

## 营业中断保险条款

请仔细阅读保险条款全文，特别是以加深标注的免除保险人责任的规定。

### 总则

**第一条** 本保险合同由保险条款、投保单、保险单或其他保险凭证以及批单组成。凡涉及本保险合同的约定，均采用书面形式。

**第二条** 投保人应将被保险人在本保险合同载明的营业处所从事载明的经营业务（以下简称“营业”）所使用的物质财产向保险人投保相关的物质财产损失保险。物质财产损失保险合同（以下简称“物质损失保险合同”）号应在本保险合同中载明。

### 保险责任

**第三条** 在保险期间内，被保险人因物质损失保险合同主险条款所承保的风险造成营业所使用的物质财产遭受损失（以下简称“物质保险损失”），导致被保险人营业受到干扰或中断，由此产生的赔偿期间的毛利润损失，保险人按照本保险合同的约定负责赔偿。

本保险合同所称赔偿期间是指自物质保险损失发生之日起，被保险人的营业结果因该物质保险损失而受到影响的期间，但该期间最长不得超过本保险合同约定的最大赔偿期。

本保险合同所称毛利润是指按照下述公式计算的金额：

毛利润=营业利润+约定的维持费用

或

毛利润=约定的维持费用-营业亏损×约定的维持费用/全部的维持费用

本保险合同所称维持费用是指被保险人为维持正常的营业活动而发生的、不随被保险人营业收入的减少而成正比例减少的成本或费用。约定的维持费用由投保人自行确定，经保险人确认后在保险合同中载明。

除另有约定外，上述公式所用的会计措辞的含义与被保险人会计账表中的含义一致。

**第四条** 发生第三条约定的保险事故后，被保险人申请赔偿时，按照保险人的要求提供有关账表、账表审计结果或其他证据所支付给被保险人聘请的注册会计师的合理的、必要的费用（以下简称“审计费用”），保险人在本保险合同约定的赔偿限额内也负责赔偿。

### 责任免除

**第五条** 保险人不负责赔偿下列损失：

- (一) 投保人、被保险人的故意或重大过失行为产生或扩大的任何损失；
- (二) 由于物质损失保险合同主险条款责任范围以外的原因产生或扩大的损失；
- (三) 地震、海啸及其次生灾害产生或扩大的损失；
- (四) 由于政府对受损财产的修建或修复的限制而产生或扩大的损失；
- (五) 恐怖主义活动产生或扩大的损失；
- (六) 本保险合同载明的免赔额或本保险合同约定的免赔期内的损失。

#### 保险金额与赔偿限额

**第六条** 毛利润损失保险金额由投保人自行确定并在保险合同中载明。

**第七条** 审计费用赔偿限额由投保人自行确定并在保险合同中载明。

#### 保险期间与最大赔偿期

**第八条** 除另有约定外，保险期间为一年，以保险单载明的起讫时间为准。

**第九条** 最大赔偿期由投保人自行确定并在保险合同中载明。

#### 免赔额与免赔期

**第十条** 免赔额或免赔期由投保人与保险人在订立保险合同时协商确定，并在保险合同中载明。

#### 保险人义务

**第十一条** 订立保险合同时，采用保险人提供的格式条款的，保险人向投保人提供的投保单应当附格式条款，保险人应当向投保人说明保险合同的内容。对保险合同中免除保险人责任的条款，保险人在订立合同时应当在投保单、保险单或者其他保险凭证上作出足以引起投保人注意的提示，并对该条款的内容以书面或者口头形式向投保人作出明确说明；未作提示或者明确说明的，该条款不产生效力。

**第十二条** 本保险合同成立后，保险人应当及时向投保人签发保险单或其他保险凭证。

**第十三条** 保险人依据第十七条所取得的保险合同解除权，自保险人知道有解除事由之日起，超过三十日不行使而消灭。自保险合同成立之日起超过二年的，保险人不得解除合同；发生保险事故的，保险人承担赔偿责任。

保险人在合同订立时已经知道投保人未如实告知的情况的，保险人不得解除合同；发生保险事故的，保

险人应当承担赔偿责任。

**第十四条** 保险人按照第二十二條的約定，認為被保險人提供的有關索賠的證明和資料不完整的，應當及時一次性通知投保人、被保險人補充提供。

**第十五條** 保險人收到被保險人的賠償保險金的請求後，應當及時作出是否屬於保險責任的核定；情形複雜的，雙方同意適當延長，延長時限一般不超過 180 天，但雙方另有約定的除外。

保險人應當將核定結果通知被保險人；對屬於保險責任的，在與被保險人達成賠償保險金的協議後十日內，履行賠償保險金義務。保險合同對賠償保險金的期限有約定的，保險人應當按照約定履行賠償保險金的義務。保險人依照前款約定作出核定後，對不屬於保險責任的，應當自作出核定之日起三日內向被保險人發出拒絕賠償保險金通知書，並說明理由。

