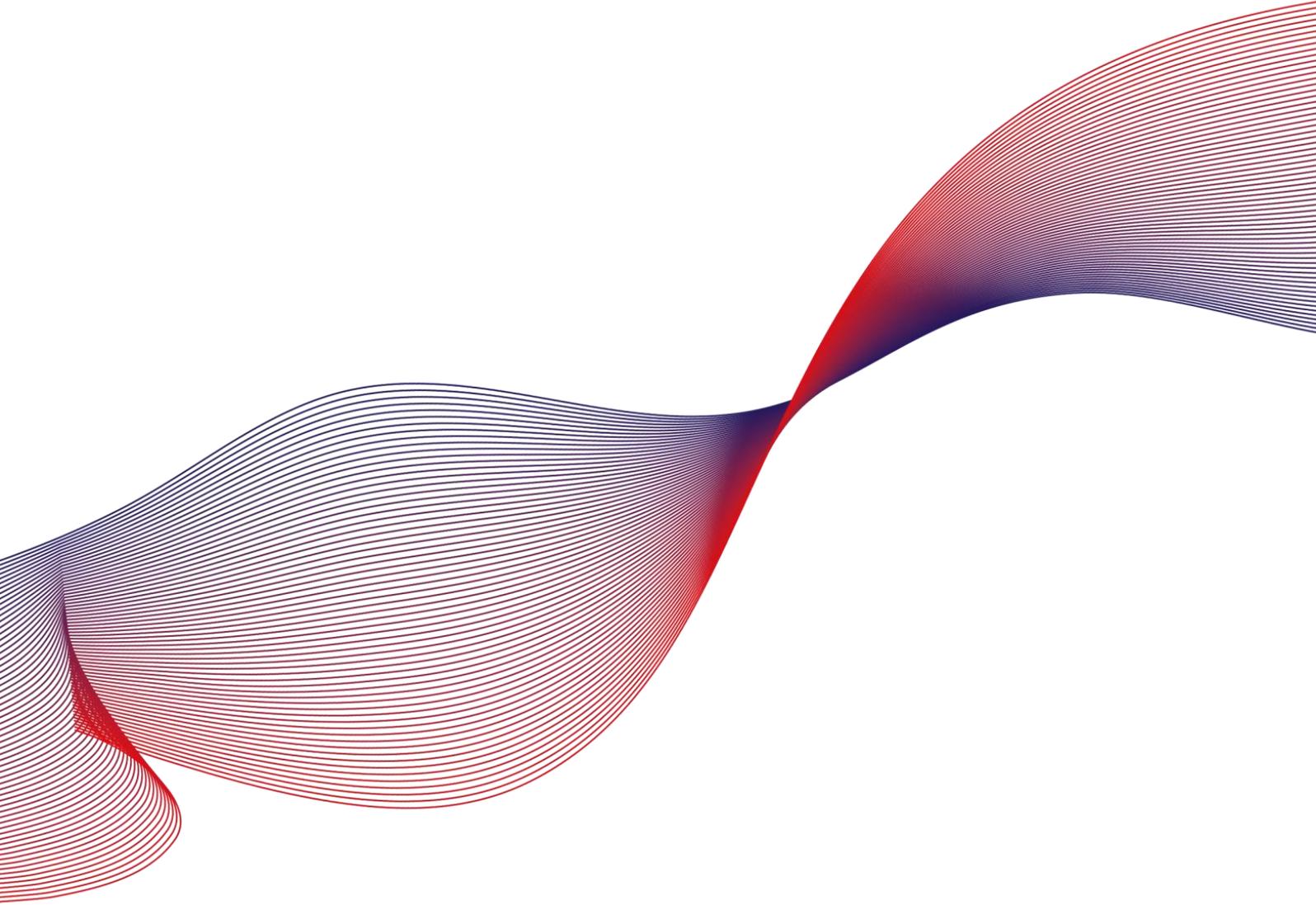


Property Damage and Loss of Profits Insurance

Model ZBV 2019 (English version)



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In the event of any discrepancy between the original Dutch version of this text and its English translation the Dutch text will prevail.

