

FIRE INSURANCE

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DEFINITIONS

Policy means the Fire insurance contract between The Company and the insured.

The Company means the insurance company covering the risks.

The Insured means any individual or entity protected by the present policy, and any person of his/their **Family** living under his/their roof, or any person at his/their **Employment**.

Deductible means the amount that must be subtracted from the total damage before the Company pays the claim.

Family means any of the following people:

- Parents, (Father & Mother)
- Spouse, children,
- Brothers, sisters & their own children
- Brothers & sisters in Law & their own children
- People living under the Insured's roof

Fire is an accidental occurrence independent of the will of the insured. It means burning with flames. It does not include scorching melting or charring if that happens without flames. It does not cover:

1. Own fermentation, natural heating or spontaneous combustion in the property insured,
2. The property insured undergoing any process involving the application of heat,
3. Earthquake, sub-terranean Fire.

Depreciation means the accounting process we use to work out how much to reduce the value of your property by, because of its age and condition.

Damage means sudden, accidental unforeseen, direct physical damage to the insured property at the insured location, but does not include wear and tear.

Loss means the insured property is destroyed. It does not mean the insured property is accidentally lost or misplaced.

Fixtures & Fittings means any item that is permanently attached or fixed to your property. You would not normally take this type of item with you if you moved house.

Open Air Air means any area of the site that is:

- Not fully enclosed by walls and a roof, and/or
- Not able to be locked up.

Period of Insurance means the period that we insure you for, under your policy. It is stated in the Schedule of the policy under Inception and Expiry dates.

Premium means the amount you must pay us for the insurance you select.

Sum Insured means the total amount that you have insured your property for, under the present policy.

Schedule means the Particular Conditions of your policy.

PREAMBLE

Where the Insured has applied to the insurance Company, and has paid or agreed to pay the Full Premium sated in the Schedule, the Company will, subject to the Terms, Conditions, Exceptions and Limitations of the present Contract, provide cover on the insured property as per the following Wording.

ARTICLE ONE – RISKS INSURED:

The present policy covers accidental Physical Damage to the movable and immovable property of the Insured as describe in the Schedule of the policy, arising out of a covered **Fire**.

Limitations:

- a. The present policy does not cover Risks excluded under Article Four herein or under the Particular Conditions of the policy Schedule.
- b. Notwithstanding the Principal of the Average Clause (Article fourteen), the Liability of the Company in case of accident will in no case exceed the amounts or limits of liability appearing on the policy Schedule or any endorsement thereto.
- c. Bodily Injury of any nature and arising from any cause is excluded from the present insurance, even if the cover is extended to cover the responsibility of the Insured due to a covered Fire.
- d. Any damage caused to the insured Property as a result of salvage or relief will be covered by the policy.

The present Cover is subject to the General and Particular conditions of the Policy, as well as to the attached Endorsements and Clauses, which cannot be dissociated therefrom.

ARTICLE TWO – PROPERTY OPTIONAL COVERS:

Cover may be extended to the following Risks, subject to the payment of an additional premium and provided they are explicitly mentioned in the policy Schedule:

- I. **Removal of Debris:** The reasonable cost of removal of debris, demolition and any temporary repairs necessary, resulting directly from the destruction or damage to the insured property and arising from any of the insured perils.
- II. **Architects, Sureveyors, Legal & Consulting Engineers' Fees:** Those fees (as approved by the Company) necessarily incurred and payable to any of the afore-mentioned persons, in the reinstatement of the Buildings or Contents consequence upon their destruction or damage.
- III. **Cost and Expenses:** Necessarily and reasonably incurred for the temporary protection and safety of properly insured pending repair or replacement consequent upon damage recoverable under this policy.
- IV. **Other Risks:** Cover may also be extended to the following Risks, subject to the payment of an additional premium and provided they are explicitly mentioned in the policy Schedule:
 - 1) Physical Damage to the insured Property, arising out of **Earthquake, Subterranean Fire or Volcanic eruption**, including Fire arising out of the same Perils, provided that for Destruction or Damage occurring during any one period of 72 consecutive hours to all property located within one site, the Company shall not be liable to pay an amount being 1% of the Total Sum insured on buildings & Contents under this policy.
 - 2) Physical Damage to the insured Property, caused by an **explosion**, but excluding loss damage occasioned to gas cylinders, boilers, any other device or equipment operating on pressure, as well as their contents.
 - 3) Physical Damage to the insured Property, arising out of Storm, Tempest & Flood. It is a condition of this policy that any damage caused by wind will be considered as Storm or Tempest only if the speed of the wind exceeds 100km/h. On the other hand, a flood is an overflowing of natural or artificial watercourse from its normal flow.