**第十六條** 保險人自收到賠償保險金的請求和有關證明、資料之日起六十日內，對其賠償保險金的數額不能確定的，應當根據已有證明和資料可以確定的數額先予支付；保險人最終確定賠償的數額後，應當支付相應的差額。

### 投保人、被保險人義務

**第十七條** 訂立保險合同，保險人就保險標的或者被保險人的有關情況提出詢問的，投保人應當如實告知。

投保人故意或者因重大過失未履行前款規定的如實告知義務，足以影響保險人決定是否同意承保或者提高保險費率的，保險人有权解除保險合同。

投保人故意不履行如實告知義務的，保險人對於合同解除前發生的保險事故，不承擔賠償責任，並不退還保險費。

投保人因重大過失未履行如實告知義務，對保險事故的發生有嚴重影響的，保險人對於合同解除前發生的保險事故，不承擔賠償責任，但應當退還保險費。

**第十八條** 除另有約定外，投保人應在保險合同成立時一次性支付全部保險費。

**第十九條** 被保險人應當遵守國家有關消防、安全、生產操作、勞動保護等方面規定，加強管理，採取合理的預防措施，盡力避免或減少責任事故的發生，維護保險標的的安全。

保險人可以對被保險人遵守前款約定的情況進行檢查，向投保人、被保險人提出消除不安全因素和隱患的書面建議，投保人、被保險人應該認真付諸實施。

投保人、被保險人未按照約定履行其對保險標的的安全應盡責任的，保險人有权要求增加保險費或者解除合同。

**第二十條** 在保險期間內，如被保險人在保險合同載明的營業處所經營的業務發生變化、被進行清算或由清算人或財產管理人接管經營，或營業所用的物質財產的風險加大，以及足以影響保險人決定是否繼續承

保或是否增加保险费的保险合同重要事项变更，被保险人应及时书面通知保险人，保险人有权要求增加保险费或者解除合同。

**被保险人未履行前款约定的通知义务的，因保险标的的危险程度显著增加而发生的保险事故，保险人不承担赔偿责任。**

**第二十一条** 知道保险事故发生后，被保险人应当：

（一）尽力采取必要、合理的措施以修理、修复营业所用的受损的物质财产，尽快恢复营业以防止或减少因营业受到干扰或中断所造成的损失，**否则，对因此扩大的损失，保险人不承担赔偿责任；**

（二）立即通知保险人，并书面说明事故发生的原因、经过和损失情况；**故意或者因重大过失未及时通知，致使保险事故的性质、原因、损失程度等难以确定的，保险人对无法确定的部分，不承担赔偿责任，**但保险人通过其他途径已经及时知道或者应当及时知道保险事故发生的除外；

（三）保护事故现场，允许并且协助保险人进行事故原因和损失情况的调查，以及对被保险人相关的会计凭证和账表的检查；**对于拒绝或者妨碍保险人进行上述调查或检查导致无法确定事故原因或核实损失情况的，保险人对无法核实的部分不承担赔偿责任。**

