

SME INSURANCE POLICY

This Policy, Schedule and Endorsement(s) (if any) together are evidence of the contract between you and MAPFRE Middlesea p.l.c. based on the information given to us and the declaration made on the proposal form. In return for receiving and accepting the premium, we will provide insurance within the Territorial Limits in accordance with the terms and conditions of this Policy. You should read these documents and check them carefully to ensure they provide you with the cover you require. It is important that you should advise us immediately whenever any changes occur that affect what you have told us.

This Policy is valid for the period of insurance shown in the Schedule and any subsequent period for which you pay and we accept a renewal premium.

Unless both you and we agree otherwise, this contract of insurance is a Maltese one and is governed by and according to Maltese Law and is subject to the exclusive jurisdiction of the Maltese Courts. The cover provided by this Policy shall apply only to judgments or orders that are delivered by or obtained from a Court in Malta. Furthermore, the cover shall not apply to a judgment or order obtained in Malta for the enforcement of a judgment obtained elsewhere or to costs and expenses of litigation recovered by any claimant from you which costs and expenses of litigation are not incurred in Malta.

WE ARE ONLY RESPONSIBLE FOR COSTS AND EXPENSES INCURRED WITH OUR PRIOR APPROVAL. If your business is broken into, the matter should be immediately reported to the Police prior to calling our Business Emergency Assistance line. The insurance cover and benefits available under this Policy are not transferable to any other party.



MARTIN GALEA
CHAIRMAN



FELIPE NAVARRO
PRESIDENT &
CHIEF EXECUTIVE OFFICER

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HOW TO USE YOUR POLICY

Your Policy

Your policy contains details of the extent of cover available to **you**, what is excluded from the cover and the conditions on which the policy is issued.

Your Schedule

Your schedule provides details of the insurance protection provided, the sections of the policy which are operative and the levels of cover **you** have. Please examine **your** schedule to ensure it meets **your** requirements.

Making a Claim

To make a claim, first read the policy and schedule and check that **you** are covered. In the event of any occurrence likely to result in a claim under **your** policy, please notify **us** in writing as soon as possible. Moreover, in the event of theft or other criminal offences resulting in loss, destruction or **damage**, which is covered under **your** policy, a report must be lodged with the competent authorities.

Using the Business Assistance Service

Details of our Business Assistance helpline are provided in the Schedule attaching to this policy booklet.

DEFINITIONS

Business means 'The Business' or 'Occupation' as shown in the Schedule and no other for the purposes of this policy.

Damage means loss, destruction or damage.

Excess means the first amount of each and every claim for which **you** shall be responsible.

Injury means bodily injury, death, illness, disease or electric shock.

Period of Insurance means the period beginning with the Effective Date shown in the schedule and ending with the Expiry Date and any other period for which **we** accept **your** premium.

Premises means the part of the premises at the address or addresses specified in the Schedule which **you** occupy for the purposes of the **business**. Unless otherwise stated the buildings at the premises are:-

1. Built of bricks, stones or concrete and roofed with concrete, asphalt, metal sheets or slabs composed of incombustible mineral ingredients
2. Occupied in connection with the **Business** or Occupation

Property means material property.

Reinstatement Basis means that whenever claims settlement is declared to be on a Reinstatement Basis, the basis upon which the amount payable in respect of the **property** insured is to be calculated shall be as follows:-

1. The rebuilding or replacement of **property** lost or destroyed which provided **our** liability is not increased may be carried out:
 - a. In any manner suitable to **your** requirements
 - b. Upon another site
2. The repair or restoration of **property** damaged

In either case, to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

Special Conditions

- i. **Our** liability for the repair or restoration of **property** damaged in part only shall not exceed the amount which would have been payable had such **property** been wholly destroyed
- ii. If at the time of reinstatement the sum representing 85% of the cost which would have been incurred in reinstating the whole of the **property** covered by any Item subject to this Clause exceeds its Sum Insured at the commencement of any **damage**, **our** liability shall not exceed

- that proportion of the amount of the **damage** which the Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such **property** at that time
- iii. No payment beyond the amount which would have been payable in the absence of this Clause shall be made:
- a. Unless reinstatement commences and proceeds without reasonable delay
 - b. Until the cost of reinstatement shall have been actually incurred
 - c. If the **property** insured at the time of the **damage** shall be insured by any other insurance effected by **you** or on **your** behalf which is not upon the same basis of reinstatement
- iv. All the terms and conditions of this policy shall apply:
- a. In respect of any claim payable under the provisions of this Clause except insofar as they are varied hereby
 - b. Where claims are payable as if this Clause had not been incorporated

We/Us/Our means MAPFRE Middlesea p.l.c.

You/Your mean the 'Insured' named in the Schedule.

SECTION 1 – PROPERTY AND TRADE CONTENTS

The Property Insured if noted as applicable in the Schedule

1. Buildings

Buildings specified in the schedule including fixtures and fittings permanently affixed to the structure, walls gates, fences, yards, patios, terraces, car parks, electricity gas and water meters and associated underground pipes and cables, all fixed glass therein blinds and fitments thereon and internal decorations on ceilings walls the like for which **you** are responsible as owner of the **premises**. Buildings shall also include Tenants Improvements including internal decorations to ceilings and walls and improvements and additions of a like nature belonging to **you** or for which **you** are responsible as tenant not as owner of the **premises**.

2. Trade Contents

- a. Trade Contents include Stock in Trade, Fixtures and Fittings, Plant and Machinery, Electronic, Computer or other Data Processing Equipment (including accessories and peripherals used in conjunction with such equipment) and All Other Contents. Unless otherwise stated by endorsement, the term “all other contents” is understood to include:
 - a. Money and stamps (other than National Insurance stamps) for an amount not exceeding € 250
 - b. Documents, manuscripts and **business** books but only for the value of the materials as stationery together with the cost of clerical labour in reproducing them for an amount not exceeding €2,500
 - c. Computer systems records but only for the value of the material together with the cost of clerical labour and computer time in reproducing such records for an amount not exceeding €2,500
 - d. Patterns, models, moulds, plans and designs in so far as the same are not otherwise insured for an amount not exceeding €2,500
 - e. Directors’ and employees’ pedal cycles and other personal effects for an amount not exceeding €100 in respect of any one pedal cycle and € 250 in respect of the other personal effects of any one director or employee

3. Glass

All fixed glass (including shelves, showcases and mirrors) and fixed items of sanitary ware contained in **your premises** or for which **you** are responsible at **your** premises.

4. Goods in Transit

Trade Contents and Stock in Trade.

5. Safes

Including safes, cash registers, strong rooms or security cased and postal franking machines belonging to **you** or for which **you** are legally responsible.

The Cover

We will indemnify **you** in the event of loss, **damage** or destruction to the **property** described by each item in the schedule which occurs during the **period of insurance** and which arises from any cause not specifically excluded;

- a. In respect of Buildings, Tenants Improvements and Trade Contents but not Stock in Trade the cost of repair or replacement without deduction for wear and tear but only if the necessary repair or replacement is undertaken without delay. Where coverage is on a **reinstatement basis** **we** will pay the cost of repair or reinstatement to a condition not better than the condition of the damaged **property** when new
- b. In respect of Stock in Trade the cost of repair or the current replacement value less depreciation and wear and tear
- c. In respect of Goods in Transit whilst in transit by vehicles owned, hired or leased by **you** including loading and unloading and temporary housing in case of transit from the time of dispatch until delivered at a consignee's address anywhere within the Maltese Islands including transits between the islands by any of **your** own vehicles
- d. In respect of Glass or sanitary ware for which **you** are responsible at **your premises**, **we** will replace such **property** or at **our** option pay **you** the cost of replacement. **We** shall not be liable to replace or pay for the replacement of such **property** exactly but only as nearly as circumstances permit. Following breakage of glass **we** will in addition pay for any boarding up costs reasonably incurred.

We will also indemnify **you** in respect of:-

- i. **Damage** to frames or framework following breakage of glass
- ii. The cost of removal or replacement of fixtures and fittings necessarily incurred to effect replacement of glass as a result of breakage
- iii. The cost of replacing alarm foil, lettering, painting, embossing or other ornamental work on glass following breakage of glass
- iv. Accidental **damage** to goods incidental to the **business** caused by breakage of glass in display windows subject that the damaged goods are insured in the Trade Contents Sub-Section

Provided that **our** liability under all of the above, shall not exceed the limit shown in the schedule for any one incident

- e. In respect of Electronic, Computer or other Data Processing Equipment (including accessories and peripherals used in conjunction with such equipment) cover is extended to operate at any location in any member country of the European Union including whilst in transit between such situations but only whilst in **your** care, custody and control.
- f. In respect of Safes we will pay the cost of repair or replacement.
- g. In respect of all other items of **property** insured the amount of loss incurred.

In all cases the amounts payable shall never exceed the amounts shown against each heading in the schedule.

Basis of Claims Settlement:

Buildings

The basis of settlement for each and every item under this section shall be on a **Reinstatement Basis**.

Stock in Trade whilst on the premises or in transit

The basis of settlement for each and every item under this section shall be at our option payment, reinstatement or replacement of the **property** or any part thereof. If the sum insured at the time of any **damage** is less than the full cost of replacement at current prices then **you** will be **your** own insurer for the difference and bear a rateable share of the **damage** accordingly.