These conditions constitute an inseparable part of the applicable General Terms and Conditions. This insurance provides cover for those items listed in the policy, schedule and/or latest policy endorsement.

Article 1 Additional Definitions

In these conditions the following terms shall be understood to mean:

1.1 Machinery/equipment and inventory

All the movable assets at the premises, with the exception of goods and privately owned furniture and home appliances. Motor vehicles equipped with number plates, trailers, caravans and boats are only covered if they are explicitly mentioned in the policy schedule.

1.2 Gross profit

The income obtained from the company's operating activities, less variable costs. This equals the fixed costs plus the net profit, or less the net loss.

1.3 Effective amount

The gross profit over a period equal to the agreed period of indemnity.

1.4 Europe

The countries of the European Union plus Andorra, Northern Cyprus, Iceland, the United Kingdom (as of 30 March 2019), the Channel Islands, Liechtenstein, Monaco, Norway, San Marino and Switzerland.

1.5 Additional costs

Costs incurred in order to minimise the loss of profits.

1.6 Building

The property specified in the policy schedule, along with everything that belongs to it and everything that is generally considered to be part of it. Unless they are separately insured for individual sums, all the structures that are by their nature and layout designed to remain in the same place for a long time are understood to be included in the description.

The foundations are only covered by the insurance if such is explicitly stated in the policy schedule.

1.7 Insured items

The buildings, machinery/equipment and inventory and/or goods kept in the buildings at the address or addresses specified in the policy schedule.

1.8 Goods

Raw materials, additives and auxiliary agents, semi-finished products, finished products, goods being processed and packaging.

1.9 Reinstatement value

The amount needed to rebuild the insured building – at the same location and with an equivalent construction and layout – immediately after the event.

1.10 Reinvestment

Utilising the indemnity to restore, build, rebuild and/or purchase items within the meaning of Article 1.1 and/or Article 1.7 of these conditions in order to continue the company's operations, one's profession, other activities or jobs to which the description provided in the policy schedule applies.

1.11 Tenant's fixtures and fittings

The costs incurred by the insured in his capacity as tenant to improve or modify the rented building or the rented rooms.

1.12 Indexation

Automatic and uninterrupted adjustment to the sum insured in accordance with an agreed index.

1.13 Annual amount

The gross profit over a one-year period.

1.14 Cost price

The amount required for the purchase of raw materials, plus the added value.

1.15 New replacement value

The amount required to acquire new items of the same type and level of quality.

1.16 Debris removal costs

The costs incurred in the demolition, removal, disposal, dumping and destruction of those insured items that were not included in the description provided in Article 9.1.1 and are an inevitable consequence of a loss or damage covered under this policy.

1.17 Reconstruction costs

Costs incurred during the period of indemnity (administrative and financial records, drawings, etc, which are necessary for the company's continued business operations, irrespective of the manner in which they were originally recorded) in order to reconstruct, reproduce and include in the insured's administration once again.

1.18 Period of indemnity

The period of indemnity commences on the day on which the insured first suffers a loss of profits and ends when the company's business operations are no longer affected by the event or peril that caused the damage, or once the period of indemnity as specified in the policy schedule has expired, irrespective of the date on which the insurance expires, whichever is earlier.

1.19 Demolition value

The amount that might be obtained for those parts of the building that can still be used or are valuable, less the costs of demolition, removal, disposal, dumping and destruction.

1.20 Variable costs

Costs that increase or decrease depending on the level of the company's business operations.

1.21 Market value

The amount that could be obtained as commercial market value upon sale of the building, exclusive of the land, assuming that its purpose would remain unaltered.

1.22 Replacement value

The amount required for the acquisition of property equivalent in type, quality, condition and age.

In the absence of a replacement market, the value adopted shall be the higher of:

- the new replacement value after deduction of an amount for technical obsolescence, or
- the new replacement value after deduction of an amount for economical obsolescence.

Such with due regard for the state of the property.

1.23 The insured

The natural person or legal entity referred to as such in the policy schedule, with due regard for Article 12.

The insured is deemed to be the policyholder as well, unless another person or entity is referred to as the policyholder in the policy schedule.