Provided that for Destruction or Damage occurring during any one period of 72 consecutive hours to all property located within one site, the Company shall not be liable to pay an amount being 1% of the Total Sum insured on Buildings & Cintents under this policy.

Excluded from this Section are;

- a. Property in the Open Air,
- b. Buildings not constructed out of Concrete, Stones or Cement,
- c. Stock of Goods stored in a warehouse, if they have not been raised by at least 10cm/15cm above ground level,

4) Physical Damage to the insured Property, arising out of Lighting at the condition that the **Lightning** falls as a direct hit on the premises insured or on the building where the premises are located.

5) **Impact:** Destination or damage to the property insured, caused by:

- a. Vehicles designed primarily for use on Land, but excluding Insured's own vehicles;
- b. Animals;
- c. Civilian Aircraft and other aerial devices or articles dropped therefrom;

6) **Cost of reconstitution of Files:** Notwithstanding anything to the contrary contained in the General Conditions of the present Policy, it is hereby declared and agreed to cover Loss or Damage to Data contained in the Computer of the Insured, if such Loss or Damage arise from an insured Fire.

Basis of Indemnity:

The Company will indemnify the Insured in case of Loss of, or alteration,(distortion, corruption, erasure) to Data 9but not programs)amounting to the costs necessary for:

- a. Automatic re-entry of Data from Back-up data media,
- b. Automatic or manual re-entry of Data from original documents still available to the Insured, (including compilation and editing of the same),

The Sum Insured as agreed in the Particular Conditions of the policy, limits the indemnification for the afore-mentioned costs.

7) Physical Damage to the insured Property, arising out of Water Damage caused by Bursting of Pipes and Overflowing of Tanks and Water Apparatus.

By Pipes and Water Apparatus, we mean water ducts, sewer, gutters, water installations and Equipment of the Premises insured or the building where the premises are located, but excluding Sprinkler system, Fire Hoses and Boilers other than Domestic ones.

Exclusions to Water Damage:

Notwithstanding any exclusion otherwise appearing in the General or particular conditions of the policy, this extension will not cover:

- i. 10% of each and every Loss, with a minimum of
- ii. Loss or Damage caused to:
 - Property in the open Air,
 - Insured Property located in buildings under construction, modification, renovation, or in bad shape, or poorly maintained,
 - Buildings and Contents, when the construction is not built out of solid material, such as Greenhouses, Glass houses, Pergolas or similar,
 - Water installation of the insured Building, water Tanks, sewer, gutters, ducts, and Pipes whether built in walls or apparent, which are the source of the cause of the water damage,
 - Pipes, fences, Garden wall, retaining walls, Panes, sewers, water courses, carriage entrances, Posts and Gates,
 - Outside installations or Equipment of any sort, more particularly Metallic Fences, Chimneys, Tents, Curtains, Signs and similar.

- Water recipients, Cleaning or storing Buckets,
- Stock of Goods stored in a warehouse, if they have not been raised by at least 10cm/15cm above ground level,
- Third Party Property, more particularly Neighbours', Co-Owners', Landlords' and Tenants' Liability, even in case this type of Liability is covered under the Fire SEtion (except otherwise formally agreed by the company and subject to the payment of an additional premium).

iii. Loss or Damage caused by:

1. Subsidence and Landslide.
2. Humidity, Condensation or steam,
3. Rain Water, whatever the cause or the source may be, and even if damage was the result of an overflowing in the water apparatus of the insured building.
4. The infiltration of water through the roof or walls of the building, seepage of water installations, taps that have been left open.

iv. Loss or Damage to Property insured, resulting from:

1. Freezing.
2. Repair works, moving, replacing and/or extending the existing Pipes, Equipment, installations, Tanks and Ducts,
3. Loss or Damage to the Property insured due to Bursting of Pipes, when the cause of the bursting is a gradual deterioration of the Pipes due to wear and tear, or due to rust and lack of proper Maintenance.

v. Any expenses incurred for allocating the source of Damage.

vi. Loss or Damage incurred when the premises are vacant, uninhabited or unoccupied, but this exclusion does not apply to periods of normal closure, i.e. weekends & holidays.

