
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies :
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

Regardless of the amount of damage and losses, in addition to items 1. and 2. above, this Terrorism Exclusion also applies to any incident of terrorism :

1. That involves the use, release or escape of nuclear materials, or that directly or indirectly results in nuclear reaction or radioactive contamination; or
2. That is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
3. In which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

※ Notwithstanding the above, this exclusion not be applied to any bodily injury caused by person accident risk.

Exclusion of Sabotage & Terrorism

It is hereby understood and agreed, that notwithstanding any other war risk or terrorist exclusion that may be in the policy or any clause limiting or attempting to limit the application of any endorsement to the policy, this policy is amended as follows;

The policy does not cover or damage to property caused by, resulting from, contributed to or aggravated by any of the following perils, whether such loss or damage is accidental or international, intended or unintended, direct or indirect, proximate or remote or in whole or in part caused by, contributed to or aggravated by any perils insured by the policy

(1) war, hostile or warlike action in time of peace or war, whether or not declared, including action in hindering combating or defending against an actual, impending or expected attack:

(a) by government or sovereign power(de jure or de facto) or by any authority maintaining or using military, naval or air force; or

(b) by military, naval or air forces; or

(c) by an agent of any such government, power, authority or force.

(2) any weapon of war employing atomic fission or radioactive force whether in time of peace or war, whether or not its discharge was accidental;

(3) insurrection, rebellion, revolution, civil war, usurped power, or action taken by government authority in hindering, combating, or defending against such an occurrence, seizure or destruction.

(4) any act of one or more persons, whether known or unknown and whether or not agents of a sovereign power, for Terrorist purposes;

(5) hijacking or any unlawful seizure or wrongful exercise or control of any mode of transportation, including but not limited to aircraft, watercraft, truck(s), train(s) or automobile(s), including any attempted seizure of control, made by any person or persons.

Such loss or damage is excluded regardless of any other cause, event or intervention that contributes or in any sequence to the loss or damage.

Terrorist purpose means the use or threatened use of any unlawful means, including the use of forces or violence against any person(s) or property(ies), for the actual or apparent purpose of intimidating, coercing, punishing or affecting society or some portion of society or government.

All other terms, conditions and exclusions of the policy remain unchanged.

TRANSMISSION AND DISTRIBUTION LINES EXCLUSION CLAUSE

All above ground transmission and distribution lines, including wire, cables, poles, pylons, standards, towers, other supporting structures and any equipment of any type which may be attendant to such installations of any description, for the purpose of transmission or distribution of electrical power, telephone or telegraph signals, and all communication signals whether audio or visual.

This exclusion applies to all equipment other than those on or within 300 meters (or 1,000 feet) from an insured structure.

This exclusion applies both to physical loss or damage to the equipment and all business interruption, consequential loss, and /or other contingent losses related to transmission and distribution lines, other than contingent property damage/business interruption losses(including expenses), arising from loss and/or damage to lines of third parties.

IT Clarification Agreement

Property damage covered under this Agreement 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 following are excluded from this Agreement:

- A. 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.
- B. 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.

NO AVERAGE CLAUSE

Subject to the sum insured under each of items being equal to the actual cost which is valued and suggested by the Company, any covered loss is paid in full, subject to deductibles, up to the applicable limit of insurance. However, if the difference in amount arises out of the insured's fault, the average clause will be applied.

Sanction Limitation and Exclusion Clause

No (re)insurer shall be deemed to provide cover and no (re)insurer shall 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 that (re)insurer 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.

상품다수구매자 보험계약 특별약관

제1조 (적용범위)

- ① 이 특별약관은 상품판매자가 자기의 관리하에 운영·유지되는 상품의 다수구매자를 피보험자(보험대상자)로 하여 보험계약을 체결하는 경우에 적용합니다.
- ② 제1항의 상품의 다수구매자란 각종 재화, 용역 및 서비스의 구매자를 말합니다.
- ③ 제1항의 단체의 총 피보험자(보험대상자)수는 50인 이상이어야 합니다.