Trade Contents whilst on the premises or in transit

The basis of settlement for each and every item under this section shall be on a **Reinstatement Basis**. **We** may at **our** option reinstate or replace the **property** or any part thereof.

Additional Cover

1. Underground Services

The insurance by this section is extended to include accidental **damage** to service pipes and cables at the **premises** for which **you** are responsible as owner of the **premises**.

2. Ground Rent

The insurance by this section is extended to include up to 12 months ground rent if the **premises** are rendered temporarily uninhabitable but only during the period necessary for reinstatement and up to a maximum of 10% of the buildings Sum Insured.

3. Public Authorities

The insurance by this section is extended to include the additional cost of reinstatement of the **property** sustaining **damage** thereby insured and undamaged portions thereof incurred solely to comply with Statutory Building Regulations, provided that:

- a. **You** receive the notice to comply after the **damage** occurs
- b. The work of reinstatement is completed within 12 months of the date of the **damage**, or within such further time as **we** may in writing allow
- c. **We** shall not be liable for any additional rate, tax duty or other charge which may become payable following compliance with such legislation or regulations.

4. Fees

The insurance by this section is extended to include Architects, Surveyors, Legal and Consulting Engineers Fees necessarily incurred in the reinstatement or repair of the **property** insured consequent upon its **damage** but not for preparing any claim.

5. Capital Additions (Buildings)

The insurance by this section is extended to include:

- a. Any newly acquired and/or newly erected buildings or buildings in course of erection (excluding any **property** for which a building contractor is responsible) in so far as the same are not otherwise insured
- b. Alterations, additions and improvements to buildings but not in respect of any appreciation in value

Anywhere in the Maltese Islands provided that:

- i. At any one location this cover shall not exceed 10% of the buildings sum insured or € 50,000 whichever is the lesser
- ii. **You** undertake to give particulars of such extension of cover as soon as practicable and to pay any additional premium required
- iii. Following payment of such additional premium the provisions of this extension are fully reinstated.

6. Removal of Debris

The insurance by this section is extended to include costs and expenses necessarily incurred by **you** with **our** consent in:

- a. Removing debris from the site of the **premises** and the area immediately adjacent
- b. Dismantling and/or demolishing
- c. Shoring up or propping

of the portion or portions of the **property** sustaining **damage** by an accidental cause not specifically excluded.

7. Contracting Purchaser's Interest

If at the time of **damage** **you** have contracted to sell **your** interest in any building insured by this section and the purchase shall not have been but shall be thereafter completed the purchaser on completion of the purchase (if and so far as the **property** is not otherwise insured against such **damage** by him or on his behalf) shall be entitled to benefit under this section without prejudice to **your** and **our** rights and liabilities until completion.

8. Theft Damage to Buildings

The insurance provided by this section extends to include **damage** to buildings caused by theft or any attempt thereat at the **premises**.

9. Temporary Removal

The insurance by this section is extended to include Trade Contents whilst temporarily removed from or in transit to or from the **premises** for cleaning, renovation, repair or similar purposes but remaining in the Maltese Islands but excluding:

- a. Any amount exceeding 15% of the sum insured stated in the schedule in respect of Trade Fixtures and Fittings
- b. **Property** otherwise insured
- c. Motor vehicles and motor chassis licensed for normal road use

10. Replacement Locks

The insurance by this section is extended to include the cost of changing the safe and external door locks at the **premises** up to a limit of € 1,000 following loss of keys:

- a. By theft from **your premises** or **your** home or that of **your** authorised employee
- b. By robbery as insured herein whilst such keys are in **your** personal custody or that of **your** authorised employee,

excluding the first € 50 of each and every claim.

11. Seasonal Increase

The sums insured in respect of stock in trade are increased in each **period of insurance** by 25% during the period stated in the Schedule.

12. Loss of Oil and Metered Water

The insurance by this section is extended to include the cost of oil or metered water contained in a fixed installation at the **premises** following accidental **damage** up to a limit of € 1,500 in any one **period of insurance**.

13. Capital Additions (Trade Contents)

The insurance by this section is extended to include:

- a. Any newly acquired trade contents in so far as the same are not otherwise insured
- b. Alterations, additions and improvements to trade contents but not in respect of any appreciation in value anywhere in the Maltese Islands provided that:-

- i. At any one situation this cover shall not exceed 10% of the trade contents sum insured or € 50,000 whichever is the lesser
- ii. **You** undertake to give particulars of such extension of cover as soon as practicable and to pay any additional premium required
- iii. Following payment of such additional premium the provisions of this extension are fully reinstated

14. Exhibitions

The insurance by this section is extended to include accidental **damage** to the **property** insured whilst at any indoor exhibition within the Maltese Islands but excluding:

- a. Theft unless involving forcible and violent entry to or exit from the exhibition **premises**
- b. Any amount exceeding € 2,000 during any one **period of insurance** unless the schedule states otherwise.

Excluded Causes applicable to this Section

This section does not cover:-

1. **Damage** caused by or resulting from:
 - i. Wear and tear, the action of light or atmosphere, moths, vermin or insects
 - ii. Any process of cleaning, dyeing, restoring, adjusting or repairing
 - iii. Corrosion, dampness, dryness, wet or dry rot, marring or scratching
 - iv. Wind, hail, sleet, snow, flood or dust to boundary walls, gates or fences
 - v. Subsidence or ground heave of any part of the site on which the **property** stands, or landslip
 - vi. The normal settlement or bedding down of new structures
 - vii. Any defect, virus, loss of data or other situation within Media
2. **Damage** to any Electronic, Computer or other Data Processing Equipment (including accessories and peripherals used in conjunction with such equipment) which is recoverable under any maintenance agreement, warranty or guarantee
3. **Damage** to the **property** insured caused by or consisting of:
 - i. Inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own fault or defective design or materials
 - ii. Faulty or defective workmanship, operational error or omission on **your** part or any of **your** employees

But this shall not exclude subsequent **damage** which results from a cause not otherwise excluded

4. **Damage** specifically excluded in the General Exclusions
5. The collapse or cracking of buildings
6. The cost of normal maintenance, redecoration or repair
7. **Property** more specifically insured by **you** or on **your** behalf
8. **Damage** by confiscation or detention by customs or other officials or authorities

9. **Damage** to any particular piece of plant or fittings of the electrical installation or appliances by self-ignition, short circuit, excessive pressure, self-heating or leakage of electricity unless more specifically insured under the Policy Extensions
10. **Damage** resulting from frost, subsidence, ground heave or landslip
11. **Damage** to any electrical sign or its installation
12. Any disappearance or shortage revealed only at the time of a stocktaking or a stock check or the making of an inventory or not traceable to a specific event
13. A hydrostatic, pneumatic, or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
14. Loss or **damage** recoverable under the maintenance agreement or any warranty or guarantee, or which would be recoverable but for breach of **your** obligations under the agreement
15. **Damage** to movable **property** left in the open
16. Theft from any garden, yard or open space and any outbuilding detached from the main building
17. Theft following dishonest or fraudulent action by **your** employees or any person lawfully on the **premises**
18. Theft unless caused by forcible and violent entry or exit to or from the **premises**
19. Erasure or distortion of information computer systems or other records
20. Erasure or distortion of information on computer systems or other records electronically unless more specifically insured under the Policy Extensions
21. Any shortage due to error or omission
22. In the case of Goods in Transit **we** will not be liable in respect of:-
 - i. The **excess** stated in the schedule
 - ii. Loss or **damage** to the **property** insured caused by theft while left loaded on unattended vehicles overnight unless:
 - a) Such a vehicle is locked in a building which is securely closed and locked or
 - b) Such a vehicle is locked and parked in a yard which is fully enclosed and securely locked
 - c) **Damage** due to natural deterioration
 - d) Any consequential or indirect loss of any kind or description
 - e) The deterioration of goods conveyed in frozen, chilled or insulated condition due to faulty stowage or incorrect setting or operation of the equipment or variations in temperature unless directly due to fire or accident to the conveying vehicle or by theft or attempted theft
 - f) **Damage** to bills of exchange, money, securities for money, promissory notes, cheques, stamps, precious stones, jewellery, bullion or loss or death of or **injury** to living creatures
 - g) Spillage, leakage, fermentation, taint, contamination, deterioration, mechanical or electrical breakdown of any goods or merchandise unless directly traceable to fire, lightning or road accident happening to the vehicle transporting the **property** insured.

SECTION 2 – PUBLIC AND EMPLOYERS LIABILITY

Definitions

Employee

Any person while working for **you** in connection with the **business** who is under a contract of service or apprenticeship with **you** in regard to whom **you** have given notice of such employment to the competent public authorities, including such notice as is required to be given by fiscal and employment legislation.

Business

The **business** as shown in the Schedule shall include:

1. Ownership maintenance and repair of the **premises**
2. The provision and management of canteen, sport, social or welfare organisations for the benefit of employees and fire, security, first aid, medical and ambulance services
3. Private work undertaken with **your** prior consent by employees for any of **your** directors or senior officials
4. Participation in trade shows or exhibitions

Territorial Limits

The Maltese Islands

Products Supplied

Goods (including labels, containers and packaging) or services sold or supplied by **you** from the **premises** in the course of the **business**.

