

## BUSINESS INTERRUPTION POLICY WORDING

(Issued in accordance with Decision No.24/2019-QĐHN-TMIV dated 22 July, 2019

by General Director of Tokio Marine Insurance Vietnam Company Limited)

Please read this Policy, Schedule and Specification carefully and note their terms, conditions and exclusions.

The Insured need to pay attention to the importance of ensuring that the sum insured is maintained at an adequate level at all times.

### COVERAGE

In consideration of the Insured named in the Schedule having paid or agreed to pay the required premium, **Tokio Marine Insurance Vietnam Company Limited** (hereafter called the Company) agrees (subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon which shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the right of the Insured to recover hereunder) that if any of the property insured be accidentally physically lost, destroyed or damaged, other than by an excluded cause, at any time during the period of insurance shown in the Schedule or of any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the renewal of this Policy and the business carried on by the Insured at the Premises be in consequence thereof interrupted or interfered with then the Company will pay to the Insured in respect of each item in the Schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provisions therein contained.

### Provided that

1. at the time of the happening of the Damage there shall be in force an insurance covering the interest of the Insured in the property at the Premises against such Damage and that:
  - a. payment shall have been made or liability admitted therefor; or
  - b. payment would have been made or liability would have been admitted therefor but for the operation of a provision in such insurance excluding liability for losses below a specified amount.
2. the liability of the Company in any one period of insurance shall in no case exceed:
  - a. in respect of each item the sum expressed in the Schedule to be insured thereon or in the whole the total sum insured hereby;
  - b. any limit of liability shown in the Schedule;or such other sum or sums as may be substituted therefrom by endorsement hereon or attached hereto signed by the Company.

### EXCLUSIONS

This Policy does not cover loss resulting from:

#### 1. Damage caused by:

- a.
  - (i) faulty or defective design, materials or workmanship, inherent vice, latent defect, gradual deterioration, deformation or distortion or wear and tear;
  - (ii) interruption of the water supply, gas, electricity or fuel systems or failure of the effluent disposal systems to or from the Premises;

unless Damage by a cause not excluded in the Policy ensues and then the Company shall be liable only for such ensuing Damage.

#### b.

- (i) collapse or cracking of buildings;
- (ii) corrosion, rust extremes or changes in temperature, dampness, dryness, wet or dry rot, fungus, shrinkage, evaporation, loss of weight, pollution, contamination, change of colour, flavour, texture or finish, action of light, vermin, insects, marring or scratching;

unless such Damage is caused directly by Damage to the property insured or to Premises containing such property by a cause not excluded in the Policy.

#### c.

- (i) theft except from a building and then only if there is violent or forcible entry to or exit from such building;
- (ii) acts of fraud or dishonesty;
- (iii) disappearance, unexplained or inventory shortage, misfiling or misplacing of information,

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shortages in supply or delivery of materials or shortage due to clerical or accounting error;

- (iv) cracking, fracturing, collapse, or overheating of boilers, economisers, vessels, tubes or pipes, nipple leakage or the failure of welds of boilers;
- (v) mechanical or electrical breakdown or derangement of machinery or equipment;
- (vi) bursting, overflowing, discharging or leaking of water tanks, apparatus or pipes when the Premises are empty or disused;

unless Damage by a cause not excluded in the Policy ensues and then the Company shall be liable only for such ensuing Damage and such Damage is caused directly by Damage to the property insured or to Premises containing such property by a cause not excluded in the Policy.

d.

- (i) coastal or river erosion;
- (ii) subsidence, ground heave or landslip;
- (iii) normal settlement or bedding down of new structures;
- (iv) wind, rain, hail, frost, snow, flood, sand or dust to movable property in the open or in open sided buildings or to fences and gates;
- (v) the freezing, solidification, or inadvertent escape of molten material.

**2. Damage to:**

- a. property as a result of its undergoing any process;
- b. property in transit other than within the Premises specified in the Schedule.

**3. Damage resulting from erasure or distortion of information on computer systems or other records:**

- a. whilst mounted in or on any machine or data processing apparatus;  
or
- b. due to the presence of a magnetic flux;

unless caused by Damage to the machinery or apparatus in which the records are mounted.

**4. Damage to:**

- a. fixed glass;
- b. glass (other than fixed glass), china, earthenware, marble or other fragile or brittle objects;
- c. electronic installations, computers and data processing equipment;
- d. vehicles licensed for road use (including accessories thereon), caravans, trailers, railway locomotives or rolling stock, watercraft or aircraft, spacecraft or the like;
- e. property or structures in course of demolition, construction or erection and materials or supplies in connection therewith;
- f. plant, machinery or equipment during installation, removal or resisting (including dismantling and re-erection) if directly attributable to such operations;
- g. property undergoing alteration, repair, testing, installation or servicing including materials and supplies therefor if directly attributable to the operations or work being performed thereon;

but this shall not exclude Damage (not otherwise excluded) caused by fire, lightning, explosion, aircraft, riot, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, impact by any road vehicle or animals, earthquake, hurricane, windstorm, flood, bursting, overflowing, discharging or leaking of water tanks, apparatus or pipes.