The policyholder is expected to be the insured, or one of the insured parties.

1.24 Real interest

The insured's interest in the preservation of the risk objects on account of ownership or any other right in rem or his bearing the risk for the preservation thereof.

1.25 Environmental damage

The emission, discharge, seeping through, release or escape of any type of liquid, solid or gaseous substance that has an aggravating, contaminating or putrefying impact in or on the soil, the air, surface water or any body of water, be it underground or above ground.

Article 2 Extent of Cover

2.1 Cover

Cover is provided for the right in rem against damage as specified in Articles 2.1.1 and 2.1.2 of these conditions, if and insofar as the damage is caused by an event that was uncertain to cause or have caused damage at the time the insurance was taken out.

2.1.1 Property damage

Any damage to or loss of the insured items as specified in the policy schedule that is caused by the perils or events outlined in Article 2.2, irrespective of whether these perils or events were caused by the nature of, or a shortcoming in, the insured items.

Any damage to or loss of the insured items, irrespective of the cause of the damage or loss (except for the exclusions specified in Article 2.4 of these conditions and the exclusions specified in the General Terms and Conditions) is covered if it is the direct consequence of an insured peril or event, irrespective of where this peril or event occurred.

2.1.2 Loss of profits

Any decrease in the gross profit – less any cost cuts – for the insured's company as specified in the policy schedule which occurred during the term of indemnity due to damage to or loss of the insured items during the term of this insurance and which is caused by the perils or events specified in Article 2.2 of these conditions, irrespective of whether these perils or events are caused by the nature of, or a shortcoming in, the insured item(s).

Any loss of profits due to damage to or loss of the insured items for whatever reason (except for the exclusions specified in Article 2.4 of these conditions and the exclusions specified in the General Terms and Conditions) is covered if it is the direct consequence of an insured peril or event, irrespective of where this peril or event occurred.

2.2 Perils/events

Any damage or loss caused by the following things is covered by the insurance:

2.2.1 Fire

Fire outside the confines of a hearth, caused by burning and involving flames, and capable of growing larger of its own accord.

This means that the following things (among other things) are not considered fire:

- singeing, scorching, melting, charring, scalding;
- blown fuses and burn-outs in electrical equipment and engines;
- overheating, burning out and breaking of ovens and kettles.

2.2.2 Explosion

An immediate explosion caused by a sudden powerful increase in volume of gases or vapours, subject to the following.

The following distinction must be made to determine whether an explosion occurred.

2.2.2.1 Inside a barrel

An opening must have been created in the wall of a closed or open barrel due to the pressure of the gases or vapours inside the barrel, and the pressure inside and outside the barrel must have suddenly become equal because of this opening.

It is not relevant in this respect how the gases or vapours were created, or whether or not they were in the barrel prior to the explosion.

2.2.2.2 Outside a barrel

An explosion outside a barrel must be the direct consequence of a chemical reaction.

2.2.2.3 The term 'explosion' should not be understood to include 'implosion'.

2.2.3 Aircraft and spacecraft; meteorites

Any event in which the insured item(s) is/are hit by a meteorite or a departing, flying, landing or falling aircraft or spacecraft, or by a

projectile, explosive or other item that was part thereof but came loose, was thrown out or fell out of it.

2.2.4 Lightning strike

Damage to electrical and electronic equipment due to overvoltage or induction, or the loss of profits resulting from this damage. This damage is only covered if traces of a lightning strike are found in or on the property in which these items can be found.

2.2.5 Overvoltage/induction

Caused by lightning discharge, in a manner different from the one specified in Article 2.2.4.

2.2.6 Storm

A wind speed of at least 14 m/s.

If the wind speed dips under and rises above 14 m/s for some length of time, the period starting from the moment the wind speed first hits 14 m/s until the beginning of a period lasting at least 24 consecutive hours during which the wind speed is 10 m/s will be deemed to constitute one single event in determining the number of times the damage is subject to the deductible.

2.2.7 Changes in air pressure

Due to aircraft or spacecraft engines starting or running up, or due to a sonic boom.