The Cover

In the event of any contingency described below **we** will indemnify **you** against the following:

1. All sums which **you** shall become legally liable to pay for compensation and claimants' costs and expenses in respect of any contingency in connection with the **business** anywhere in the Maltese Islands
2. All costs and expenses of litigation incurred with **our** written consent in respect of a claim against **you** to which the indemnity expressed in this section applies

Contingencies

1. Public Liability and Products Liability

A1. Accidental bodily **injury** to any person other than an employee (including death, disease or illness)

B1. Accidental **damage** to **property** not belonging to **you** or in **your** charge or under **your** control or that of any employee occurring in connection with the **business** during the **period of insurance** and within the territorial limits.

We will also indemnify **you** against liability arising from:-

A2. Goods or Services supplied subject to the limit specified in the Schedule

B2. Temporary visits outside the territorial limits (but excluding USA and Canada) specified in the schedule undertaken by non-manual employees of the insured in connection with the insured's **business**

Our liability for all compensation (excluding costs) payable under Contingency 1 (Public Liability and Products Liability) to any claimant or number of claimants in respect of or arising out of any one event or all events of a series consequent on one original cause shall not exceed the limit of indemnity stated in Section 2 of the schedule but in respect of Products Liability this limit shall apply to all insured events occurring in any one **period of insurance**.

2. Employers Liability

Accidental **Injury** caused during the **period of insurance** to any employee if such **injury** arises out of and in the course of their employment by **you**.

Our liability for all compensation, legal costs and expenses and defence costs payable under Contingency 2 (Employers Liability) to any claimant or number of claimants in respect of or arising out of any one sudden event or all sudden events of a series consequent on one original source or cause shall not exceed the Indemnity Limit stated in Section 2 of the Schedule.

We will not indemnify **you** in respect of liability within the terms of any collective agreement or of any legal notice issued under the Conditions of Employment and Industrial Relations Act 2002 (Cap. 452) for payment of wages during **injury** leave to employees in respect of **injury** caused during the **period of insurance** during the discharge of their duty.

Optional Additional Cover

1. Conditions of Employment and Industrial Relations Act 2002 (Cap. 452)

We will, subject to the terms, conditions, limitations and exceptions of this policy, indemnify **you** in respect of liability within the terms of any collective agreement or of any legal notice issued under the said Act for payment of wages during **injury** leave to employees in respect of **injury** caused during the **period of insurance** during the discharge of their duty.

Provided that:-

- a. The full amount of any **injury** benefit entitlement under the terms of the Social Security Act 1987 shall be deducted from such payment
- b. Payment shall apply only to a continuous period of incapacity which shall not exceed 12 months from the date of **injury** subject to the **Excess** noted in the Schedule

- c. The **injury** is not due to contributory negligence on the part of the employee or contravention by him of any safety rules laid down by **you** as the employer.

2. Cross Liabilities

If there is more than one Insured specified in the Schedule this Section shall apply separately to each one as if a separate policy had been issued to each but **our** total liability shall not exceed the Indemnity Limit.

3. Motor Contingent Liability

We will indemnify **you** in respect of **your** legal liability arising out of the use of any motor vehicle not belonging to or provided by **you** and being used in the course of the **business** anywhere in the Maltese Islands provided that **we** shall not be liable:

- a. In respect of **damage** to the vehicle
- b. Whilst the vehicle is being driven by **you** or any person with **your** general consent who to **your** knowledge or any one on **your** behalf does not hold a licence to drive such vehicle unless such person has held and is not disqualified for holding or obtaining such a licence.

4. Damage to Leased or Rented Premises

The exclusion of **property** in **your** charge or under **your** control or that of any of **your** employees shall not apply in respect of **damage** to **premises** (or fixtures or fittings thereof) hired or rented to **you** provided that this extension shall not apply to liability in respect of:

- a. Such **damage** if the liability is assumed by **you** under a tenancy or other agreement and would not have attached in the absence of such agreement
- b. The first € 100 of such **damage** caused otherwise than by fire or explosion.

5. Employees Personal Effects

The exclusion of **property** in **your** charge or under **your** control or that of any of **your** employees shall not apply in respect of **damage** to clothing and personal effects belonging to employees during the course of **business**.

6. Employee to Employee Liability

It is understood and agreed that in the event of a claim made by **your** employee against any other employee of **yours** in respect of bodily **injury** by accident or disease arising out of and in the course of their employment, **we** shall at the **your** request treat such employee as though he was the insured.

7. Benefit for Court Attendance

In the event of any of the under mentioned persons attending court as a witness at **our** request in connection with a claim in respect of which **you** are entitled to indemnity under this section, **we** will pay a benefit to **you** at the following rates per day for each day on which attendance is required:

- a. € 200 for **you** or any of **your** directors or partners
- b. € 100 for any employee

8. Additional Persons Insured

We will subject to the terms of this section indemnify:

- a. In the event of the death of any person entitled to indemnity under this section the deceased's legal personal representatives but only in respect of liability incurred by such deceased person
- b. At **your** request:-
 - i. Any principal in respect of liability arising out of the performance by **you** of any agreement entered into by **you** with the principal to the extent required by such agreement
 - ii. Any of **your** directors or employees in respect of liability arising in connection with the **business**

Provided that **you** would have been entitled to indemnity under this section if the claim had been made against **you**

- iii. Any officer committee or member of **your** canteen, sports, social or welfare organisations, fire, security, first-aid, medical or ambulance services in their respective capacities as such
- iv. Any of **your** directors or senior officials in respect of private work undertaken by any employee for that director or senior official

Provided that:-

- i. Such persons are not entitled to indemnity under any other policy covering such liability
- ii. Each person will as though they were **you** observe fulfil and be subject to the terms of this policy insofar as they can apply
- iii. **We** shall retain sole control of any claim
- iv. Where **we** are required to indemnify more than one party **our** total liability shall not exceed the relevant Indemnity Limit

9. Injuries to Working Partners

In respect of **injury** sustained by any working partner named in the Schedule **we** will deem such partner to be an employee provided that **we** shall only be liable under this extension where:

- a. The **injury** is sustained whilst such partner is working in connection with the **business**
- b. The **injury** is caused by the negligence of another partner or employee whilst working in the **business**

Exclusions

1. Any **excess** or **excesses** shown in the schedule
2. So far as concerns Contingency 1 (Public Liability and Products Liability) this Section shall not apply to liability in respect of:
 - a. **Injury** or **Damage** arising out of manual work away from **your premises**, other than collection or delivery
 - b. **Injury** or **Damage** arising from the ownership, possession or use by **you** or on **your** behalf of:-
 - i. Any mechanically propelled vehicle licensed for road use or for which compulsory insurance or security is required by any road traffic legislation (except the loading or unloading of such vehicle or trailer or the delivery or collection of goods in connection with such vehicle or trailer when **you** are not entitled to indemnity under any other policy)

- ii. Any vessel or craft (other than hand propelled boats) made or intended to float on or in or travel through water or air or space or the loading or unloading of such vessel or craft
- c. **Injury** or **damage** arising from or caused by any professional negligence, wrongful or inadequate treatment, examination, prescription, advice by **you** or anyone acting on **your** behalf
- d. **Damage** arising from any work carried out on motorized vehicles or cycles
- e. **Damage** to that part of any **property** upon which **you** or anyone on **your** behalf is or has been working and arising out of such work
- f. Any liability of whatsoever nature caused by seepage, pollution or contamination unless directly caused by a sudden identifiable, unintended and unexpected incident occurring entirely at a specific time and place during the **period of insurance**
- g. Fines, liquidated damages, penalties, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages
- h. Costs, expenses or fees for preparing any claim **you** make under this policy
- i. **Damage** to or costs and expenses involved in the repair, replacement, removal or dismantling of any products supplied which are the subject of any claim under this section or any refund paid on such products supplied
- j. Any liability of whatsoever nature directly or indirectly caused by:-
 - i. War, invasion, civil war, conflict or commotion
 - ii. Any chemical, biological, bio-chemical or electromagnetic weapon
 - iii. Ionizing radiation, radioactivity, nuclear fuel, nuclear waste or nuclear equipment
 - iv. Non-ionic radiation including but not limited to electromagnetic fields and/or electromagnetic interference
- k. Any liability directly or indirectly arising from the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss
- l. Any liability assumed by the Insured under contract or agreement unless such liability would have attached to the Insured in the absence of such contract or agreement
- m. Any liability arising out of the exercising by the Insured or any employee of the Insured of any professional advice or treatment (given or prescribed), design or specification whether fees are charged or not
- n. Any liability arising from libel, slander, wrongful arrest, infringements of plans, copyrights, patents, design rights, trade names or registered designs
- o. Any liability for consequential, financial or economic loss unless this is as a direct result of loss or physical **damage** to material **property** or bodily **injury** (including death, disease or illness) to any person

SECTION 3– LOSS OF INCOME AND LOSS OF BOOK DEBTS

Definitions

Indemnity Period

Being the period beginning with the occurrence of the **damage** and ending not later than the number of months stated in the Schedule during which the results of the **business** are affected as a result of the **damage**.

Increased Cost of Working

The additional expenditure necessarily and reasonably incurred with **our** consent.

Gross Income

The money paid or payable to **you** for goods sold (less the cost of purchases) and services rendered in the course of the **business** either at the **premises** or elsewhere as specified in the Schedule.