**第二十二条** 被保险人请求赔偿时，应向保险人提供下列证明和资料：

（一）保险单正本、索赔申请、财产损失清单、技术鉴定证明、事故报告书、救护费用发票、相关的会计凭证及账表、单据和有关部门的证明；

（二）投保人、被保险人所能提供的与确认保险事故的性质、原因、损失程度等有关的其他证明和资料。

**投保人、被保险人未履行前款约定的单证提供义务，导致保险人无法核实损失情况的，保险人对无法核实的部分不承担赔偿责任。**

## 赔偿处理

**第二十三条** 发生保险事故后，被保险人在物质损失保险合同主险条款项下取得赔款或其保险责任已获保险人认定，是保险人承担本保险合同项下赔偿责任的前提条件。

如被保险人因物质损失保险合同主险条款项下的免赔额而无法获得该合同项下的赔款，则不受本条前款约定所限。

**第二十四条** 赔偿期间的毛利润损失为分别按照营业收入的减少和经营费用的增加计算的损失之和，扣除在赔偿期间内被保险人因保险事故的发生而从毛利润中减少或停止支付的费用：

（一）因营业收入减少导致的损失为毛利润率乘以赔偿期间的实际营业收入与标准营业收入的差额，即：

毛利润率×（标准营业收入－赔偿期间的实际营业收入）

本保险合同所称营业收入是指被保险人在营业过程中，因销售商品、提供劳务或者让渡资产使用权等实

现的收入金额。

本保险合同所称毛利润率是指发生物质保险损失之日前最近一个完整的会计年度内的毛利润与营业收入的比率。

本保险合同所称标准营业收入是指发生物质保险损失之日前十二个月中与赔偿期间对应的日历期间的营业收入。

在赔偿期间内，被保险人或他人代其在保险合同载明的营业处所以外的地点从事保险合同载明的经营业务而取得的营业收入，应计算在赔偿期间内的实际营业收入内。

(二)经营费用增加导致的损失是指被保险人专门为避免或降低赔偿期间内营业收入的减少而额外支出的必要的、合理的经营费用或成本；如果不予支出，则赔偿期间内的营业收入就会因保险事故的发生而降低。但该项损失以不超过毛利润率乘以因花费该经营费用而避免降低的营业收入为限。

若投保人确定的维持费用仅包括营业所需的部分维持费用，则保险人对额外增加的经营费用的赔偿金额按照该经营费用乘以毛利润与毛利润加上未承保的维持费用的比例计算，即：

增加的经营费用×毛利润/（毛利润+未承保的维持费用）

**第二十五条** 若最大赔偿期小于或等于十二个月，且保险金额低于毛利润率与年度营业收入的乘积，则保险人对毛利润损失的赔偿金额应按保险金额和前述乘积的比例计算确定，即：

赔偿金额=毛利润损失×保险金额/（毛利润率×年度营业收入）

若最大赔偿期大于十二个月，且保险金额低于毛利润率与年度营业收入及最大赔偿期与十二个月的比例的乘积，则保险人对毛利润损失的赔偿金额应按保险金额和前述乘积的比例计算确定，即：

赔偿金额=毛利润损失×保险金额/（毛利润率×年度营业收入×最大赔偿期/12）。

本保险合同所称年度营业收入是指发生物质保险损失之日前十二个月内的营业收入。

**第二十六条** 被保险人、保险人应根据被保险人营业趋势及情况的变化、物质保险损失发生前后营业受影响的情况或若未发生物质保险损失原本会影响营业的其他情况对毛利润率、标准营业收入以及年度营业收入进行必要的调整，使调整后的数额尽可能合理地接近在赔偿期间内若未发生损失被保险人原本可以取得的经营成果。

**第二十七条** 若保险合同约定了免赔额，保险人按照第二十四条、第二十五条计算的毛利润损失扣除保险合同约定的免赔额计算毛利润损失赔偿金额。

若保险合同约定了免赔期，则免赔额为免赔期和赔偿期间的比例与按照本条款第二十四条、第二十五条计算出的毛利润损失的乘积。

**第二十八条** 因保险事故而发生的保险责任约定的审计费用，保险人按费用实际发生数予以赔偿，但最高不超过保险合同中载明的相应赔偿限额。

**第二十九条** 被保险人在请求赔偿时应当如实向保险人说明与本保险有关的其他保险合同的情况。保险

事故发生时，如果存在重复保险，保险人按照本保险合同的相应保险金额与其他保险合同及本保险合同相应保险金额总和的比例承担赔偿责任。

**其他保险人应承担的赔偿金额，保险人不负责垫付。若被保险人未如实告知导致保险人多支付赔偿金的，保险人有权向被保险人追回多支付的部分。**

**第三十条** 发生保险责任范围内的损失，应由有关责任方负责赔偿的，保险人自向被保险人赔偿保险金之日起，在赔偿金额范围内代位行使被保险人对有关责任方请求赔偿的权利，被保险人应当向保险人提供必要的文件和所知道的有关情况。

被保险人已经从有关责任方取得赔偿的，保险人赔偿保险金时，可以相应扣减被保险人已从有关责任方取得的赔偿金额。

**保险事故发生后，在保险人未赔偿保险金之前，被保险人放弃对有关责任方请求赔偿权利的，保险人不承担赔偿责任；**保险人向被保险人赔偿保险金后，被保险人未经保险人同意放弃对有关责任方请求赔偿权利的，该行为无效；**由于被保险人故意或者因重大过失致使保险人不能行使代位请求赔偿的权利的，保险人可以扣减或者要求返还相应的保险金。**