ARTICLE THREE: LIABILITIES AND OTHER OPTIONAL EXTENSIONS OF COVER:

I. **Landlord's Resource:** i.e. the financial liability of the Insured for all Physical Damage caused to the building occupied by him and occasioned by a covered Fire, which the Insured in this capacity as Tenant or Occupant may have to bear in accordance with the legislation in force, and more precisely the stipulations of Articles 566 & 567 of the Law of Obligations & Contracts.

II. **Tenant's resource:** i.e. the financial liability of the Insured in this capacity as Landlord towards his Tenants, and within the limits of his responsibilities, for loss or damage caused by a covered Fire in the insured building that destroyed part or all of the legislation in force, and more precisely the stipulations of Articles 559 & 561 of the Law of Obligations & Contracts.

III. **Third party, Neighbors 7 Co-owners' Resource:** i.e. the financial liability which the Insured may have to bear in accordance with legislation in force, towards Third Parties, Neighbors and/or unmovables, including the share of each co-owner in the common areas of the building, occasioned by an outbreak of Fire starting in the Property insured or on the premises rented or occupied by him, according to Articles 122 to 127 and Article 131 of the Code of Obligations 7 Contracts.

ARTICLE FOUR – RISKS EXCLUDED UNDER FIRE INSURANCE:

Unless otherwise agreed upon and clearly stated in the Particular Conditions of the Policy, The Company will not indemnify the Insured for:

- 1) Loss or Damage to property insured caused by the **willful act** or willful misconduct of the Insured for the destruction of his property whether it is personally carried out by him or in collusion with a Third Party, or instigation thereof.
- 2) Physical Damage to the insured Property, arising out of

Malicious Act, whether perpetrated by the Insured or by a Third Party. For the good interpretation of the present cover, "Malicious Act" is loss or Damage to the insured property directly caused by the intentional acts of any person whether it is committed within the scope of Public disorder or not:

- 3) Loss or Damage to insured Property arising from theft or **Burglary** that occurred during or after a Fire, even if it is a covered Fire.
- 4) Loss or Damage to insured Property arising out of **Arson**, (being Fire perpetrated by the Insured or by an unknown Third Party).
- 5) Loss, Damage, cost or expense of whatsoever nature, directly or indirectly caused by:
 - a. Acts of Fraud & Dishonestly,
 - b. Penalties, Fines 7 Punitive Exemplary damages,
 - c. Property in Transit other than within the premises specified in the Policy Schedule,
 - d. Land, including land on which the Property is located.
- 6) Loss, Damage, cost or expense of whatsoever nature, directly or indirectly caused by, resulting from or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:
 - a) **War**, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), strikes, riots, civil commotion, civil war, rebellion, revolution insurrection assuming the proportions of or amounting to an uprising, military or usurped power; or
 - b) Any act of **terrorism**-for the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This exclusion is also applicable to loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (a) and/or (b) above.

- c) Any type of Loss or Damage caused by projectiles, explosives, bullets, bombs 7\or other war devices.
- 7) Loss or Damage to Insured Property that was ordered by Government, Public or Local Authorities. Temporary or Permanent deprivation of Property that is due to any type of confiscation or **Nationalization** or seizure.
- 8) Loss or Damage caused by **Forest Fires** spreading to the insured Property. This exclusion applies only on premises that are located outside agglomerations and surrounded by forests; it does not apply however on a house that is at the outskirts of a town or village, even if it is at the edge of a forest.
- 9) Property damage under this policy shall mean physical damage to the substance of property. Physical damage to the substance of property shall not include damage to **Account Books**, data or software, and in particular 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 policy:

