

---

# FIRE BUSINESS INTERRUPTION

---

**WHEREAS** the Insured by a proposal and declaration which is the basis of and is deemed to be incorporated within this contract has applied to MSIG Insurance (Singapore) Pte. Ltd. (the Company) for the insurance contained in this Policy and has paid or agreed to pay the premium as consideration for such insurance

**NOW THIS POLICY WITNESSETH** that subject to the terms, conditions and exceptions contained in or endorsed onto this Policy the Company agrees that if any building or other property or any part of it used by the Insured at the Premises for the purpose of the Business be destroyed or damaged by

- (1) Fire
- (2) Lightning
- (3) Explosion in a building in which gas is not generated and which does not form part of any gasworks of gas used in it for illuminating or domestic purposes

(which destruction or damage is for the purpose of this Policy termed as Damage) at any time after payment of the premium during the Period of Insurance or any subsequent period in respect of which the premium required for the renewal of this Policy shall have been paid to and accepted by the Company and the Business carried on by the Insured at the Premises is as a consequence interrupted or interfered with

**THEN THE COMPANY WILL PAY TO THE INSURED** in respect of each item in the Schedule the amount of loss resulting from such interruption or interference in accordance with the provisions contained in the Specification and in any other part of the Policy

**PROVIDED THAT** 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 payment shall have been made or liability admitted for such Damage under such insurance

**AND THAT** the liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured in respect of it or in the whole the Total Sum Insured or such other sum or sums as may hereafter be substituted for it by a memorandum signed by or on behalf of the Company.

## CONDITIONS

This Policy, Schedule and the Specification annexed (which form 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, Schedule or Specification shall bear such specific meanings wherever they may appear.

### 1. MISDESCRIPTION OR MISREPRESENTATION

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 not be liable upon this Policy.

### 2. OTHER INSURANCES

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 loss insured against under this Policy and unless such notice is given and the particulars of such insurance or insurances is stated in or endorsed on this Policy by or on behalf of the Company before the occurrence of any Damage, all benefit under this Policy shall be forfeited.

### 3. FALLEN BUILDINGS

Immediately upon any fall or displacement

- (a) of any building Damage to which might give rise to a claim under this Policy
  - (b) of any part of such building
  - (c) of the whole or any part of any range of buildings or of any structure of which such building forms part
- the insurance under this Policy shall cease in respect of loss resulting from Damage to such building or property therein

Provided that

- (i) 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 or leaves such building or any part thereof or any property contained therein subject to increased risk of Damage or is otherwise material.
- (ii) Such fall or displacement is not caused by Damage, loss resulting from which is covered by this Policy or would be covered if such building, range of buildings or structure were included in the Premises to which this Policy refers.

If any claim be made upon this Policy in consequence of Damage whether occurring before, during or after such fall or displacement the Insured shall produce such proof as may reasonably be required that the loss was not, either in origin or in extent, directly or indirectly, proximately or remotely, occasioned by or contributed to by any such fall or displacement and did not either in origin or extent, directly or indirectly, proximately or remotely, arise out of or in connection with any such fall or displacement.

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

#### **4. EXCLUDED PERILS**

This insurance does not cover any loss resulting from Damage occasioned by through or in consequence directly or indirectly, of any of the following occurrences, namely :

- (a) The burning of property by order of any Public Authority
- (b) Subterranean fire
- (c) Explosion whether the explosion be occasioned by Fire or otherwise except as stated on the face of this Policy
- (d) The burning, whether accidental or otherwise, of forest, bush, prairie, pampas or jungle and the clearing of lands by fire
- (e) Damage to property occasioned by its own fermentation, natural heating or spontaneous combustion or by its undergoing any heating or drying process
- (f) Loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material
- (g) Loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this Condition 4(g) only, combustion shall include any self-sustaining process of nuclear fission.
- (h) Earthquake, volcanic eruption or other convulsion of nature.
- (i) Typhoon, hurricane, tornado, cyclone or other atmospheric disturbance.
- (j) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.
- (k) 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.
- (l) requisition or seizure or destruction of or damage to property by or under the order of any Government or Public or local authority or confiscation or nationalisation.

Any loss resulting from 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 which is not covered by this insurance, except to the extent that the Insured

shall prove that such 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 provision of this Condition any loss is not covered by this insurance, the burden of proving that such loss is covered shall be upon the Insured.