**第三十一条** 保险人履行赔偿义务后，本保险合同的保险金额自物质保险损失发生之日起按保险人的赔偿金额相应减少，保险人不退还保险金额减少部分的保险费。如投保人请求恢复至原保险金额，应按原约定的保险费率另行支付恢复部分从投保人请求的恢复日期起至保险期间届满之日止按日比例计算的保险费。

**第三十二条** 被保险人向保险人请求赔偿保险金的诉讼时效期间为二年，自其知道或者应当知道保险事故发生之日起计算。

#### 争议处理和法律适用

**第三十三条** 因履行本保险合同发生的争议，由当事人协商解决。协商不成的，提交保险合同载明的仲裁机构仲裁；保险合同未载明仲裁机构且争议发生后未达成仲裁协议的，可向人民法院起诉。

**第三十四条** 与本保险合同有关的以及履行本保险合同产生的一切争议，适用中华人民共和国法律（不包括港澳台地区法律）。

#### 其他事项

**第三十五条** 若被保险人聘请的注册会计师证明被保险人在与保险期间重合程度最高的一个会计年度内的毛利润（若最大赔偿期大于十二个月，则该毛利润金额应按照最大赔偿期与十二个月的比例扩大后计算）少于投保的保险金额，则被保险人可以在保险期间届满后六个月内向保险人提供书面退还多余保险费的申请，保险人按照保险金额减去前述毛利润的差额与保险金额的比例计算退还差额部分的保险费，但保险人退还保险费的比例最高不得超过保险期间内对该项保险金额所交保险费的百分之五十。

若被保险人在保险期间内因保险事故发生索赔，则应从保险金额中扣除保险人因此而支付的赔款金额

后，再按照前款约定计算应退还的保险费。

**第三十六条** 保险责任开始前，投保人要求解除保险合同的，应当按保险单所列保险费的5%向保险人支付退保手续费，保险人应当退还剩余部分保险费。

保险责任开始后，投保人要求解除保险合同的，自通知保险人之日起，保险合同解除，保险人按短期费率计收保险责任开始之日起至合同解除之日止期间的保险费，并退还剩余部分保险费。

保险责任开始后，保险人要求解除保险合同的，可提前十五日向投保人发出解约通知书解除本保险合同，保险人按照保险责任开始之日起至合同解除之日止期间与保险期间的日比例计收保险费，并退还剩余部分保险费，但法律另有规定或本合同另有规定的除外。若由于投保人未按照保险人要求在指定时间内支付保险费，保险人有权在保险费付款期限届满后，立即书面通知投保人解除保险合同。

### 附录

短期费率表

保险期间	一个月	二个月	三个月	四个月	五个月	六个月	七个月	八个月	九个月	十个月	十一个月	十二个月
年费率的百分比	10	20	30	40	50	60	70	80	85	90	95	100

注：不足一个月的部分按一个月计收。

## BUSINESS INTERRUPTION INSURANCE CLAUSES

Please read the policy wording carefully, particularly the EXCLUSIONS highlighted.

If you are provided with both the English version and the Chinese version of the Policy, both versions shall be equally enforceable. In case of any discrepancies between the Chinese and English, the Chinese version shall prevail.

### GENERAL PROVISIONS

**Article 1** The Insurance Contract incorporates the Insurance Clauses, Proposal Form, Policy

Schedule or Certificate, Endorsements (if any). Any agreement related to the Insurance Contract shall be in written form.

**Article 2** It is a condition precedent to any liability on the part of the Insurer that the Policyholder shall have purchased physical damage Insurance for their property used in Insured's business operation in the premises specified in the Schedule. The Policy Number of the Physical Damage Insurance shall be stated hereon.

## SCOPE OF COVER

**Article 3** If during the period of insurance the business carried out by the Insured at the premises specified in the Schedule is interrupted or interfered with in consequence of physical loss of or damage to the property used in business operation (hereinafter called Physical Damage) resulting from perils or hazards covered under the Physical Damage Insurance (which herein refers to the standard clauses of the physical damage insurance, excluding the special provisions and conditions, extension clauses, endorsements and memorandum etc.), the Insurer shall indemnify the Insured for the loss of gross profit resulting from such interruption or interference, subject to the terms, exclusions, conditions and provisions contained in this Policy or endorsed thereon.

Indemnity Period in this Policy refers to the period beginning with the occurrence of the Physical Damage and ending no later than the Maximum Indemnity Period stated in the Policy thereafter during which the results of the business is affected in the consequence of the damage.