Estimated Gross Income

The amount declared by **you** to **us** as representing not less than the Gross Income which it is anticipated will be earned by the **business** during the financial year most nearly concurrent with the **period of insurance** (or proportionately increased multiple thereof where the indemnity period exceeds twelve months).

Outstanding Debit Balances

The money owed to **you** by **your** customers at the date of the **damage** taking into account:-

1. Bad debts
2. Abnormal trading conditions affecting the **business**
3. **Your** last record of amounts owed by customers
4. Debit and credit amounts owed and not passed through the books during the period between the last record and the date of the **damage**

The Cover

Loss of Income

If **property** used by **you** at the **premises** or elsewhere as specified in the schedule sustains **damage**, for which liability has been admitted under Section 1 causing an interruption of the **business** which results in loss of Gross Income, **we** will indemnify **you** for the:-

- a. Amount by which the Gross Income during the Indemnity Period, as a result of **damage**, falls short of the Gross Income which would have been received during the Indemnity Period had no **damage** occurred
- b. Increased Cost of Working for the sole purpose of avoiding or diminishing the reduction in the Gross Income during the Indemnity Period as a result of the **damage**, not exceeding the amount of Gross Income thereby avoided

Less any sum saved during the Indemnity Period in respect of charges or **business** expenses payable out of Gross Income which cease or are reduced as a result of the **damage**.

Provided that if at the time of any **damage** the sum insured on Gross Income is less than the Gross Income which would have been earned in the Indemnity Period following the date of the **damage** the amount payable will be proportionately reduced.

- c. Auditors' or accountants' fees incurred for producing and certifying details of a claim under this Section

The Limit of Liability

Notwithstanding anything contained in this Insurance to the contrary, **our** liability shall in no case exceed, in respect of Gross Income, 133 1/3% of the Estimated Gross Income stated in the Schedule, nor in the whole the sum of 133 1/3% of the Estimated Gross Income and 100% of the sums insured by other items, or such other amounts as may be substituted therefore by memorandum signed by **us** or on **our** behalf.

In the absence of written notice by **you** or **us** to the contrary **our** liability shall not stand reduced by the amount of any loss **you** are undertaking to pay the appropriate additional premium for such automatic reinstatement of cover.

Optional Additional Cover

Cover provided by this Section is extended to include loss of Gross Income following interruption of the **business** as a result of:

1. Denial of Access Extension

Damage to **property** in the vicinity of the **premises** caused by any contingency not specifically excluded under Section 1 which prevents or hinders access to the **premises** subject to an indemnity period of 4 weeks and up to a limit of 10% of the total sum insured.

2. Public Utilities Extension

- a. Accidental failure of public supplies of electricity or water at the terminal ends of the utilities service feeds to the **premises** not occasioned by:-
 - i. **Your** wilful act or neglect
 - ii. A deliberate act of the supply undertaking unless for the sole purpose of safeguarding life or protecting any part of the supply undertaking system
 - iii. A scheme of rationing unless solely necessitated by accidental **damage** to the supply undertaking's generating or supply equipment
 - iv. Any industrial action
 - v. Any failure of supply lasting for less than eight hours

- b. **Damage to property** at any land based **premises** of the public telecommunications undertaking from which **you** obtain telecommunications services.

This extension is subject to a limit of 10% of the total sum insured at the time of the interruption and a maximum indemnity period of four weeks.

3. Closure of Premises Extension

Closure of any part of the **premises** by a competent Authority due to defective drains or other sanitary arrangements, vermin or pests subject to an indemnity period of 4 weeks and up to a limit of 10% of the total sum insured.

4. Suppliers Extension

Damage by any contingency not specifically excluded under Section 1 to **property** at the **premises** of **your** suppliers (other than suppliers of electricity, gas, water or telecommunications service) within the Maltese Islands subject to an indemnity period of 4 weeks and up to a limit of 10% of the total sum insured.

5. Disease, Murder & Suicide Extension

- a. Murder or suicide occurring at the **premises**
- b. The occurrence of the following diseases:-
Anthrax, Chickenpox, Cholera, Acute Encephalitis, Acute Poliomyelitis, Leprosy, Leptospirosis, Legionellosis, Legionnaires Disease, Malaria, Measles, Meningococcal Infection, Mumps, Ophthalmia Neonatorum, Paratyphoid Fever, Bubonic Plague, Rabies, Rubella, Scarlet Fever, Tetanus, Tuberculosis, Smallpox, Typhoid Fever, Viral Hepatitis, Yellow Fever or Whooping Cough at the **premises**
- c. Poisoning directly caused by the consumption of food or drink provided at the **premises** Provided the use of the **premises** is restricted on the order or advice of the competent Authority. This extension is subject to a limit of 10% of the total sum insured at the time of the interruption and a maximum indemnity period of four weeks.

6. Public Emergency Extension

The actions or advices of a competent Public Authority due to an emergency likely to endanger life or **property** in the vicinity of the **premises** which prevents or hinders the use of or access to the **premises** excluding:-

- a. Any loss during the first 8 hours
- b. Any period other than the actual period when access to the **premises** was prevented
- c. Infectious or contagious disease
- d. Labour disputes

This extension is subject to a limit of 10% of the total sum insured at the time of the interruption and a maximum indemnity period of four weeks.

7. Loss of Book Debts Extension

If **your** account books whilst on **your premises** or temporarily removed to any **premises** in the Maltese Islands or in transit between the islands, sustain **damage** from any contingencies not specifically excluded under Section 1 of this policy which results in **your** inability to trace or establish the Outstanding Debit Balances, **we** will pay **you**:-

- a. The difference between the Outstanding Debit Balances and the total of the amounts received or traced in respect thereof
- b. The additional expenditure incurred with **our** consent in tracing and establishing customers' debit balances after the **damage**
- c. Auditors' or accountants' charges reasonably incurred for producing and certifying the details of a claim under this Section

Provided that if the Sum Insured stated in the Schedule is less than the Outstanding Debit Balances, the amount payable shall be proportionately reduced.

This Extension does not cover loss as a result of:-

- a. Deliberate falsification of **business** records
- b. Mislaying and misfiling of tapes and records
- c. The deliberate act of the public supply undertaking in restricting or withholding electricity supply
- d. Wear and tear and gradual deterioration, vermin, rust, damp or mildew
- e. Dishonest or fraudulent acts by any of **your** employees
- f. Erasure or distortion of information on computer systems or other records:-
 - i. Due to the presence of a magnetic flux or whilst mounted in or on any machine or data processing machine unless caused by **damage** to the said machine
 - ii. Due to defects in such records

Conditions Applicable to this Extension

- a. **You** will need to record the total amount of Outstanding Debit Balances at least once every 15 days and keep a copy either in a locked, fire resistant safe at the **premises** or away from the **premises**
- b. This extension is subject to a limit of 10% of the total sum insured at the time of the interruption and a maximum indemnity period of four weeks.

Special Conditions Applicable to Section 3

1. Limit of Liability

The maximum amount payable in any one **period of insurance** in respect of any item insured under this Section is the Sum Insured stated in the Schedule for each item

2. Cessation of Trading and/or Liquidation

This Section shall be voided if the **business** is wound up or carried on by a liquidator or permanently discontinued at any time after the commencement of the **period of insurance** unless **we** give **our** written consent.

3. First Financial Year

In the event of **damage** occurring before expiration of the first financial year of the **business** to date of the **damage** shall be used as a basis upon which to assess what the Gross Income of the **business** for the first financial year would have been had the **damage** not occurred

4. VAT

To the extent that **you** are accountable to the tax authorities for Value Added Tax all terms of this Section shall be exclusive of such tax.

5. Excess

We shall not be liable for the **excess** applicable to this Section stated in the Schedule which is to be borne by **you**.

SECTION 4 – MONEY AND PERSONAL ACCIDENT (ASSAULT)

4A. Money

Definitions

Money

Cash, bank and currency notes, uncrossed cheques, postal orders or money orders, , unused current postage stamps, credit cards, mobile phone talk vouchers, trading stamps, gift tokens, consumer redemption vouchers, luncheon vouchers, travel tickets all belonging to **you** or for which **you** have accepted responsibility.

Non-Negotiable Money

Crossed cheques, postal orders, money orders, banker's drafts, unexpired units in franking machines, premium bonds, credit and debit card sales vouchers and travellers cheques all belonging to **you** or for which **you** have accepted responsibility.

Business Hours

The period during which the **premises** are actually occupied for the purposes of the **business** during which **you** or **your** employees entrusted with money are in the **premises**

The Cover

We will indemnify **you** in the event of loss of money or non-negotiable money for the limits and circumstances mentioned in the schedule.

Additional Cover

1. Unauthorised use of Credit Cards

We will indemnify **you** against liability under the terms of issue of any credit card used in connection with the **business** for loss following fraudulent use thereof by an unauthorized person, provided that **our** liability during any one **period of insurance** shall not exceed the limit specified in the schedule.

It is a condition precedent to liability that:-

- i. Any loss of credit cards has been reported to the police within 24 hours of discovering the loss
- ii. Any loss of credit cards has been reported to the issuing bank immediately
- iii. The conditions of issue of the credit cards have been complied with.

2. Damage to safes and carrying cases

We will indemnify **you** against such **damage** in the event of **damage** to any:-

- a. Safe or strong room

- b. Case, bag or waistcoat when used for the carriage of money directly associated with any theft or attempted theft therefrom except in so far as this cost is otherwise insured, subject to the limit specified in the schedule.