2.2.8 Water, steam, precipitation, extinguishing agent

2.2.8.1 Water, steam or an extinguishing agent that flows or leaks from a water distribution pipe inside or outside the building or from a device connected to a water distribution pipe, or from water distribution equipment, a radiator, the sprinkler system etc because it burst due to sub-zero temperatures, broke, got clogged, or developed some other defect that occurs suddenly.

Costs incurred in the following actions are also covered by the insurance:

- the identification of the rupture or defect in the burst pipe and the associated repairs of walls, floors and other parts of the building;
- the repairs of the damaged pipes, installations and machines if they burst due to sub-zero temperatures;

insofar as these costs are borne by the insured and the costs in question are not covered under another insurance policy, or would not be covered if the cover provided by this article did not exist.

2.2.8.2 Atmospheric precipitation and meltwater that entered the building in a manner unforeseen by the insured, provided that it did not enter the building through an open window, door or window shutter. Damage to the insured building caused by hail is also covered by the insurance.

What is excluded from cover is damage caused by atmospheric precipitation or meltwater that enters the building:

- through penetrating damp walls;
- partially due to the fact that the building is in poor repair.

The repair costs of roofs, rain gutters and downpipes are not covered by the insurance.

2.2.8.3 Pressure on the building due to atmospheric precipitation or meltwater.

2.2.8.3.1 Except for the provisions of Article 2.2.8.3.2, any damage caused by the events specified in Article 2.2.8.3 will only be covered:

- a. if the building complies with applicable legislation for buildings of its kind with regard to the load-bearing structure, the roof structure and the atmospheric precipitation discharge system;
- b. if, in the event that the construction of the building was completed more than ten years prior to the event, the insured is able to demonstrate that the building's roof structure, roof and atmospheric precipitation discharge systems were inspected less than ten years prior to the occurrence of the peril or event by a company specialising in such inspections and were assessed for compliance with the legislation that was applicable to the building at the time, and that the measures recommended by this company to ensure

continued compliance with applicable legislation were indeed implemented.

2.2.8.3.2 The provisions of Articles 2.2.8.3.1(a) and (b) do not apply to the user of the building who is not responsible for the inspection referred to in the aforementioned article, and who is neither the owner of the building nor closely associated with the owner of the building.

2.2.8.4 Water and other contents of an aquarium due to the aquarium rupturing or being otherwise defective. Any costs incurred to repair the aquarium and its contents are also covered by the insurance.

2.2.9 Theft

The theft of any materials belonging to the insured building, as well as any damage caused to the building as a result of the theft, and the resulting loss of profits, the latter being covered irrespective of whether the building is insured.

2.2.10 Burglary

Burglary, theft or attempted theft, on which occasion the perpetrator entered or sought to enter the building containing the insured items by means of a forced entry into the building concerned or a building internally connected to it, as well as the loss of profits resulting from it, the latter being covered irrespective of whether the items are insured. The term 'building' should not be understood here to include the fencing and enclosures.

If the building houses several companies, organisations, etc, the aforementioned condition is satisfied if the perpetrator used force to enter or seek to enter the part of the premises used by the insured.

2.2.11 Vandalism

After the perpetrator has broken and entered the building.

Vandalism is not covered if it occurs in buildings or parts thereof that are not being used.

2.2.12 Extortion and/or robbery

Covered if it involves violence or threats.

2.2.13 Glass breakage

Unless glass breakage cover is explicitly mentioned in the policy schedule, broken glass is excluded from cover, except for mirrors and wall decorations made of glass inside the building.

2.2.14 Crash, collision and fallen off or poured out cargo as a result thereof.

Damage to or loss of the vehicle, boat or cargo that causes the damage is not covered by the insurance. Nor is the loss of profits resulting from it.

2.2.15 Oil and other liquid substances

Flowing or spilling from stationary heaters or cooking equipment or from the associated pipes and tanks due to rupture, clogging or some other defect that occurs suddenly.

2.2.16 Smoke and soot

Suddenly emitted by a heater or cooking equipment connected to an outlet.

2.2.17 Power outage or failure in refrigerators and freezers.

The insurance only covers the insured contents of these refrigerators or freezers.