Gross Profit stated in this Policy is calculated as follows:

Gross Profit= Business Profit +Agreed Standing Charges; or

Gross Profit=Agreed Standing Charge - Business Deficit  $\times$  Agreed Standing Charges/Total Standing Charges

Standing Charges stated in this Policy refers to the costs or expenses incurred by the Insured for the purpose of maintaining normal business operation and shall not be proportionately reduced in accordance with the reduction of the Turnover. The agreed Standing Charges shall be determined by the Insured subject to the confirmation of the Insurer, and then specified in this Policy.

Unless specifically agreed, the accounting terms used in aforementioned formulas shall have the same meaning usually attached to them in the books and accounts of the Insured.

**Article 4** If any particulars or details contained in the Insured's books of account or other business books or documents, which are required by the Insurer for the purpose of investigating or verifying any claim hereunder, are produced by professional accountants if at the time they are regularly acting as such for the Insured, the Insurer shall indemnify the Insured within the limit stated in this Policy in respect of the necessary and reasonable charges payable by the Insured to their professional accountants (hereinafter call Auditor's Fee) for producing such particulars or details or any other proofs, information or evidence as may be required by the Insurer.



## EXCLUSIONS

**Article 5** The Insurer shall not be liable for:

**5.1** any loss or damage caused by or aggravated by willful act and/or gross negligence of the Policyholder and/or the Insured; and/or

**5.2** any loss or damage caused by or aggravated by perils and/or hazards other than those covered by Physical Damage Insurance, which refers to the standard clauses of the physical damage insurance, excluding the special provisions and conditions, extension clauses, endorsements and memorandum etc. and/or

**5.3** any loss or damage caused by or aggravated by earthquake or tsunami and secondary disasters so caused; and/or

**5.4** any loss or damage resulting from or aggravated by government's restrictions on recovery or repair of damaged property; and/or

**5.5** any loss or damage caused by or aggravated by terrorism activities; and/or

**5.6** the deductible or time excess set forth in this Policy.

## SUM INSURED AND LIMIT OF INDEMNITY

**Article 6** The sum insured of Gross Profit is determined by the Policyholder and stated in the Policy Schedule.

**Article 7** The limit of indemnity for Auditor's Fee is determined by the Policyholder and stated in the Policy Schedule.

## INSURANCE PERIOD AND MAXIMUM INDEMNITY PERIOD

**Article 8** Unless otherwise agreed, the period of insurance shall be one year subject to the inception and expiration date as stipulated in the Policy Schedule.

**Article 9** The Maximum Indemnity Period is determined by the Policyholder and stated in the Policy Schedule.

## DEDUCTIBLE AND TIME EXCESS

**Article 10** The deductible and time excess shall be agreed between the Policyholder and the Insurer when entering into the insurance contract and specified in the Policy Schedule.

## OBLIGATIONS OF THE INSURER

**Article 11** In case of application of standard clauses, the Insurer shall enclose them in the Proposal

Form and explain the contents of the insurance contract to the Applicant. For the clauses exempting the Insurer's liability, the Insurer shall make remarkable notice in the Proposal Form, Policy or other certificates to draw the Applicant's attention, and explain them clearly in written or oral form when entering into the contract. Otherwise, such clauses shall be void.

**Article 12** The Insurer shall issue the Policy or other certificates in a timely manner after the establishment of an insurance contract

**Article 13** The Insurer's right to cancel the Policy as stated in Article 17 is void if not exercised by the Insurer within thirty days after his acknowledgement of any causes for cancellation of this Policy. After two years from the establishment of the insurance contract, such right to cancel the Policy is also void and the Insurer shall be liable for the loss, costs or expenses insured by this Policy.

If before the establishment of the insurance contract, the Insurer is aware of the Applicant's misrepresentation or non-disclosure, the Insurer cannot cancel the Policy, and still shall be liable for the loss, costs or expenses insured by this Policy.

**Article 14** If the Insurer believes that the proofs and documents provided by the Insured, as required in Article 22, are not sufficient, the Insurer shall request the Policyholder and/or the Insured to provide additional materials in time and once for all.

**Article 15** Upon receipt of a claim, the Insurer shall confirm whether the loss, costs or expenses are covered by this Policy or not in a timely manner. For complicated cases, it is hereby agreed to allow an extension of no more than 180 days, or further extension if needed subject to the agreement by both parties.

The Insurer shall notify the Insured of the decision in a timely manner. If the loss, costs or expenses are covered by this Policy, the Insurer shall make payment within ten days after reaching an agreement with the Insured. If the time limit for indemnity is specifically stipulated in the insurance contract, the Insurer shall make payment within such time limit. If the loss, costs or expenses are not covered by this Policy, within three days after the decision, the Insurer shall issue a declination letter and explain the reasons to the Insured.