Exclusions

This Sub-Section does not cover:-

1. The **excess** applicable to this Section stated in the Schedule which is to be borne by **you**.
2. Loss due to the lack of integrity or fraud of **your** employees not discovered within seven working of the occurrence
3. Loss from an unattended vehicle
4. Shortages due to error or omission
5. Loss which but for the existence of this Section would be covered by a Fidelity Guarantee policy

4B. Personal Accident (Assault)

Definitions

Person-Insured

You or any of **your** partners, directors or employees aged not less than 16 years and not more 70 years.

Permanent Total Disablement

A disablement which permanently, completely and continuously prevents the person-insured from attending to the **business** or occupation of any and every kind and which has lasted one hundred and four weeks and is at the end of that period beyond hope of improvement.

Temporary Total Disablement

A disablement which continuously prevents the person-insured from attending to his usual occupation

Temporary Partial Disablement

A disablement which continuously prevents the person-insured from attending to a substantial part of his usual occupation

The Cover

If any person-insured suffers bodily **injury** caused as the result of robbery or any attempt thereat in the course of the **business** which shall independently of any other cause be the only cause of death or disablement **we** will pay the person-insured or their legal personal representative the benefits according to the Scale of Compensation noted therein;

1. If, within 12 months, the accident directly or indirectly of any other cause results in:
 - a. Death (which shall not be presumed by disappearance of the person-insured)

- b. Loss of one or more Limbs or Sight of one or both eyes
 - c. Permanent Total Disablement
 - d. Temporary Total Disablement
 - e. Temporary Partial Disablement
2. The cost of cleaning, repairing or replacing the lost or damaged clothing or personal effects of the person-insured.

The Scale of Compensation

	Compensation Payable
1. If the accident results directly and independently of any other cause within 12 months in:-	
a) Death.....	€ 25,000
b) Loss of one or more Limbs or Sight of one or both eyes.....	€ 25,000
c) Permanent Total Disablement.....	€ 25,000
d) Temporary Total Disablement.....	€ 115 per week during such disablement
e) Temporary Partial Disablement.....	€ 50 per week during such disablement
2. The cost of cleaning or repairing or replacing lost or damaged clothing or personal effects of the person-insured up to.....	€ 115

Exclusions

In respect of each person-insured compensation shall not be payable:-

1. Under more than one Subsection of Item 1 for the consequence of the same accident other than under:
 - a. **Item (1)(e)** preceding or following **Item (1)(d)**
 - b. **Item (1)(c)** following 52 weeks of **Item (1)(d)**
2. Under **Item (1)(d)** and **(1)(e)** for more than 104 weeks in all in respect of one accident
3. For Death or disablement caused or contributed to by any pre-existing physical defect infirmity or disease
4. Unless the person-insured is placed under the care of a qualified medical practitioner and if required submits to medical examination at **our** expense

In the event of the death of the person-insured **We** shall be entitled to demand a post mortem examination at **our** own expense.

SECTION 5 – FIDELITY GUARANTEE

Insured Events

Direct pecuniary loss (which term shall include but not be confined to loss of money or other **property** owned by **you**, or in **your** care, custody or control) sustained by **you** by an act of fraud or dishonesty committed by any Guaranteed Person as described in the Schedule during the **period of insurance** and discovered during the currency or within twelve months of the expiry of the **period of insurance** or the termination of the employment of the aforesaid Guaranteed Person whichever event shall happen first.

Our liability during the currency of the **period of insurance** and within twelve months of the expiry thereof shall not exceed, in respect of any one Guaranteed Person, the limit stated in the Schedule.

Special Conditions Applicable to this Section

1. On the discovery of any act default or circumstances which may give rise to a claim **you** shall:-
 - a. Forthwith give written notice to **us**
 - b. Immediately take all steps to prevent further loss
 - c. Supply at **our** request and free of expense to **us** all such proof information and other evidence relating to the claim as **we** may require
2. Any money of the Guaranteed Person in **your** possession and any money which but for the Guaranteed Person's dishonesty would have been due to the Guaranteed Person from **you** shall be deducted from the amount otherwise payable under this section of the Policy. **You** and **Us** shall share other recovery (excluding insurance and reinsurance and any counter-security taken by **us**) made by either on account of any loss in the proportion that the amount of the loss borne by each bears to the total amount of the loss.
3. **You** shall, whether **our** liability hereunder shall have been ascertained or not, give all reasonable assistance to enable **us** to obtain by legal proceedings or otherwise the reimbursement of any loss by the Guaranteed Person or by the Guaranteed Person's estate or from any other source.
4. Unless **we** are advised and **our** written approval obtain, **we** shall not be liable hereunder in the event of any change in the nature of **your business** or in the duties and conditions of service of the Guaranteed Person or if the remuneration of the Guaranteed Person be reduced or its basis altered or if the precautions stated by **you** with regard to accounting be not duly observed or if **you** shall continue to entrust the Guaranteed Person with money or goods after having knowledge of any material fact bearing on the honesty of the Guaranteed Person.
5. If any part of the premium or renewal premium is based on estimates provided by **you**, **you** shall keep an accurate record containing all relevant particulars and shall allow the company to inspect such record. **You** shall within one month after the expiry of each **period of insurance** furnish such information as **we** may require the premium or renewal premium shall thereupon be adjusted and the difference be paid to **you**.

SECTION 6 – GROUP PERSONAL ACCIDENT

Definitions

Person-Insured

You or any of **your** partners, directors or employees aged not less than 16 years and not more 70 years, employee being any person working for **you** in connection with the **business** who is under a contract of service or apprenticeship with **you** in regard to whom **you** have given notice of such employment to the competent public authorities, including such notice as is required to be given by fiscal and employment legislation.

Operative Time

24 Hours anywhere in the Maltese Islands

Accident

Bodily **injury** caused solely by violent accidental, external and visible means which **injury** shall within one year of the happening of such **injury** and independently of any other cause be the sole cause of any of the results noted therein.

The Cover

In the event of any Accident happening to the Person-Insured who shall thereby suffer any of the contingencies, **we** will pay the person-insured or their legal personal representative the benefit stated in the Schedule for that result as specified below:-

The Contingencies

1. Death (which shall not be presumed by disappearance of the person-insured)
2. Disablement being:
 - a. Total loss by permanent loss of all sight in one or both eyes
 - b. Total loss by physical severance or total and permanent loss of one or more limbs
 - c. Total and permanent disablement from engaging in or attending to **business** of any kind
3. Temporary total disablement from engaging in or attending to usual **business**

Permanent Disability Scale

We hereby agree, to the extent and in the manner herein provided, that if a person-insured shall sustain an Accident as herein defined, **we** will pay the person-insured, or the person-insured's executors or administrators according to the Schedule of Compensation noted below after the total claim shall be sustained under this insurance policy.

1. Total and permanent disablement from attending to or following any occupation or employment.....	100%	
2. Loss of hearing or speech.....	50%	
3. Loss of hearing in one ear.....	15%	
4. Loss of arm at shoulder.....	75%	
5. Loss of arm below shoulder.....	65%	
6. Loss of leg at hip.....	75%	
7. Loss of leg below hip.....	65%	
8. Loss of thumb (both phalanxes).....	25%	
9. Loss of thumb (one phalanx).....	10%	
10. Loss of index finger (three phalanxes).....	10%	
11. Loss of index finger (two phalanxes).....	8%	
12. Loss of index finger (one phalanx).....	4%	
13. Loss of finger other than thumb or index finger.....	5%	
14. Loss of great toe.....	5%	
15. Loss of any other toe.....	1%	
16. Any permanent partial disablement not specified above Other than loss of sense of taste or smell.....		such percentage to be assessed by us as in the opinion of our medical advisers is not inconsistent with the foregoing without regard to the person-insured's occupation

The Exclusions

This Section shall not apply to an Accident or Result consequent upon:-

1. The person-insured being in or on or entering into or descending from any aircraft other than a fully licensed passenger carrying aircraft in which the person-insured is travelling as a passenger other than as a member of the crew and not for the purpose of undertaking any trade or technical or sporting activity therein or thereon.
The expression "aircraft" shall mean any vessel craft or thing made or intended to float in or travel through air other than a hovercraft.
2. The person-insured engaging in:
 - a. Winter sports, mountaineering requiring the use of guides or ropes, sub-aquatic or subterranean pursuit, aeronautic sports.
 - b. Riding or driving in or practicing for any race, polo playing, steeple chasing, hunting, show jumping or motor cycling (including motor scooters with an engine capacity exceeding 250cc but not motor-assisted pedal cycles), pillion riding of any kind.
3. The person-insured suffering from illness or disease not resulting from bodily **injury** or suffering from bodily **injury** due to any gradual operating cause.
4. The person-insured failing to obtain and follow proper medical or surgical advice as soon as practicable.

5. The influence of intoxicating liquor or drugs taken by the person-insured (other than for drugs taken under medical supervision unless for the treatment of drug or alcohol addiction) or insanity (whether temporary or otherwise) or any sexually transmitted or communicable disease.
6. Intentional self-**injury**, suicide or attempted suicide, provoked assault, fighting (except in bona fide self-defence), or wilful exposure to a needless peril (except in an attempt to save a human life).
7. Or contributed to by any person-insured suffering from any pre-existing physical or mental defect or infirmity.