Subject to a maximum indemnity of €5,000 per event.

2.2.18 Collapse of cranes, hydraulic arms, pilling frames, windmills, antennae, trees, flag posts, lamp posts and radio masts, and/or components thereof coming loose.

If the aforementioned items are insured, damage to or loss of these items is not covered, nor is the loss of profits resulting from it, unless this damage is caused by another insured peril or event.

2.2.19 Cutting and/or pruning of trees

2.2.20 Corrosive substances

Insofar as the damage did not result from cleaning, repairs, renovation or production errors.

2.2.21 Labour strike

The refusal by several employees of an enterprise to perform any or all of the duties they have been legitimately asked to perform.

2.2.22 Riots or disturbances

Occasional collective violence.

2.2.23 Horses and livestock

Damage caused by horses and/or livestock, provided that the owner of said horses or livestock is not the policyholder.

2.3 Unavailability; utilities outage

Loss of profits is also covered if it is caused by:

2.3.1 the unavailability of the insured item due to damage to or loss of adjacent items (which may or may not be insured under this policy) caused by an insured peril or event.

2.3.2 an interruption in the supply of power, gas or water due to damage to or loss of:

- the power grid operator, including electrical substations and transformer stations;
Loss of profits is excluded from cover if the outage is the result of damage to or loss of pipes, tubes, transmission towers and high-voltage power lines with all the associated accessories physically located between the operator that supplies the power and the insured item as specified in the policy schedule.
- supply stations, compressor stations, measurement stations, control stations, mixture stations, delivery stations or reduction stations as used by the gas production company or a gas distribution company, or the pipes, valves and reduction units between the aforementioned stations and the insured's company;
- the water company, including the pumping stations and transit stations;

due to an insured peril or event, provided that the interruption of operations lasts longer than six consecutive hours.

2.4 Exclusions

2.4.1 Earthquakes; volcanic eruptions

Property damage and loss of profits caused by an earthquake or volcanic eruption are excluded from cover. If any damage occurs during the period in which the effects of an earthquake or volcanic eruption have been observed in or near the insured items, or within 24 hours of the effects of an earthquake or volcanic eruption having been observed in or near the insured items, the insured must prove that the damage cannot be attributed to these phenomena.

2.4.2 Flood

Property damage and/or loss of profits is excluded from cover if it is caused by flooding due to the breaking or overflowing of dykes, quaysides, sluices, river banks or other flood defence systems, irrespective of whether the flooding is caused by a storm.

This exclusion does not apply to any fire or explosions that may have been caused by flooding.

2.4.3 Unprocessed precious metals, loose gemstones, cash and negotiable instruments

Damage to and/or loss of unprocessed precious metals, loose gemstones, cash and negotiable instruments is excluded from cover, except for the provisions of Article 4.8.1.

2.4.4 Loss of profits unrelated to the event

Any loss of profit that would also have occurred if the damage to or loss of the insured item(s) due to an insured peril or event had not occurred is excluded from cover.

2.4.5 Penalties

Loss of profits due to penalties is excluded from cover.

2.4.6 Amortisation of accounts receivable (Bad debt losses)

Loss of profits due to amortisation of accounts receivable is excluded from cover.

2.4.7 Environmental deterioration

The insurance does not provide cover for damage relating to environmental deterioration.

2.4.8 Any loss of profits due to damage to or loss of items belonging to third parties, resulting in these third parties not or no longer purchasing the insured's products (buyer's risk) is excluded from cover.

Article 3 Cover in the vicinity of the Building and Elsewhere in Europe

3.1 Subject to the maximum amounts specified in Articles 3.1.3, 3.1.4 and 3.1.5, this insurance also provides cover for property damage and loss of profits caused by an insured peril or event, insofar as the insured machinery/equipment and inventory and/or goods are stored:

3.1.1 under shelters, under coverings or on the premises near the buildings at the addresses specified in the policy schedule, except if the items were damaged or lost due to storm, water, steam, atmospheric precipitation, burglary, theft or attempted theft, and vandalism;

3.1.2 in food display cabinets, shop window booths or vending machines near the buildings at the addresses specified in the policy schedule, except if the items were damaged or lost due to a labour strike, riots or disturbances;

3.1.3 in portakabins or containers near the buildings at the addresses specified in the policy schedule or, up to 10% of the sum insured but with a maximum indemnity of €250,000 per location, at locations within Europe not specified in the policy schedule.