- 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 original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss or damage to data or software which is the direct consequence of insured physical damage to 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.
- 10) Loss or Damage to **Bank notes**, Deeds, Bonds, Jewellery, Bullions & Precious Stones; any kind of Stamps or Rosaries "Masbah" collection, and generally all rare and precious objects unless these are specially mentioned and valued under the Schedule of the Policy.
- 11) Damage, including Fire, occurring to Machinery Equipment or any **Electrical device** or part thereof, arising from, or occasioned by over or surge in the electric current, short circuiting, arcing, excess pressure of vacuum, and tearing apart on account of

centrifugal force. This exclusion applies however only on the device or Equipment itself, and not on the insured surrounding Property.

- 12) **Consequential Loss** of any kind, even if it arises out of an insured claim, i.e. Any accident loss or damage to any person or property whatsoever or any loss or expenses whatsoever resulting or arising therefrom or any consequential loss.
- 13) Any liability of whatsoever nature: Directly or indirectly caused by or contributed to or arising from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exception, "combustion" shall include any self sustaining process of nuclear fission, any accident loss-damage or liability directly or indirectly caused by or contributed to or arising from nuclear weapons material.
- 14) Claims of any sort, directly or indirectly related to, caused by or arising from seepage, pollution or contamination.

GENERAL CONDITIONS TO FIRE INSURANCE

Statement:

This policy was underwritten and the premium fixed on the basis of the information provided by the Insured. Consequently, the following obligations are to be strictly applied by him:

ARTICLE FIVE – UPON SUBSCRIPTION:

The Insured must declare the exact facts and information known to him, thus enabling the Underwriter to assess the nature of the Risks that he takes upon himself, in particular:

- a) In what capacity he is acting (owner, tenant, occupant, etc.)
- b) Nature of the material used in the construction of the building including its fixtures and fittings, type of lighting, heating power supply or fuel used, Built surface and number of storeys, contiguity to aggravating Risks, and/or any other relevant information,
- c) Intended use of the Building (residential, commercial or else). In case all or part of the building is used for storage or manufacture purposes, the insured should indicate the nature of the goods stored or the type of manufacture followed,
- d) Any renunciation to the right of resources that the Insured might have contracted against any responsible person or guarantor,
- e) The existence of any similar contracts with other insurers, covering the same type of Risks.
If at the time of any claim arising under this policy there shall be any other insurance covering the same risk or any part thereof the Company shall not be liable for more than its rateable proportion thereto.

ARTICLE SIX – DURING THE POLICY PERIOD:

- I. The Insured must declare to the Company by registered letter of any changes aggravating or altering the nature of the Risks as appearing in paragraphs (a) to (e) hereabove.
- II. Such declaration must be done prior to the alteration, in case it is effected by the Insured, otherwise within eight days from the date it becomes known to him, according to the stipulations of Article 977 of the "Code of Obligations and Contracts".

ARTICLE SEVEN – LOCATION OF THE RISKS:

- 1) Cover under the present policy includes movable or immovable property as appearing on the Schedule thereto as long as they are situated within the insured premises.
- 2) Property situated outside the insured Premises is not covered

Unless listed & valued on the Schedule of the policy (i.e. Dish, Signboard, Generator etc.).

- 3) In case the insured Property is to be relocated, such relocation should be notified in writing to the Company prior to its occurrence. Cover in this case ceases immediately unless formally agreed by the Company who will endorse the policy accordingly.

ARTICLE EIGHT – PENALTIES:

Any concealment, deliberate misrepresentation or omission or false declaration about the Risks insured or about circumstances aggravating the, even though not affecting the contingency itself will result in the following penalties defined by the stipulations of Article 982 of the "Code of Obligations & Contracts"

Before the Accident:

- I. In case the Bad Faith of the Insured has been established, the policy will be considered null & void as from Inception Date.
- II. In case the Bad Faith of the Insured has not been established, the Company has the right either to revoke cover or to endorse the change, subject to an additional premium to be agreed between both parties.