Special Conditions Applicable to this Section

1. Limit of Liability

Compensation for contingency **(3)** shall:

- a. Not exceed normal weekly net earnings
- b. Be payable for a period not exceeding 104 weeks from the beginning of the second week after the commencement of the contingency.
- c. Be payable when the total amount has been agreed or at **your** request at intervals of not less than four weeks (but not in advance) commencing eight weeks after receipt by **us** of **your** written notice of the Accident.

When Compensation is payable for contingency **(3)** **we** will also pay up to fifteen per cent of such Compensation in respect of the charges of a qualified and registered medical practitioner for professional treatment reasonably incurred by the person-insured in connection with the **injury** causing the Result.

Compensation shall not be payable for more than one described under **(1)** or **(2)** above and when payable for one of those contingencies shall not be payable for contingency **(3)** caused by the same Accident nor for any of the contingencies caused by any subsequent Accident.

2. Change in Circumstances

You shall give immediate written notice to **us** of any change in the **business** or in the **business** or duties or habits or pursuits of any person-insured and pay and any additional premium that may be required by **us** and before each renewal of this Section shall give notice to **us** of any sickness, physical defect or infirmity with which the person-insured has been or is affected and of which **you** have become aware.

We shall not be bound to notice or be affected by any notice of trust charge or alienation relating to this Section and **your** receipt or that of **your** legal personal representatives shall in all cases effectually discharge **us**.

3. Claims

- a. In the event of any occurrence which may give rise to a claim under this Section, **you** or the person-insured or his legal personal representative shall as soon as possible and in no case later than 30 days, notify **us** in writing and **you** and such person-insured or his legal personal representative shall when required by **us** and with all reasonable dispatch furnish at **your** own expense such further particulars as **we** may require

- b. As soon as possible after the occurrence of an accident the person-insured must place himself under the care of a duly qualified medical practitioner whose advice he shall follow. The injured person shall submit to any medical examination made on behalf of the company and in the event of death of the person-insured, **we** shall be entitled to make a post-mortem examination at **our** own expense.

SECTION 7 – EQUIPMENT BREAKDOWN

Definitions

Accident

Means,

1. Electrical or mechanical Breakdown, including rupture or bursting caused by centrifugal force;
2. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
3. **Damage** to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such boilers or equipment;
4. **Damage** to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such equipment.

If an initial Accident causes other Accidents, all will be considered one Accident. All Accidents that are the result of the same event will be considered one Accident.

Additional Expenses

Expenses incurred to clean up or dispose of the Covered Equipment from contamination by a Hazardous Substance.

Breakdown

Being the actual breaking, failure, distortion or burning out of any part of the Covered Equipment whilst in ordinary use arising from defects in the Covered Equipment causing its sudden stoppage and necessitating repair or replacement before it can resume work, or, Fracturing of any part of the Covered Equipment by frost when such fracture renders the Covered Equipment inoperative;

The actual and complete failure of a rope but not breakage or abrasion of wires or strands, even though a replacement may be necessary.

Covered Equipment

1. electronic, computer or other data processing equipment, including accessories and peripherals used in conjunction with such equipment belonging to **you** or for which **you** are responsible.
2. Equipment owned by **you** or for which **you** are responsible built to operate under vacuum or pressure, other than weight of contents, or used for the generation, transmission or utilization of energy including but not limited to:
 3. Heating systems and hot water heaters;
 4. Solar-water heaters and photovoltaic systems;
 5. Electrical panels, emergency generators and electrical distribution systems;
 6. Security, alarm and sound systems;
 7. Lifts and escalators;

8. Office equipment including telephone systems, fax machines, copiers and printers;
9. Retail equipment, bar-code scanners, credit and debit card payment systems and cash registers;
10. Forklift trucks on the **premises**
11. Domestic kitchen and food preparation equipment, laundry and cleaning equipment as well as audio-visual equipment

Excluding:

- i. Any structure, foundation, masonry, brickwork, cabinet, compartment or air supported structure or building
- ii. Any insulating or refractory material
- iii. Any sewer piping, underground piping, or piping forming part of a sprinkler system
- iv. Any water piping other than boiler feed water piping, boiler condensate return piping or water piping forming a part of a refrigerating or air-conditioning system
- v. Any vehicle, mobile equipment, aircraft, floating vessel, including any equipment mounted on such vehicle, mobile equipment, aircraft or floating vessel
- vi. Any construction plant or equipment
- vii. Any tool, die, cutting edge, crushing surface, trailing cable, non-metallic lining, driving belt or any other part requiring periodic renewal or any equipment manufactured by **you** for sale

Perishable Goods

Any impermanent good which it is normal practice to place into a refrigeration unit for purposes of preservation.

The Cover

The insurance by this Section of this policy provides cover for Breakdown sustained to Covered Equipment resulting from an Accident, subject to the terms, conditions, limitations and exclusions of the Policy and this Section.

Optional Additional Cover

The following Extensions also apply under this Section subject to the Limits or Sums Insured shown in **your** Schedule:-

1. Loss of Income and Loss of Book Debts

If cover is shown as operative in **your** Schedule, **we** will cover **you** for loss as described under Section 3 Loss of Income and Loss of Book Debts caused by an Accident to Covered Equipment. **Our** maximum liability under the Extension shall not exceed the Sum Insured noted in the Schedule.

2. Deterioration of Stock and Perishable Goods

We will cover **you** for **damage** to frozen or chilled foods owned by **you** or in any refrigeration unit owned by **you** resulting from a change in temperature caused by an Accident or failure of the electricity supply.

We exclude **damage** caused:

- a. By the deliberate act of an electricity undertaking in terminating, disconnecting or withholding the supply of electricity
- b. By wear, tear, deterioration of the cabinet or any other gradually operating cause

- c. As a result of incorrect setting of thermostats or automatic controlling devices
- d. By neglect or misuse
- e. By any refrigeration vehicle

Our maximum liability in respect of this Extension shall not exceed the limit noted in the schedule. **We** will not be liable for the **Excess** applicable to this Extension stated in the Schedule which is to be borne by **you**.

Standard Additional Cover

Expediting Expenses

With respect to damaged Covered Equipment, **we** will pay for any reasonable costs necessarily incurred to make temporary repairs and expedite permanent repairs or permanent replacement.

Our maximum liability under this Extension shall not exceed € 10,000.

The Exclusions

The following Exclusions apply in respect of this Section:-

- 23. **We** will not cover **you** for **damage** caused by or resulting from:
 - a. A hydrostatic, pneumatic, or gas pressure test of any boiler or pressure vessel; or an insulation breakdown test of any type of electrical equipment;
 - b. Any defect, virus, loss of data or other situation within Media; or
 - c. Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions, unless such **damage** results from an accident
- 24. **We** will not cover **you** for **Damage** to any Computer Equipment which is recoverable under any maintenance agreement, warranty or guarantee
- 25. **We** will not pay for delay in resuming operations resulting from the need to reconstruct or re-input data or programs on data media.
- 26. The **Excess** noted in the Schedule for each individual claim made under this Section

SECTION 8 – TRAVEL OPEN COVER

We will provide annual coverage for travel of all persons named in the schedule on the basis of **our** standard travel policy available at www.middlesea.com up to the limits specified in the Schedule and/or Specification. **You** may also request a hard copy of this policy directly from **our** offices.

For the purposes of this section Territorial limits are deemed to be extended to the travel destination.

SECTION 9– BUSINESS EMERGENCY ASSISTANCE

Definitions

Unless the context provides otherwise, the following words in this section shall have the following meanings:

Emergency

Means a sudden and unforeseen incident at the **property** insured which immediately exposes **you** or a Third Party to a risk to **your** health or creates a risk of loss or **damage** to the **property** and/or any of **your** belongings or renders the **property** unfit for people to work in.

Emergency Repair Service

Means the necessary temporary repair to render the **property** insured safe and/or secure against further loss or **damage** as a result of unforeseen or sudden occurrence which results in **damage** to **your** insured **property** necessitating immediate action.

Emergency Services Scheme Administrator

Means **MIDDLESEA ASSIST**, whose principal office is at 18A – Europa Centre, John Lopez St. Floriana – FRN1400, which provides all claims management administration of this **Business** Emergency Insurance.

The Benefits

We undertake to provide an **Emergency Repair Service** to secure **your business** and prevent further loss or **damage** occurring following an **emergency** as a result of one of the following occurrences:

1. Sudden or unexpected breakdown or **damage** to piping, leaks from sanitary fixtures and fittings and fixed water installations within **your property**
2. Complete failure of the electrical supply within **your business** as a result of a fault or **damage** to the internal electrical installation
3. **Your Business** being made insecure or if entry is impeded due to loss or theft of keys or **damage** to locks as a result of theft or any other accidental cause or in the event that **you** or an employee of yours may have locked yourself/himself/herself in a room
4. Breakage of glazing to external windows or doors which render **your business** insecure.

Limits

We will cover the cost of the callout, and labour that are necessary for the emergency repair up to a maximum of 2 hours labour or the amount of € 200 for each incident whichever is the lowest, and a maximum of 3 interventions per year.

In the event that the repairs exceed the amount stated above, **you** will be responsible for the difference unless such repairs become payable as an insurable loss under any other Sections of this Policy. **We** will not cover or pay for any material or spare parts.