**5. Damage to:**

- a. land (including top soil, back-fill, drainage or culverts), driveways, pavements, roads, runways, railway lines, darns, reservoirs, canals, rigs, wells, pipelines, tunnels, bridges, docks, piers, jetties, excavations, wharves, mining property underground, off-shore property;
- b. livestock, growing crops or trees.

**6. Damage caused by or arising from:**

- a. any wilful act or wilful negligence on the part of the Insured or any person acting on his behalf;
- b. cessation of work.

**7. Damage occasioned directly or indirectly by or through or in consequence 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. mutiny, civil commotion assuming the proportions or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power;
- c. acts of terrorism committed by a person or persons acting on behalf of or in connection with any organisation. This Exclusion 7(c) shall not apply to Damage by fire;

for the purpose of Exclusion 7(c) above, "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear;

- d.
  - (i) permanent or temporary dispossession resulting from confiscation, nationalisation, commandeering or requisition by any lawfully constituted authority;
  - (ii) permanent or temporary dispossession of any building resulting from the unlawful occupation of such building by any person;

provided that the Company are not relieved of any liability to the Insured in respect of physical damage to the property insured occurring before dispossession or during temporary dispossession which is otherwise insured by this Policy;

- e. the destruction of property by order of any public authority.

In any action suit or other proceeding where the Company alleges that by reason of the provisions of Exclusions 7(a), (b) and (c) above any accidental loss, destruction or damage is not covered by this insurance the burden of proving that such accidental loss, destruction or damage is covered shall be upon the Insured.

**8. Damage directly or indirectly caused by or arising from or in consequence of or contributed to by:**

- a. nuclear weapons material;
- b. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this Exclusion 8(b) combustion shall include any self-sustaining process of nuclear fission.

**9. Damage to:**

Boilers, economisers, turbines, or other vessels, machinery or apparatus in which pressure is used or their contents resulting from their explosion or rupture.

**GENERAL CONDITIONS**

**1. Identification**

This Policy and the Schedule (which forms an integral part of this Policy) 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 the Schedule shall bear such specific meanings wherever they shall appear.

**2. Misdescription**

If there be any material misdescription of the business or Premises to which this insurance refers 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 at its own discretion suspend this Policy and retain premium in proportion to the period of the date of suspension. For avoidance of doubt, the Company may still be liable for any submitted claims before the date of suspension which are not affected by or involved with such misdescription, misrepresentation and omission.

**3. Cancellation**

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 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 rateable proportion of the premium for the unexpired term from the date of cancellation.

**4. Forfeiture**

- a. If any claim made under this Policy 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, the Company shall immediately cancel this Policy and cease its liability to pay for such claim and/or request for return of any paid benefits from the Insured. All earned premium shall be kept by the Company as the compensation for such act.
- b. if a claim is made and rejected and no action or suit is commenced within thirty-six months after such rejection or, (in case of arbitration taking place as provided herein) within three months after the arbitral tribunal shall have made their award in favor with such rejection, the Insured shall not have any rights for indemnification for such claim.

**5. Subrogation**

Any claimant under this Policy 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 subrogated, upon its paying for or making good any loss or damage under this Policy, whether

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such acts and things shall be or become necessary or required before or after his indemnification by the Company.

**6. 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 person or persons, covering either such loss or any part of it or the same property the Company shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.

**7. Arbitration**

Any dispute arising out of or in connection with this Policy shall be resolved by Arbitration as set forth in the Schedule.

**8. Alteration**

The Insurance by this Policy shall cease if:

- a. the business of the Insured be wound up or carried on by a Liquidator or permanently discontinued; or
- b. the Insured's interest ceases otherwise than by death; or
- c. any alteration be made either in the business or in the Premises or property therein whereby the risk of Damage is increased at any time after the commencement of this Insurance, unless its continuance be admitted by endorsement issued by the Company and the Company receives additional premiums if required from the Insured.

**9. Property damage rate of premium**

Notice shall be given to the Company and if required an additional premium shall be paid by the Insured if the rate of premium payable in respect of the insurance covering the interest of the Insured in the property at the Premises against Damage shall be increased.

**10. Time limit**

In no case whatever shall the Company 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 Company cover the Damage giving rise to the said claim;

unless the claim is the subject of pending action or arbitration.

**11. Reasonable precautions**

The Insured shall maintain the property in a proper state of repair and take all reasonable precautions to prevent Damage thereto.

**12. Deductibles**

This Policy does not cover the amounts of the deductibles state in the Schedule in respect of each and every loss as ascertained after the application of all other terms and conditions of the Policy including any condition of Average.

Warranted that during the currency of the Policy the Insured shall not effect insurance in respect of the amounts of the deductibles stated in the Schedule.

**13. Claims**

On the happening of any damage in consequence of which a claim is or may be made under this Policy, the Insured shall forthwith give notice thereof to the Company and shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise 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 Section shall, not later than thirty days after the expiry of the Indemnity Period or within such further time as the Company may in writing allow, at his own expense deliver to the Company in writing a statement setting forth particulars of his claim together with details of all other insurances (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 Company such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may be reasonably required by or on behalf of the Company 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 this Policy shall be payable unless the terms of this condition have been complied with and in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the Company forthwith.