After the Accident:

- I. In case the Bad Faith of the Insured has not been established, the policy will be considered null & void as from Inception Date. Consequently, any outstanding claim will be rejected and any paid claim shall be reimbursed to the Company.
- II. In case the Bad Faith of the Insured has not been established, the indemnity of the contingency shall be reduced on the basis of the paid premiums, in proportion to the premiums that should have been paid had the declaration been complete and accurate.

ARTICLE NINE – DUTIES OF THE INSURED:

In case the Insured is a trader or a stop owner, he has the duty to keep proper records that will allow him, upon the occurrence of an accident to prove the movement of Goods, Property and Cash within the insured establishment. In case he is not able to produce such documents, the company will settle the Claim on the Stipulations of **Article Eleven (III) OF THE General Conditions of the policy.**

ARTICLE TEN – DUTIES OF THE INSURED IN CASE OF AN ACCIDENT:

In the event of an Accident, the Insured should spend utmost diligence in order to contain the spreading of Fire, to limit the extent of Damage and to preserve the Property insured. He should also:

- I. Immediately notify the proper authorities and the Company about any event that could involve the liability of the Company (Article 974 of the "Code of Obligations and Contracts")
- II. Submit, within a maximum of fifteen days of the notification mentioned hereabove, a declaration describing the circumstances of the accident, its known or suspected causes, the kind and approximate amount of damage, the amount of insurance against the same risks with other companies (if any), and a signed statement listing the lost, damage and salvaged Property.
- III. In case the Insured fails to comply with the above within the recommended delays (except for reasons beyond his control), the company shall be entitled to an indemnity equivalent to the Loss sustained as a result of such delays.
- IV. In case the Insured exaggerates in bad faith the amount of Damage sustained, or claims Loss or Damage to items that did not exist at the time of accident, or conceals or smuggles away wholly or partially any of the insured Property, or deliberately uses fraudulent methods or false documents to support his claims, he shall forfeit his right to indemnity for the whole claim.
- V. In the event of Damage to third Party's Property, the Company shall not be bound by any acknowledgment of responsibility or any settlement done without its written consent. Admission of a material fact cannot however be considered as an acknowledgment of responsibility.

ARTICLE ELEVEN – SURVEY, ASSESSMENT, ARBITRATION:

- I. The Insured should not abandon or waive his rights to the insured Property without the written consent of the Company, no matter how badly damaged it may be, and even though there may be a disagreement over its value.
- II. The Insured should be present at the time of Survey even if the beneficiary on the policy is a Third Party.
- III. In the event of an accident, should the Damage not be determined by mutual agreement, the Company will appoint a Loss Adjuster.
- IV. If the Insured does not agree to the proposed amount of indemnity, he may appoint his own loss Adjuster within a period of two months after receipt of notice in writing requiring an appointment. In case both Adjusters fail to reach an agreement, a third one, acceptable to both Parties or assigned by a competent Court will be named, and a decision will be taken by a vote of majority. Each Party will pay the fees of its expert, and when necessary half of the fees of the third expert.

ARTICLE TWELVE – INDEMNITY & EVALUATION OF DAMAGE AFTER THE ACCIDENT:

Insurance can never be a means of profit to the Insured or to any other beneficiary on the policy. The purpose of the present contract is to provide compensation for the actual Loss of the Subscriber's Property on the basis of its real value at the time of accident.

Consequently, the Sums insured, Premiums, information and valuations appearing on the present policy cannot be taken by the Subscriber as a plea or a proof of the existence of the Property insured, neither as an admission of their value, whether at Inception Date or at time of Accident.

Should it appear from the survey done by the Loss Adjuster, that the value of the insured Property is less than the Amount Insured, the Insured shall not be entitled to more than the amount of the established loss, according to one of the following procedures:

1. As far as the buildings are concerned, the claim will be adjusted on the basis of the effective costs of repair or reconstruction at the time of Loss, after deducting a fair depreciation depending on the age of the construction. (The term buildings include construction, basements and foundations above ground level but exclude Land). No depreciation will be applied on cases of minor

repairs.