제2조 (보험계약자)

이 특별약관의 보험계약자는 제1조(적용범위)의 단체를 대표하여 보험계약상의 모든 권리, 의무를 행사할 수 있어야 합니다.

제3조 (보험가입금액)

피보험자(보험대상자)의 보험가입금액은 동일하게 책정하는 것을 원칙으로 합니다.

제4조 (피보험자[보험대상자]의 증가, 감소 또는 교체)

- ① 단체계약을 맺은 후 피보험자(보험대상자)를 증가, 감소 또는 교체코자 하는 경우에는 보험계약자 또는 피보험자(보험대상자)는 지체없이 서면으로 그 사실을 회사에 알리고 회사의 승인을 받아야 합니다.
- ② 이 계약기간 중 피보험자(보험대상자) 감소의 경우는 당해 피보험자(보험대상자)의 계약은 해지된 것으로 하며, 새로이 증가 또는 교체되는 피보험자(보험대상자)의 보험기간은 이 계약의 남은보험기간으로

로 하고, 이로 인하여 발생하는 추가 또는 환급보험료는 일단위로 계산하여 받거나 돌려드립니다.

③ 회사는 제1항 및 제2항을 위반하였을 경우에 새로이 증가 또는 교체되는 해당피보험자(보험대상자)에 대하여는 보상하여 드리지 아니합니다.

제5조 (준용규정)

이 특별약관에 정하지 아니한 사항은 보통약관 및 해당 특별약관을 따릅니다.

①상품다수구매자 보험료정산 추가특별약관

제1조 (보험료의 정산)

이 추가특별약관은 상품다수구매자 보험계약 특별약관 제4조 (피보험자[보험대상자]의 증가, 감소 또는 교체) 제2항에도 불구하고 이 추가특별약관에 따라 보험료를 정산합니다.

제2조 (보험가입금액)

상품다수구매자 보험계약 특별약관 제3조(보험가입금액)의 규정에 관계없이 보험계약자가 피보험자(보험대상자)의 보험가입금액을 각기 달리하여 가입하고자 할 경우에 회사는 계약사항을 고려하여 이를 승인할 수 있습니다.

제3조 (피보험자[보험대상자]의 통지)

① 보험계약자는 피보험자(보험대상자)의 증감이 있을 경우 아래에 정한 양식으로 회사에 서면(팩시밀리를 포함합니다) 통지하여야 합니다.

피보험자 (보험대상자)명	주민등록번호	주 소	전화번호	상품구입일	날 인

② 회사의 보장은 제1항의 통지가 회사에 접수되는 시점으로 하며 우편통지시 그 통지가 지연된 경우에는 우체국 소인이 찍힌 날로부터 3일이 지나면 회사에 접수된 것으로 봅니다.

③ 제1항에도 불구하고 보험계약자가 자기의 재화, 용역 및 서비스를 판매한 날짜 및 시간이 입력된 M/T등 전산자료를 회사에제공할 수 있을 경우에는 다음 어느 하나의 기간단위로 피보험자(보험대상자) 증감내역을 통보합니다.

- 매주 ☐, 매월 ☐, 기타 ☐ ()

제4조 (보험료 정산기간)

보험계약자는 다음 중 어느 하나의 것으로 보험료를 정산하기로 약정하고, 이 기간을 보험료정산기간(이하 「정산기간」이라 합니다)이라 합니다.

- 보험계약 기간중

매월 ☐, 매6개월 ☐, 기타 ☐ ()

- 보험기간 종료후 ☐

제5조 (예치보험료)

보험계약자는 제4조(보험료 정산기간)의 매 정산기간이 시작될 때마다 정산기간동안의 예상피보험자

(보험대상자)수에 정해진 보험요율을 적용하여 산출한 보험료 (이하 「예치보험료」라 합니다)를 회사에 납입하여야 합니다.