**5. ALTERATION OF RISK**

The insurance by this Policy shall cease if

- (a) the Business be wound up or carried on by a Liquidator or Receiver or permanently discontinued or
- (b) the Insured's interest cease otherwise than by death or
- (c) any alterations be made either in the Business or in the Premises or property in it that increases the risk of Damage

at any time after the commencement of this insurance, unless its continuance be admitted by memorandum signed by or on behalf of the Company.

**6. CHANGE OF FIRE RATE**

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

**7. LOSS NOTIFICATION**

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 Policy 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 the details of all other insurance (if any) covering the Damage or any part of it or consequential loss of any kind resulting from the Damage.

**8. PROVIDING DETAILS**

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 reasonably be 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 with it. 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 with it in any respect, any payment on account of the claim already made shall be repaid to the Company forthwith.

**9. FRAUD**

If the claim is in any respect fraudulent, or if any false declaration is made or used in support of it, 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 Insured or any person acting on his behalf shall hinder or obstruct the Company in the exercise of its rights, or if the Damage is occasioned by the wilful act, or with the connivance of the Insured, or (in case of an arbitration taking place in pursuance of Condition 14 of this Policy) within three months after the Arbitrator or Arbitrators or Umpire shall have made their award, all benefit under this Policy shall be forfeited.

**10. 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 at any time be terminated at the option of the Company by sending seven days' notice by registered letter to the Insured at his last known address, 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 the cancellation.

**11. CONTRIBUTION**

If at the time of any loss under this Policy there be any other subsisting insurance or insurances, whether effected by the Insured or by any other person or persons, covering such loss or any part of it the Company shall not be liable to pay or contribute hereunder more than its rateable proportion of such loss.

## **12. SUBROGATION**

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 subrogated, upon its paying for any loss under this Policy, whether such acts and things shall be or become necessary or required before or after indemnification by the Company.

## **13. ARBITRATION**

If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed in accordance with the statutory provisions on arbitration for the time being in force.

Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the Company.

Unless any such action or suit be commenced within six months of the making of an award the Company shall not be liable to make any payment in excess of the amount of the award.

## **14. COMMENCEMENT OF ARBITRATION OR COURT ACTION**

If the Company shall offer an amount in settlement or disclaim liability for any claim under this Policy and such claim shall not within twelve calendar months from the date of such offer or disclaimer have been referred to arbitration under the provision contained in the Policy or where liability is in dispute, been made subject to pending court action then the claim shall for all purposes be deemed to have been abandoned and shall not then be recoverable under this Policy.

## **15. EXPIRATION**

In no case whatsoever 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 is made or liability admitted by the Company covering the Damage giving rise to the said claim

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

## **16. WRITTEN NOTICE**

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

## **17. LIMITATION**

The company shall not be liable in so far as the interruption loss is increased :

- (a) by extraordinary events taking place during the interruption
- (b) by restriction imposed by the authorities on the reconstruction or operation of the Insured's business
- (c) due to the Insured's lack of sufficient capital for timely restoration or replacement of property destroyed damaged or lost.

## **18. POLLUTION AND CONTAMINATION EXCLUSION**

This insurance does not cover any loss, damage or destruction caused by pollution or contamination except (unless otherwise excluded) damage or destruction of the property insured caused by

- (i) pollution or contamination which itself result from a contingency insured against by this Policy
- (ii) any contingency insured against by this Policy which itself results from pollution or contamination

## **ALTERNATIVE TRADING CLAUSE**

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 his 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.

#### **UNINSURED STANDING CHARGES CLAUSE**

If any standing charges of the business be not insured by this Policy (having been deducted in arriving at the Gross Profit as defined in this Policy) then in computing the amount recoverable under this Policy 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 all the Uninsured Standing Charges.

#### **PREMIUM ADJUSTMENT CLAUSE**

In the event of the Gross Profit (or a proportionately increased multiple of it where the Indemnity Period exceeds twelve months) earned during the accounting period of twelve months most nearly concurrent with any period of insurance as certified by the Insured's Auditors, being less than the Sum Insured thereon a pro-rata return of premium not exceeding fifty per cent (50%) of the premium paid on such Sum Insured for such period of insurance will be made in respect of the difference. If any damage shall have occurred giving rise to a claim under this section, such return shall be made in respect only of so much of the said difference as is not due to such damage.

**IMPORTANT- The Insured is requested to read this Policy. If any error or misdescription be found, the Policy should be returned to the issuing office for correction.**

LOP60506