2. In case of Total or partial Damage to a building erected on Third Party's Property, the indemnity due from the Company shall be used in full for the repair or the reconstruction of the damaged building on the same spot, and payment shall be gradual, following the reconstruction process.

2. If the Insured fails to repair or reconstruct the building within a year of the Fire, the due indemnity shall be reduced to the value that the destroyed material would have in case of demolition.
3. Furniture, fixtures, fittings and personal effects shall be estimates on the basis of its replacement cost on the day of Loss, (net of depreciation).
4. Machinery and Equipment shall be repaired in case of partial damage, or replaced in case of total loss, on the basis of the cost of their replacement at the time of Loss (net of depreciation). Such cost shall include taxes, and if necessary, transport and installation costs.
5. Raw material, commodities and goods shall be valued at purchase price prevailing at the time of Loss, plus taxes and transport costs, if any.
6. Articles manufactured or in the process of being manufactured shall be estimates at cost price, as described in the preceding paragraph, based on the cost of raw materials plus manufacturing expenses incurred, and a percentage of the general expenses.

ARTICLE THIRTEEN – AUTOMATIC REINSTATEMENT CLAUSE:

In the event of destruction or Damage to the Property insured, and in the absence of written notice by the Insured to the contrary, the amount of insurance cancelled by the Loss is to be automatically reinstated as and from the date of Loss subject to an additional premium, such additional premium to be deducted from the amount of indemnity due, or paid in cash by the Insured.

ARTICLE FOURTEEN – SUMS INSURED, AVERAGE CLAUSE, DOUBLE INSURANCE & EXCESS INSURANCE TRANSFER:

The sums insured under the present policy must reflect the real value of the items at risk as mentioned in Article Twelve above.

If it appears at the time of Loss, that the value of the property insured exceeds the sums insured thereon, then the Insured shall be considered as his own insurer for the difference and shall bear a rateable proportion of the Damage.

In case the Risks covered under the present policy have a concurrent cover in any other insurance company for the same amounts or any parts thereof, solidarity among the involved insurance companies will apply, in case of accident, in equal shares. In case it is established that the value of a part of the insured Property subject to the Average Clause, is inferior at the time of Loss to the amounts shown on the policy Schedule, the Insured has the right to transfer the exceeding part thereof to cover other underinsured Property, provided that the premium rate is one & the same for both above.

The said transfer applies only on Section covering the Risks of a single establishment on a single policy. Shall be considered a single establishment any risk or Group of Risks belonging to the same type of business & located such as none of the buildings is far from the other by more than 200 meters.

ARTICLE FIFTEEN – SUBROGATION, RESOURCE AFTER THE CONTINGENCY:

The Company shall, in accordance with the stipulations of Article 972 of the "Code of Obligations and Contracts", be subrogated within the limits of the indemnity paid to the Insured, to the rights and actions of the Insured against all those responsible of the Contingency.

ARTICLE SIXTEEN – CANCELLATION OF THE POLICY:

The policy may be cancelled before its expiry date under any of the following circumstances:

1. **On behalf of the Company and the Insured:**
In the event of a change of ownership in the insured Property, (Article 979 of the "Code of Obligations and Contracts"),
2. **On behalf of the Company:**
 - In case of non-payment of the premium, (Article 975 of the "Code of Obligations and Contracts"),
 - In case the nature of the Risks insured, or the occupation of the Insured, or any other circumstance affecting the items at risk changes such a way as to increase the Risks of Loss or Damage by any of the insured hazards, (Article 977 of the "Code of Obligations and Contracts"),
 - In case of misrepresentation or false declaration on behalf of the Insured upon signature of the Contract or thereafter, (Article 982 of the "Code of Obligations and Contracts"),
 - After the occurrence of any contingency.
3. **On behalf of the Insured:**
 - In case the events leading to an increase in the Risks insured fade away and the company refuses to decrease the corresponding premium. (Article 978 of the "Code of Obligations and Contracts").
 - In case the Insured closes down his business or stops the activities of his company.
4. **On behalf of both concerned parties:**
In the event of bankruptcy of the Insured or Legal Liquidation, (Article 980 of the "Code of Obligations and Contracts").
5. **Effectively:**
 - In case of Total Loss of the Insured Property, arising out of an insured Peril,
 - In case the Company had their Insurance License withdrawn by the competent authorities.