제6조 (보험료의 정산방법)

- ① 보험계약자는 계약이 효력상실 또는 해지된 경우에는 효력상실 또는 해지일까지의 보험료를 확정하기 위하여 필요한 서류를 효력상실 또는 해지 즉시 회사에 제출하여야 합니다.
- ② 회사는 보험기간중이나 보험기간 만료후 보험료를 산출하기 위하여 필요하다고 인정될 경우에는 보험계약자의 서류를 열람할 수 있습니다.
- ③ 회사는 제3조(피보험자[보험대상자]의 통지)에 의해 통지된 내용에 따라 정산기간 동안의 실제보험료를 산출한 후 매 정산기간 종료후 7일 이내에 제5조(예치보험료)의 예치보험료와의 차액을 받거나 돌려드립니다.
- ④ 회사는 보험료가 정산되기 이전일지라도 새로이 증가 또는 교체된 피보험자(보험대상자)에 대해 생긴 손해를 보상하여 드립니다. 다만, 제3조(피보험자[보험대상자]의 통지)의 피보험자(보험대상자) 통지가 이루어진 경우에 한합니다.

제7조 (보험기간의 설정)

회사는 새로이 증가 또는 교체되는 피보험자(보험대상자)의 보험기간은 보험계약자가 요청하는 기간으로 합니다. 단, 이 계약기간중 피보험자(보험대상자) 감소의 경우 당해 피보험자(보험대상자)의 계약은 해지된 것으로 합니다.

제8조 (적용특칙)

회사는 보험계약자에게만 보험증권(보험가입증서)을 드립니다.

제9조 (준용규정)

이 추가특별약관에 정하지 아니한 사항은 특별약관, 보통약관 및 해당특별약관을 따릅니다.

②보험기간 설정에 관한 추가특별약관

제1조(적용범위)

이 추가특별약관은 상품다수구매자 보험계약 특별약관 제4조(피보험자[보험대상자]의 변경 등) 제2항에도 불구하고, 새로이 증가되는 피보험자(보험대상자)의 보험기간을 정하는 경우에 적용합니다.

제2조(보험기간)

이 추가특별약관에 따라 계약기간중에 새로이 증가된 피보험자(보험대상자)의 보험기간은 계약자가 요청하는 기간으로 합니다.

제3조(보험료의 납입)

- ① 계약자는 새로이 증가된 피보험자(보험대상자)에 대하여 일단위로 계산된 추가보험료를 납입하여야 합니다.
- ② 새로이 증가된 피보험자(보험대상자)의 보험기간이 시작된 후라도 다른 약정이 없으면 추가 보

협료를 받기 전에 생긴 손해는 보상하여 드리지 아니합니다.

제4조(준용규정)

이 추가특별약관에 정하지 아니한 사항은 보통약관 및 해당특별약관을 따릅니다.

Fire Legal Liability Endorsement

1. (Scope of Liability)

Notwithstanding anything contained in the policy, it is understood and agreed that the company will pay on behalf of the insured all sums, within the limit of liability, which the insured shall become legally obligated to pay to the duly authorized person for loss of or damage to the property of other occupied, used, or controlled by the named insured, causes by fire.

2. (Risks Covered)

(a) This insurance indemnify the insured for legal liability compensation for the injured party's loss or damage within the limit of liability.

(b) The following expenses of the insured will paid

(i) Necessary and useful expenses for duty to sue and labor charge of the Insured

(ii) Legal costs, attorney's fee, arbitration, reconciliation and mediation expense, being paid by the Insured, in case of that was agreed by the Insurer

(iii) Premiums for Deposit guarantee will be paid within limits of liability under the policy. However, the Insurer shall not be liable for providing the guarantee.

(iv) Expense paid by the insured in order to execute the Insurer's request for the clearance of legal liability compensation request

3. (Exclusions)

The following exclusion is added to this endorsement:

(a) Any loss or damage caused by wilful act on the part of the insured (in the case of a corporation, its board members or any other agency executing the corporation's business), or any representative on their behalf.

(b) Loss resulting from war, riot or all other similar events.

(c) Loss resulting from earthquake or all other similar natural disasters.