The following type of damage is excluded from cover:

- damage that is covered by a different insurance policy taken out by the insured, or that would be covered if the cover provided by this article did not exist;
- damage that occurred during transport.

'Transport' is also understood to include the loading, unloading and storage of the insured items inside the means of transport, irrespective of where said means of transport is located.

3.1.4 in buildings at European locations not specified in the policy schedule, up to 10% of the sum insured, but with a maximum indemnity of €250,000 per location.

Any damage that is covered under a different insurance policy taken out by the insured or would be covered if the cover provided by this article did not exist is excluded from cover.

3.1.5 outside buildings in European locations not specified in the policy schedule, up to 10% of the sum insured, but with a maximum indemnity of €250,000 per location, with the exception of damage arising from a storm, water, steam, atmospheric precipitation, burglary, theft or attempted theft, vandalism, a car or boat accident resulting in the cargo falling or spilling out of the vehicle or boat, a labour strike, riots or disturbances.

The following type of damage is excluded from cover:

- damage that is covered by a different insurance policy taken out by the insured, or that would be covered if the cover provided by this article did not exist;
- damage that occurred during transport.

'Transport' is also understood to include the loading, unloading and storage of the insured items inside the means of transport, irrespective of where said means of transport is located.

3.2 This insurance also covers damage to or loss of car parks, parking meters and cameras, etc, located in the vicinity of the buildings at the addresses specified in the policy schedule due to an insured peril or event, except for damage or loss arising from burglary, theft or attempted theft, vandalism, a labour strike, riots or disturbances.

3.3 This insurance also covers damage to or loss of removable components of the insured building that are temporarily located

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elsewhere in Europe due to an insured peril or event, if these components are located:

- inside buildings;
- outside buildings. However, the damage or loss is not covered if it arises from the following things: storm, water, steam, atmospheric precipitation, burglary, theft or attempted theft, vandalism, a car accident or boat accident resulting in the cargo falling or being spilled out, a labour strike, riots or disturbances.

The following type of damage is excluded from cover:

- damage that is covered by a different insurance policy taken out by the insured, or that would be covered if the cover provided by this article did not exist;
- damage that occurred during transport.

'Transport' is also understood to include the loading, unloading and storage of the insured items inside the means of transport, irrespective of where said means of transport is located.

Article 4 Indemnity in Excess of the Sum Insured

If the items are not covered by a different insurance policy, or if the items are not covered by a different insurance policy to a sufficient level, this insurance will provide cover in excess of the sum insured for the following expenditures in the event of damage caused by an insured peril or event:

4.1 Salvage costs

Will be reimbursed up to a maximum of 50% in excess of the sum insured for the location concerned if necessary.

4.2 Debris removal costs

Will be reimbursed up to a maximum of €125,000 per event, or, if this turns out to be more, up to 10% of the sum insured for the location concerned as specified in the policy schedule, up to a maximum indemnity of €500,000 per event.

4.3 The costs of transporting and storing the insured items due to the fact that the buildings are temporarily unavailable will be reimbursed, up to 10% of the sum insured for the location concerned, up to a maximum indemnity of €500,000.

4.4 Costs incurred in relation to damage to insured leased buildings in the event of burglary (see Article 2.2.10) or vandalism (see Article 2.2.11) will be reimbursed up to a maximum of 10% in excess of the sum insured for the location concerned, if and insofar as the costs incurred in relation to this damage are borne by the insured.

4.5 Loss of rental income is covered if and insofar as this is not part of the compensation paid for the loss of profits. For up to 52 consecutive weeks, but if the insured decides against repairing or rebuilding the property, then for up to 13 consecutive weeks. In both cases, cover is provided for up to 10% of the sum insured for the building concerned.