ARTICLE SEVENTEEN – SPECIAL PROVISIONS RELATED TO THE REFUND OF PREMIUMS:

- i. In the event where the Company is cancelling the policy, the Company shall send a 10 days' cancellation notice through registered mail to the Insured at the address appearing in the

Schedule of the policy. The Insured is then entitled to the full premium, less the pro-rata thereof for the period the policy has been in force and less taxes for the whole year of insurance.

- ii. In case where the Insured requires cancellation a written notification shall be sent to the Company by registered mail, by hand or by Fax. In this case, and provided there are no paid or reported claims on the policy, he will be charged a portion of the annual premium computed on the basis of Short Period insurance rates as appearing hereunder:

Period between 1 & 8 days	:	10% of annual premium
Period between 9 & 15 days	:	20% of annual premium
Period between 16 days & 1m	:	25% of annual premium
Period between 1 & 2 months	:	35% of annual premium
Period between 2 & 3 months	:	40% of annual premium
Period between 3 & 4 months	:	50% of annual premium
Period between 4 & 5 months	:	60% of annual premium
Period between 5 & 6 months	:	70% of annual premium
Period between 6 & 7 months	:	75% of annual premium
Period between 7 & 8 months	:	80% of annual premium
Period between 8 & 9 months	:	85% of annual premium
Period over 9 months	:	100% of annual premium

Municipality Tax and fixed stamp are not refundable to the Insured in case they have been paid to the concerned authorities.

ARTICLE EIGHTEEN – PRESCRIPTION

All rights & Civil Action inherent to the present Contract are ruled by a two years Prescription period starting with the event that gave rise to such rights, within the conditions stipulated by Article 987 of the "Law of Obligations & Contracts".

ARTICLE NINETEEN – ELECTION OF RESIDENCE

It is mutually that the Insured has elected residence at the address indicate in the present Policy and that any notification done to him on this address will be deemed valid, even if the Insured has changed his place of residence or refuse the notification or neglected to take notice of it.

Any change of address from the Insured will not be recognized by the Company except if notified in writing.

GENERAL INFORMATION ABOUT CLAIMS

The Insured or his representatives shall give immediate notice to the Company of any accident or claim or proceedings that came to their knowledge.

The Insured shall not, without the written consent of the Company, repudiate liability, negotiate or make any admission, offer, promise or payment in connection with any accident or claim, and the Company shall be entitled if it so desires to take over and conduct in the name of the Insured the defense of any claim or to prosecute in the name of the Insured at its own expense and for its benefit any claim for indemnity or damage or otherwise against any persons and shall have full discretion in the conduct of any proceedings and in the settlement of any claim, and the Insured shall give all such information and assistance as the Company may require.

- 1) If it shall so desire the Company may at any time or stage of proceedings discharge its liability hereunder by paying to the Insured the Limit of Liability in respect of any one accident or the balance of such Limit of Liability if any payment has already been made in respect of any claims arising out of the accident and in the event of it so doing the Company shall cease to have the conduct and control of the negotiations action or proceeding in connection with the claims and shall not be responsible for any

costs or expenses in connection therewith incurred after the date of the payment aforesaid not for any Which the Insured may claim to have sustained by reason of the Company having acted as herein provided.

- 2) No alteration or repair shall be made to the insured Property without the consent of the Company or unless the Company have had the opportunity of inspecting. The Company shall at all reasonable times have free access to inspect any property. In the event of any defect or danger being apparent to the Company's inspector, the Company may give notice in writing to the Insured and thereupon all liability of the Company in respect thereof or arising therefrom shall be suspended until the same be cured or removed to the satisfaction of the Company.
- 3) The due observance and fulfillment of the terms conditiond and endorsements of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the proposal form shall be conditions precedent to any liability of the Company to make any payment under the policy.
- 4) This Insurance shall be governed by the Law of the Republic of Lebanon in which this Policy has been issued and whose courts shall only have jurisdiction in any dispute arising hereunder.