(d) Any liability to the person who has legal right of the property which is owned, occupied, rented, used or/under care, custody, control (including all the acts of control regardless of cause) of the assured or policy holder

(e) Any loss or damage caused by any agreement if there is any agreement of indemnity between assured with other party but the Company pay those sums that the assured becomes legally obligated to pay in the absence of such contract.

(f) Loss caused by radiation or radioactive contamination or nuclear energy.

- (g) Any loss or damage caused by dust, mote, waste or noise.
- (h) Any loss or damage caused by electromagnetic wave and field
- (i) Fines or punitive damages.
- (j) Any loss or damage which may be paid under any compulsory Insurance such as gas accident liability or Bodily Injury Liability Coverage Clause of fire insurance whether it be in place or not.

4. (Occurrence of Accident)

(a) When the Insured becomes aware of an occurrence of an accident or a loss, he shall perform the followings:

(i) To give immediate written notice to the Company of the time and the place of the accident occurred, the name and the address of the injured or the deceased, the particulars of the accident occurred, the name and the address of the witness if available and the details of the claims if requested.

(ii) To effect the necessary proceedings for the preservation or the exercise of the subrogation right if the loss is recoverable from any third party and also every possible measure for preventing and minimizing the loss,

(iii) To obtain a prior consent from the Company if and when the Insured approves a part or all of the claims except the expenses for any first aid treatment or emergent transportation of the injured or the deceased.

(iv) To notify immediately the Company when the Insured sues for the indemnity of the loss or has been sued.

(b) In the event that after the payment of the claims to the Insured by the Company the Insured is found to have breached without any due reason his obligations provided in the precedent paragraph, the Company is entitled to request the Insured to return the full claims in case of Sub-paragraph (iv) above, the amount, by which is deemed to have been reduced. In case of Sub-paragraph (ii) above and the amount being equivalent to such portion as the Company has no liability for the indemnity, in case of Sub-paragraph (iii) above.

5. (Limits of insurance claim etc.)

(a) The liability compensation that company shall be limited to the liability limits of the insurance policy.

(b) The company will pay the liability compensation in excess of deductible of the policy (Insurance certificate) within the limits of liability as to the very first loss of the Insured only

(c) The company will pay for total expenses of items (ii), (iii) of Article 2 (a) and 2 (b) within the limit of liability

6. (Settlement by the Company)

(a) In case where the Insured is requested by the injured or the family to pay claims, the Company, if necessary, shall be able to have the right to settle the claims directly, on behalf of the Insured, at the Company's expenses. In such case, the Insured shall give the company a full cooperation in every respect.

(b) In the event that the Insured fails, without due reasons, to give the Company a full cooperation as referred in the precedent paragraph, the Company shall have the right to claim to the extent of the claims paid.

7. (Transfer Of Rights Of Recovery Against Others To Us)

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those right to us and help us enforce them.

8. (Succession of Right and obligations of the Insured)

In case where the ownership of the building insured is transferred, the transferee or his appointee shall be deemed to have succeeded to the rights and the obligations of the insured, provided that it is proved that the agreement to such succession was made between the Insured and the transferee.

9. (General Clauses of Standard Fire Insurance)

All other terms and conditions not provided in this Clause shall be subject to those provided in the General Clauses of the Standard Fire Insurance Policy unless they are in conflict with the provisions of this clauses.

72 Hour Clause

It is understood and agreed that for the purpose of the application of the deductible of all loss, destruction or damage resulting from earthquake, cyclone, flood, storm, tempest, waters, subsidence of collapse, occurring during each period of 72 consecutive hours shall be considered as one occurrence whether or not the peril insured against is continuous or sporadic in its sweep and scope and irrespective of whether the loss destruction or damage is due to the same seismological or meteorological conditions.

Each occurrence shall be deemed to have commenced on the first happening of any such loss, destruction or damage caused by an insured peril and that the date of commencement shall fall within the period of this insurance.

All other terms and conditions not provided in this Clause shall be subject to those provided in the General Clauses of the Standard Fire Insurance Policy unless they are in conflict with the provisions of this clauses.