**Article 16** The Insurer shall allow an advance payment that can be determined by the available proofs or documents if the final settlement amount cannot be determined within sixty days after receipt of such claim and relevant documents, and pay the balance to the Insured after the final amount of indemnity is adjusted.

#### **OBLIGATIONS OF THE POLICYHOLDER AND/OR INSURED**

**Article 17** Before entering into an insurance contract, the Policyholder shall make full and accurate representation and disclosure at the request and/or inquiry of the Insurer in respect of the subject matter insured and the Insured himself.

If the Policyholder fails to fulfill the obligation of making full and accurate representation and disclosure as aforementioned due to his willful act and/or gross negligence, which may affect the Insurer's decision

whether to write the risk of the insurance and, if so, whether to raise the premium rate, the Insurer is entitled to cancel the Policy.

**If the Policyholder willfully fails to comply with the obligation of making full and accurate representation and disclosure, the Insurer shall not be liable for any loss happening prior to the cancellation of the Policy while no premium shall be refunded.**

**If the Applicant, due to gross negligence, fails to disclose in truth material particular(s) which has significant contribution to the occurrence of the event insured hereby, the Insurer shall not indemnify the Insured for any loss happening incurred prior to the cancellation of this Policy, but shall return premium collected.**

**Article 18** Unless otherwise agreed, The Policyholder shall pay the premium when this Policy establishes.

**Article 19** The Insured shall observe and fulfill relevant laws, regulations and requirements on fire, safety, production operations and labor protection, improve management, take all reasonable precautions to protect the security of the property and prevent and/or minimize loss or damage thereto.

The Insurer is entitled to inspect whether or not the Insured has fulfilled the aforementioned obligation of reasonable precautions, and make recommendations in writing to the Policyholder or the Insured on eliminating risks and dangers, which shall be implemented by the Policyholder and/or the Insured in a serious manner accordingly.

If the Policyholder or the Insured fails to comply with due obligation of reasonable precautions, the Insurer is entitled to charge additional premium or cancel the Policy.

**Article 20** During the period of insurance, if there is any change of material fact, such as change of business nature in premises specified in the Schedule, liquidation and/or taking-over by liquidator or assets manager, or increase of risk exposure of property used in the business, etc., which may increase the risk materially and affect the Insurer's decision as to whether to continue writing the risk of insurance and, if so, whether to increase the premium, the Insured shall give the Insurer timely written notice of such changes, and the Insurer is entitled to charge additional premium or cancel this Policy.

**If the Insured fails to comply with the obligation of notification aforementioned, the Insurer shall not be liable for any loss due to the material change of the risks.**

**Article 21** If any event giving rise to or likely to give rise to a claim under this Policy comes to his knowledge, the Insured shall:

21.1 take all necessary and reasonable measures to repair the damaged property used in business operation, restore business operation as soon as practical to prevent or minimize the loss resulting from the interruption and/or interference of the business, **otherwise the Insurer shall not be liable for any extended or aggravated loss caused hereby;**

21.2 give notice to the Insurer immediately and submit a written report on the cause, course and extent of the loss. **If the Policyholder and/or Insured fail to notify the Insurer in time due to his willful act or gross negligence, which makes the Insurer not able to ascertain the nature, cause and**

**extent of the loss, the Insurer shall not indemnify the Insured in respect of such uncertain part of loss,** except that the Insurer is aware or ought to be aware of the occurrence timely by other means.

21.3 preserve the spot, permit and assist the Insurer to investigate the accident, and provide the Insurer with relevant books of account or other business books or documents for verification of the loss. **If the cause of the accident cannot be ascertained or the severity of the damage cannot be verified due to the refusal of or disturbance by the Insured, the Insurer shall not indemnify the Insured in respect of such uncertain part of the loss.**

**Article 22** To lodge a claim, the Insured shall submit the following proofs and documents:

22.1 The original Policy Schedule, claims application, list of lost or damaged property, certificates of technical appraisal, report on the occurrence, invoices of rescue expenses, necessary accounting books, documents and certificates issued by relevant governmental departments or public authorities.

22.2 All other information and available documents or proofs concerning the verification of the nature, cause and extent of the Damage that can be provided by the Policyholder or Insured.