The benefits provided in this Section will be entirely managed by MIDDLESEA ASSIST. **You** must not arrange for any repairs unless MIDDLESEA ASSIST have been notified and have authorized such repairs.

Exclusions

We will not cover or pay for any of the following:

- (a) The cost of replacement parts due to natural wear and tear
- (b) Costs and expenses in connection with maintenance services
- (c) **Damage** to contents of **your business**
- (d) External overflows or replacement of cylinders, tanks, radiators and sanitary ware
- (e) Burst or leaking flexible hoses or leaking washing appliances that are fitted with a stop tap
- (f) External water supplies
- (g) Loss of keys for outbuildings, garages and sheds or stores
- (h) Loss or **damage** arising from or caused by natural disasters (floods, earthquakes, landslides, volcanic eruptions, atypical cyclonic storms, falling objects from space and aerolites, and in general any extraordinary atmospheric, meteorological events)
- (i) The permanent repairs which are covered under the other sections of this SME Insurance Policy

WARRANTIES

The following Special Conditions are to apply only where specially mentioned as applying or if mentioned in the Schedule as applying and are subject to the General Conditions and Conditions applicable to each section of this Policy.

1. Oils Warranty

Warranted that petroleum or other mineral oils giving off an inflammable vapour at temperatures below 22.18 centigrade (73 degrees Fahrenheit) are not kept on the **premises** other than in quantity not exceeding 3 gallons in securely stoppered containers.

Paraffin dispensed from a unit complying with Local Authority Regulations and fed from an outside storage tank is allowed.

2. Burglar Alarm Warranty

Warranted that the burglar alarm installed in the **premises** be inspected maintained and kept in efficient working order under contract by the Alarm company approved by **us** during the continuance of this insurance and that the alarm be always tested and set before the **premises** are closed for **business** and the Alarm company informed immediately if any defect be discovered.

3. Frying Warranty

Warranted that

- (a) the frying apparatus in the **premises** be securely fixed and free from contact with all woodwork and other combustible material
- (b) all exhaust hoods ducting and flues of the apparatus be inspected at frequent intervals and all grease deposits removed and not allowed to accumulate thereon
- (c) all cracklings be kept in metal receptacles

4. Maintenance Warranty

Warranted that throughout the currency of this insurance there shall be in force a manufacturer's guarantee or written maintenance agreement providing for routine maintenance at least once quarterly with a competent refrigerant engineer in respect of each refrigeration and cooling unit and that a copy of such guarantee or written maintenance agreement is to be lodged with **us**.

5. Accounting Records Warranty

Warranted that proper accounting records are to be maintained in accordance with acceptable accounting practice and that a formal stock inventory system is to be maintained at all times. Copies of such records are also to be kept in alternative **premises** other than the insured **premises**.

6. Engineers Waste Warranty

Warranted that all oily or greasy cloths be kept tight closed in metal receptacles and placed outside the building every night.

7. Fire Extinguishing Appliances Warranty

The premium for this Policy has been calculated after taking into consideration the standard of fire extinguishing at the described **premises** which have been installed at the commencement of this insurance (or which may be installed at the commencement of this insurance (or which may be installed subsequently at the request or with **our** knowledge).

In consideration of **you** undertaking to

- i) carry out an inspection of the appliances once annually for the purpose of ascertaining that they are in all respect maintained in proper working order
- ii) remedy promptly any defect whether disclosed by any such inspection or otherwise, and
- iii) advise **us** of any substantial reduction in the standard of the fire extinguishing appliances

this Policy shall not be invalidated by any defect in any of the said appliances due to any circumstances unknown to or beyond the control of the Insured.

8. Health and Safety Warranty

- i) Warranted that the **Insured Persons** make use of Personal Protective Equipment in strict adherence to the Health and Safety Regulations relative to their duties at all times.
- ii) Warranted that the **Insured Persons** are in full compliance with the European Union Directives on Occupational Health & Safety relative to the nature of the works undertaken by them.

9. No Smoking Warranty

It is hereby warranted that no smoking is to be allowed throughout the **premises**.

10. Stock Book Warranty

Warranted that a complete record of all purchases and sales be kept by the Insured during the currency of this Policy and are readily available in the event of a loss. Copies of such records are also to be kept in alternative **premises** other than the Insured **premises**.

11. Storage Warranty

It is hereby warranted that stocks are to be stored either on wooden pallets at least 15cm high or 15cm off the ground.

12. Warranty for Lightning and Over-Voltage Protection

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the Insurers shall only indemnify the Insured in respect of loss of or **damage** to the **property insured** as a result of lightning or over voltage if the **property insured** is fitted with lightning and over voltage protection devices and these have been installed and maintained in accordance with the recommendations of the manufacturers of the **property insured** and of the lightning and over voltage protection devices.

This means that the lightning and over voltage protection devices are regularly serviced by qualified personnel of the manufacturer or supplier, are kept under supervision by trained personnel, and are provided with an automatic switch-off device complying with the latest requirements for electronic equipment and the manufacturer's recommendations.

13. Waste Warranty

Warranted that all cuttings, clippings and other trade refuse be swept up and bagged daily and removed from the **premises** daily.

14. Watchman Service Warranty

Warranted that whenever the Insured **premises** are closed for **business** they shall be occupied and patrolled by a responsible able-bodied person at regular intervals, such patrols to be recorded on the clock or inspected at intervals by staff of a professional security firm and their visits duly recorded.

15. Security Conditions (Openings) Warranty

Warranted that whenever the **premises** are closed for **business** (including closure for lunch breaks) all openings including each external door, window and glass shop front are protected and locked by means of any one or all of the following security devices: roller shutter concertina type shutter, solid wooden shutter, or door, steel panel door or window, metal grill door or window, fixed metal grill or bar.

GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THIS POLICY

1. Terrorism

Notwithstanding any provision to the contrary within this insurance or any endorsement thereon it is agreed that this insurance excludes loss, **damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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 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 endorsement also excludes 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 any act of terrorism.

If **we** allege that by reason of this exclusion, any loss, **damage**, cost or expense is not covered by this insurance the burden of proving the contrary shall rest upon **you**. In the event any portion of this endorsement is found to be invalid or enforceable, the remainder shall remain in full force and effect.

2. Atomic, biological and chemical contamination

It is agreed that, regardless of any contributory causes, this insurance does not cover any loss, **damage**, cost or expense directly or indirectly arising out of biological or chemical contamination due to 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.

For the purpose of this endorsement contamination means the contamination, poisoning or prevention and/or limitations of the use of object due to the effects of chemical and/or biological substances.

If **we** allege that by reason of this exclusion any loss, **damage**, cost or expense is not covered by this policy the burden of proving the contrary shall rest upon **you**.

3. Clarification

Property damage covered under this policy shall mean physical **damage** to the substance of **property**.

Physical **damage** to the substance of **property** shall not include **damage** to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure.

Consequently the following are excluded from this 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 the 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 the substance of the **property**, shall be covered.
- (b) Loss or **damage** resulting from 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**.

4. Pollution and/or contamination

It is hereby declared and agreed that **we** shall not be liable for

- 1. Personal **Injury** or Bodily **Injury** or loss or **damage** to, or loss of use of **property** directly or indirectly caused by seepage, pollution or contamination, provided always that this paragraph (1) shall not apply to liability for Personal **Injury** or Bodily **Injury** or loss of or physical **damage** to or destruction of tangible **property**, or loss of use of such **property** damaged or destroyed, where such seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this Insurance.
- 2. The cost of removing, nullifying or cleaning—up seeping, pollution or contamination substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this Insurance.
- 3. Fines, penalties, punitive or exemplary damages

This Clause shall not extend this Insurance to cover any liability which would not have been covered under this Insurance had this Clause not been attached.

5. Asbestos

It is hereby declared and agreed that this insurance shall not apply to and does not cover any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

6. Nuclear energy risks

Notwithstanding any provision to the contrary within the policy of which this endorsement forms part (or within any other endorsement which forms part of this policy), this policy shall exclude Nuclear Energy Risks.

For the purposes of this policy Nuclear Energy Risks shall mean:

- a. All **property** on the site of a nuclear power station, Nuclear Reactors, reactor buildings and plant and equipment therein on any site other than a nuclear power station.
- b. All **property**, on any site (including but not limited to the sites referred to in (a) above used or having been used for:
 - (i) The generation of nuclear energy; or
 - (ii) The production, use or storage of nuclear material
- c. Any other **property** eligible for insurance by the relevant local Nuclear Insurance Pool and/or Association but only to the extent of the requirements of that local Pool and/or Association.
- d. The supply of goods and services to any of the sites, described in (a) to (c) above, unless such insurances or reinsurances shall exclude the perils of irradiation and contamination by Nuclear Material.

Definitions

“Nuclear Material” means:

- i. Nuclear fuel, other than natural uranium and depleted uranium, capable of producing energy by a self-sustaining chain process fission outside a Nuclear Reactor, either alone or in combination with some other material; and
- ii. Radioactive Products or Waste.

“Radioactive Products or Waste” means any radioactive material produced in, or any material made radioactive by exposure to the radiation incidental to the production or utilisation of nuclear fuel, but does not include radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural or industrial purpose.