**If the Policyholder or Insured fails to comply with their obligation of providing the proofs and documents as aforementioned, which makes the Insurer not able to verify the loss, the Insurer shall not indemnify the Insured in respect of the uncertain part of loss.**

## LOSS SETTLEMENT

**Article 23** After an occurrence insured hereby, It is a condition precedent to any liability on the part of the Insurer that payment of indemnity has been made or liability has been admitted by the Insurer under the Physical Damage Insurance which refers to the standard clauses of the physical damage insurance, excluding the special provisions and conditions, extension clauses, endorsements and memorandum etc., unless no such payment shall have been made or liability shall not have been admitted therefore solely owing to the operation of deductible proviso under the Physical Damage Insurance.

**Article 24** The loss of the Gross Profit in the Indemnity Period is the sum of Reduction in Turnover and the Increase in Cost of Working, deducting any sum saved during the Indemnity Period in respect of such of charges and expenses of the business payable out of Gross Profit as may cease or be reduced in consequence of the incident covered hereby.

24.1 Loss of the Gross Profit resulting from Reduction in Turnover shall be the sum produced by applying the Rate of Gross Profit to the amount by which the Actual Turnover during the Indemnity Period shall, in consequence of the incident, fall short of the Standard Turnover:

Rate of gross profit \*(standard turnover – actual business turnover within the indemnity period)

Turnover stated in this Policy refers to money paid or payable to the Insured for goods sold and for services rendered and transferring assets in course of the business.

Rate of Gross Profit stated in this Policy refers to the rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the physical damage.

Standard Turnover stated in this Policy refers to the Turnover during that period in the twelve months before the date of the physical damage which corresponds with the Indemnity Period.

Incomes, in connection with the insured's operation, brought into account elsewhere than at the stated premises in this Policy, either by the insured or its representatives shall be included in the Actual Turnover.

24.2 Increase in Cost of Working refers to the additional expenditure 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 Physical Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided.

If any Standing Charges of the business are not insured by this Policy (having been deducted in arriving at the Gross Profit as defined herein) then in calculating the amount recoverable hereunder as Increase in Cost of Working that proportion only of the additional expenditure shall be brought into account which the Gross Profit bears to the sum of the Gross Profit and the Uninsured Standing Charges, as the following formula:

Increase in Cost of Working  $\times$  Gross Profit / (Gross Profit + Uninsured Standing Charges)

**Article 25** If the Maximum Indemnity Period is shorter than or equivalent to 12 months, and the sum insured is less than the amount of Rate of Gross Profit multiplying Annual Turnover, the amount of indemnity shall be determined on the basis of such proportion of the loss of Gross Profit as the sum insured bears to above-mentioned formula:

Amount of indemnity = loss of Gross Profit  $\times$  sum insured / (Rate of Gross Profit  $\times$  Annual Turnover)

If the Maximum Indemnity Period is longer than 12 months, and the sum insured is less than the amount that both rate of gross profit multiplying annual turnover, and the Maximum Indemnity Period multiplying 1/12, the amount of indemnity shall be determined on the basis of above-mentioned proportion of the actual loss of Gross Profit as the sum insured bears to above-mentioned formula:

Amount of indemnity = loss of Gross Profit  $\times$  sum insured / (Rate of Gross Profit  $\times$  Annual Turnover  $\times$  Maximum Indemnity Period/12)

The Annual Turnover stated in this Policy refers to the turnover during the 12 months immediately before the date of Physical Damage.

**Article 26** To which such adjustments shall be made as may be necessary to provide for the trend of business and for variations in or other circumstances affecting the business either before or after Physical Damage or which would have affected the business had the Physical Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the physical property damage.

**Article 27** If the deductible has been agreed in this Policy, the amount of indemnity for loss of gross

profit shall be the amount of loss of gross profit calculated in accordance with Item 24 and Item 25 deducting the deductible.

If the time excess has been agreed in this Policy, the deducting amount shall be calculated as the percent of time excess divided by indemnity period multiplying the loss of Gross Profit defined in accordance with Item 24 and Item 25.

**Article 28** The Insurer shall pay the actual Auditor's Fee incurred in consequence of a covered occurrence, subject to the limit of indemnity specified in the Policy.

**Article 29** The insured shall furnish the Insurer with any other relevant insurance policies existing in truth when lodging a claim. If at the occurrence of the insured accident there is any double insurance, the Insurer shall not pay or contribute more than his ratable proportion of loss as the corresponding sum insured under this Policy bears to the corresponding total sum insured under all these policies.

**The Insurer shall not advance the amount payable by other insurer(s). If the Insurer has paid more than his share due to the Insured's non-disclosure, the Insurer is entitled to claim for the portion paid in excess.**

**Article 30** If any third party is held liable for the loss or damage insured hereby, the Insurer shall be entitled by subrogation to claim for indemnity against such third party upon Insurer's paying for the loss subject to the limit of the payment, and the Insured shall provide the Insurer with all the necessary documents and relevant information known to him.

If the Insured has already been indemnified by the third party liable for the loss or damage, the Insurer shall deduct the corresponding amount when calculating the amount of indemnity.

**The Insurer shall not indemnify the Insured for the loss or damage, if the Insured waive the right to claim against the third party liable before the Insurer makes payment of indemnity.** If after receiving indemnity from the Insurer, the Insured waives the right to claim against any third party liable for the loss or damage without the Insurer's consent, such waiver of right is invalid. **If due to the Insured's willful act or gross negligence, the Insurer cannot exercise the right of subrogation, the Insurer may deduct a corresponding amount when calculating the amount of indemnity or request refund of a corresponding amount from the indemnity paid to the Insured.**

**Article 31** Upon settlement of the claim by the Insurer, the sum insured of this Policy shall be reduced correspondingly from the date of Physical Damages and no premium shall be refunded for the amount so reduced. If the Policyholder requires reinstatement of the sum insured, an additional premium for the reinstated amount shall be charged at the agreed rate and calculated on pro rata daily basis from the date of requirement by the Policyholder to the expiry date of this Policy.

**Article 32** The limitation of action to claim for indemnity under this Policy shall be two years from the date that the Insured is aware or ought to be aware of the occurrence of loss or damage insured hereby.

#### **DISPUTE RESOLUTION AND JURISDICTION**

**Article 33** All disputes arising from implementing this Policy shall be settled through negotiations

between the parties concerned. Upon failure to reach an agreement through negotiations, such dispute shall be referred to the arbitration commission specified in the policy. If there is no arbitration commission specified in the policy and no agreement reached for arbitration, legal proceeding could be initiated with the People's Court in People's Republic of China.

**Article 34** All disputes related to this insurance contract shall be governed by the laws of the People's Republic of China, but except laws of Hong Kong SAR, Macau SAR, and Taiwan.

### MISCELLANEOUS

**Article 35** If the Insured declares at the latest six months after the expiry of any policy year that the Gross Profit earned by the insured during fiscal year most nearly concurrent with any period of this Policy (if the Maximum Indemnity Period is longer than 12 months, the amount of Gross Profit shall be calculated on the basis of the rate of the Maximum Indemnity Period multiplying 1/12) as certified by certified and/or chartered accountant appointed by the insured, was less than the sum insured thereon, a pro rata return of premium not exceeding 50% of the premium paid on such sum insured for such period of this Policy shall be made in respect of the difference.

If a insured accident has occurred giving rise to a claim, such return of premium shall be calculated as aforementioned after deducting the amount of indemnity hereby paid by the Insurer from the sum insured.

**Article 36** At the Policyholder's request for cancellation of this Policy before the inception of insurance, the Insurer shall charge 5% of the premium specified in the Policy Schedule as a commission for cancellation, but shall return the balance of the premium to the Policyholder.

At the Policyholder's request for cancellation of the Policy after inception of insurance, the insurance shall be terminated from the date of notification, in which case, **the Insurer shall retain the premium calculated according to the Short-Term Premium Rate Table** for the period from the date of inception to the date of cancellation, and refund the balance of the charged premium to the Policyholder.

This insurance may also be cancelled at the request of the Insurer after inception of insurance by sending fifteen days' notice to the effect being given to the Policyholder, in which case the Insurer shall calculate the premium on pro rata daily basis from the inception date of insurance to the date of cancellation, and refund the balance of premium to the Policyholder, unless other agreement is made under the contract or otherwise stipulated by laws and regulations. If the Policyholder does not pay the required premium as specified in the Policy Schedule within the required payment period, the Insurer has the rights to cancel the Policy immediately by a written notification sent to the Insured's last known address.

### APPENDIX

Short Term Premium Rate Table

Period insured	Annual rate %
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Exceeding	Not exceeding	
---	1 month	10% of the annual rate
1 month	2 months	20% of the annual rate
2 months	3 months	30% of the annual rate
3 months	4 months	40% of the annual rate
4 months	5 months	50% of the annual rate
5 months	6 months	60% of the annual rate
6 months	7 months	70% of the annual rate
7 months	8 months	80% of the annual rate
8 months	9 months	85% of the annual rate
9 months	10 months	90% of the annual rate
10 months	11 months	95% of the annual rate
11 months	12 months	100% of the annual rate

**Remarks: the Period Insured (or part of it) less than one month should be charged for one month.**