“Nuclear Installation” means:

- i. Any Nuclear Reactor;
- ii. Any factory using nuclear fuel for the production of Nuclear Material, any factory for the processing of Nuclear Material, including any factory for the reprocessing of irradiated nuclear fuel; and
- iii. Any facility where Nuclear Material is stored, other than storage incidental to the carriage of such material

“Nuclear Reactor” means any structure containing nuclear fuel in such an arrangement that a self-sustaining chain process of nuclear fission can occur therein without an additional source of neutrons.

“Production, Use or Storage of Nuclear Material” means the production, manufacture, enrichment, conditioning, processing, reprocessing, use, storage, handling and disposal of Nuclear Material.

“**Property**” shall mean all land, buildings, structures, plant, equipment, vehicles, contents (including but not limited to liquids and gases) and all material of whatever description whether fixed or not.

“High Radioactivity Zone or Area” means:

- i. For nuclear power stations and Nuclear Reactors, the vessel or structure which immediately contains the core (including its supports and shrouding) and all the contents thereof, the fuel elements, the control rods and the irradiated fuel store and;
- ii. For non-reactor Nuclear installations, any area where the level of radioactivity requires the provision of a biological shield.

7. **Transmission and distribution lines**

It is hereby declared and agreed that this insurance policy does not cover loss, **damage**, cost or expense of whatsoever nature directly or indirectly caused to any transmission and distribution lines.

8. **Mould and vermin**

It is hereby declared and agreed that this insurance policy does not cover loss, **damage**, cost or expense of whatsoever nature directly or indirectly caused by mould and vermin.

9. Electromagnetic fields and/or electromagnetic interference

Notwithstanding any provision to the contrary contained in the Policy or any endorsement thereto, it is understood and agreed that this insurance excludes any claims or losses directly or indirectly out of non-ionic radiation including but not limited to Electro Magnetic Fields and/or Electro Magnetic Interference.

10. Other exclusions

This Policy does not cover

- i. a. Loss, Destruction or **damage, injury** or Liability arising out of any occurrence outside the Maltese Islands except that this exclusion shall not apply to Section 2, Sub-Section B2 of this Policy.
- b. Loss, Destruction or **damage, injury** or Liability occasioned directly or indirectly by or through or in consequence of any of the following occurrences namely:
 - i. War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) and civil war.
 - ii. Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military 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.
- c. Loss, Destruction or **damage, injury** or Liability directly or indirectly caused by or contributed to, by or arising from:
 - i. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - ii. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - iii. any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- d. Loss, destruction or **damage** directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS OF THIS POLICY

1. Premium

You shall pay any premium on demand

2. The proposal and declaration

The proposal and declaration for this policy of Insurance made by **you** is incorporated herein and is deemed to be of a promissory nature and effect and the basis of this contract.

3. Change of risk

If at any time anything should occur or be done materially affecting the risk insured the Insured shall give immediate notice to **us** in writing.

4. Other insurances

If at the time of loss, destruction or **damage** or Liability arising under this policy there shall be any other insurance covering such loss, destruction or **damage** or Liability or any part thereof **we** shall not be liable for more than **our** rateable proportion thereof.

5. Precautions

You shall keep the **property** Insured in a good state of repair and take reasonable precautions to prevent accidents **injury**, loss, destruction or **damage** and shall take all reasonable steps to observe and comply with Statutory or Local Authority Laws obligations and requirements.

6. Claims

- i. Upon the happening of any occurrence likely to give rise to a claim under this policy and also upon the receipt by the Insured of notice of any claim **you** shall as soon as possible given notice to **us** and shall with all reasonable despatch furnish **us** such other particulars and information as **we** may require. In the case of loss, destruction or **damage** by theft or any attempt there at the Insured shall give immediate notice to the Police
- ii. **We** shall be entitled on the happening of any loss, destruction or **damage** to the **property** Insured to enter any building where the loss or **damage** has happened and take and keep

possession of the **property** Insured and to deal with salvage in a reasonable manner and this Condition shall be proof of leave and licence for such purpose. No **property** may be abandoned to **us**

- iii. **We** may at **our** option reinstate or replace the **property** destroyed damaged or lost or any parts thereof instead of paying money or may join with other Insurers in so doing. If **we** elect or become bound to reinstate or replace any **property** **we** shall not be bound to reinstate exactly or completely but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one item more than the Sum Insured thereon
- iv. **We** shall be entitled at **our** own expense to take such proceedings as **we** think fit in **your** name to enforce any rights and remedies against or to obtain relief or indemnity from other parties to which **we** shall be or may become entitled or subrogated under the policy and **you** shall at **our** request and expense do such acts and things as may be reasonably required by **us** for that purpose. **You** shall not make any payment settlement or admission of liability without **our** previous consent and **we** shall be entitled in **your** name to take over and have the absolute conduct and control of all negotiations and proceedings which may arise in respect of any occurrence accident or claim and the settlement thereof.

7. Cancellation

- a. **You** may cancel this Policy at any time during its term. Any refund of premium will be worked out from the date **we** receive **your** cancellation instructions. Provided no claim or loss has arisen in the current **period of insurance**, **we** will return part of the premium calculated on **our** cancellation rates for the unexpired **period of insurance** less any long-term discount on premiums granted.
- b. **We** shall not be bound to offer or accept any renewal of this policy and may at any time give seven days' notice of cancellation of cover to **you** at **your** last known address

8. Fraud

If any claim under this policy shall be in any respect fraudulent or if any fraudulent means or devices are used by **you** or anyone acting on **your** behalf to obtain any benefit under this policy all benefits thereunder shall be forfeited.

9. 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 by the parties in accordance with the statutory provisions 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 **us**.

10. Communications

Every notice and other communication to **us** required by these conditions must be written or printed.

11. Purchaser's interest

If at the time of loss, destruction or **damage** to any building hereby insured **you** shall have contracted to sell **your** interest in such building and the purchase shall not have been but shall be thereafter completed the purchaser on the completion of the purchase if and so far as **property** is not otherwise insured by or on behalf of the purchaser against such loss, destruction or **damage** shall be entitled to the benefit of this policy so far as it related to such loss, destruction or **damage** without prejudice to **your** or **our** rights and liabilities under this policy up to the date of completion.

12. Jurisdiction clause

This Contract of Insurance shall for all effects and purposes be deemed to be a Maltese Contract and shall be governed by and according to Maltese Law and subject to the exclusive jurisdiction of the Maltese Courts.

The Indemnity provided herein shall apply only to judgements or orders that are delivered by or obtained from a Court within the Maltese Islands. Furthermore, the Indemnity shall not apply to a judgement or order obtained in Malta for the enforcement of a judgement obtained elsewhere or to costs and expenses of litigation recovered by any claimant from **you**, which costs and expenses of litigation are not incurred in the Maltese Islands.

13. Subrogation

Any claimant under this policy shall, at **our** expense do, and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by **us** for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which **we** shall be or would become entitled or subrogated, upon **us** paying for or making good any loss or **damage** under this policy, whether such acts and things shall be or become necessary or required before or after his indemnification by **us**.

OUR COMPLAINTS PROCEDURE

We are committed to providing good quality services. **We** recognise, however, that clients may not be satisfied with the service provided. To deal with this **we** have a complaints procedure. For the sake of clarification a complaint is broadly defined as being a written expression of dissatisfaction with services that **we** provide or actions **we** have taken that require a response. **We** distinguish complaints from queries. Queries are challenges to specific decisions in specific circumstances.

We will deal with your complaint

We do not look at complaints as unwanted. In fact, they may help **us** to see where our services or procedures may be improved. So do let **us** know when **you** feel **we** have made a mistake or done something which **you** find unsatisfactory. Even if **you** do not think **your** particular concern amounts to a complaint **we** would still like to know about it. **You** will help **us** improve our service further.

How to complain

Step 1 – Contacting us

The first step is to talk to a member of our staff or of the intermediary if **your Policy** was arranged through one. This can be done informally either directly or by telephone.

Usually the best staff member to talk to will be the person who dealt with the matter **you** are concerned about as they will be in the best position to help **you** promptly and to put things right. If they are not available or **you** would prefer to approach someone else then ask for the manager or senior person responsible. **We** will seek to resolve the problem immediately. If **we** cannot do this then **we** will take a record of **your** concern and arrange the best way and time for getting back to **you**. This will normally be within two working days.

Step 2 – Taking your complaint further

If **you** are still unhappy the next step is to put **your** complaint in writing, addressing it to our Complaints Officer, setting out the details, explaining what **you** think went wrong and what **you** feel would put things right. If **you** are not happy about writing a letter **you** can always ask a member of staff to take notes of **your** complaint which **you** will be then asked to sign. **You** will be provided with a copy for **your** own reference. This record will be passed promptly to the Complaints Officer to deal with.

Once our Complaints Officer receives a written complaint, s/he will arrange for it to be fully investigated. **Your** complaint will be acknowledged in writing within five working days of receiving it and the letter will say when **you** can expect a full response. This should normally be within fifteen working days unless the matter is very complicated such as where other organisations need to be contacted. Where this is the case **we** will still let **you** know what action is being taken and tell **you** when **we** expect to provide **you** with a full response.

Taking your complaint elsewhere

If **you** are still not satisfied with the Complaints Officer's response, **you** can always seek advice elsewhere. **You** may contact the Customer Complaints Manager at the Malta Financial Services Authority on 8007 4924 or 2144 1155.

Following these procedures will not affect **your** right to take legal action.

Ref: SME POL 01.08.12