If the insured is both the owner and user of the building, the amount of the rental income lost will be determined on the basis of the economic rental value of the building.

4.6 Any costs incurred by the insured due to statutory provisions or at the government's behest will be reimbursed up to a maximum indemnity of €25,000.

4.7 Damage to gardens and everything belonging to them, as well as the pavement if and insofar as the costs of this damage are borne by the insured, up to a maximum indemnity of 10% of the sum insured for the location concerned.

Damage caused by storm is excluded from cover, unless the damage is caused by components of the building that have fallen down due to the storm.

4.8 If machinery/equipment and inventory are insured:

4.8.1 cash and negotiable instruments (including cheques, debit cards, credit cards, chip cards, etc), insofar as these are the property of the insured and are located inside the buildings specified in the policy schedule, up to a maximum indemnity of €2,500 per event;

When located outside these buildings, the aforementioned items are only covered in the event of extortion and robbery, up to a maximum indemnity of €2,500 per event.

4.8.2 costs incurred to replace locks or configure key cards or other instruments used to lock doors, if this replacement is a direct consequence of the theft of keys, key cards, etc, irrespective of whether the theft occurred at the insured location or at the home of a member of the board or authorised employee, up to a maximum indemnity of €2,500 per event;

4.8.3 The financial loss suffered by the insured due to accepting counterfeit money, counterfeit negotiable instruments, stolen or forged cheques or debit cards, or payments made using stolen or counterfeit debit cards, credit cards, chip cards, etc, by way of payment for goods and/or services provided.

The indemnity will be capped at €2,500 per event.

This cover is only provided if machinery/equipment and inventory are insured, and insofar as the financial loss is not covered by a financial institution.

4.9 Any reconstruction costs incurred due to damage to or loss of administrative and financial data, drawings, etc situated at the location specified in the policy schedule due to an insured peril or event.

Indemnity will be capped at either €125,000 per event or 10% of the sum insured, whichever is more, with a maximum indemnity of €250,000 per event.

Article 5 Increase in Cost (Loss of Profits)

5.1 The increase in cost will be reimbursed up to the amount of the reduction in lost profits achieved within the period of indemnity by the increase in cost.

5.2 Those additional costs that were incurred with the insurance company's consent (or with the consent of an expert provided by the insurance company) will be reimbursed in full, in excess of the sum insured where necessary.

Article 6 Knowledge of Location(s) and Change in Risk

Further to the provisions of Article 7 ('Duty of Disclosure/Increase in the Level of Risk') of the General Terms and Conditions, the following conditions apply:

6.1 Explicit mention must be made of the fact that the descriptions of the insured items and of the company specified in the policy schedule were provided by the insured.

6.2 The insurance company is aware of the location, type of construction and layout of the insured items and the manner in which the insured items are used at the start of the agreement, and is also aware of the adjacent structures.

6.3 The insured is free to add to, renovate, replace, expand, demolish, internally move and otherwise change the insured items, within the scope of the description specified in the policy schedule.

6.4 If, as specified in the policy schedule:

- the designated use changes, or if
- the insured items are or will not be used for a period exceeding three months, or if
- the building is or will be empty for a period exceeding three months, or if
- the building is used by squatters,

the insured must notify MS Amlin Insurance SE (MS Amlin) as soon as possible, but at the very latest within two months of becoming aware of the change referred to above.

The changes referred to above are deemed to constitute an increase in and/or addition to the level of risk and/or change to and/or expansion of the business operations within the meaning of Article 7 ('Duty of Disclosure/Increase in the Level of Risk') of the General Terms and Conditions.

Article 7 Preliminary Valuation

7.1 If the policy schedule states that the insured had the insured items valued by one or more experts, the resulting valuation report will be valid for three years, commencing from the date of the valuation report. The valuation report is deemed to constitute part of the agreement. If the insurance company is able to prove that the valuation report is a fraud, the valuation performed by the expert will become null and void.

7.2 If the insurance of the buildings thus valued is subject to an indexation clause, the valuation report will be valid for six years, commencing from the date of the valuation report. Adjustments (upward or downward) of the sum insured due to inflation indexation are expected to be valued in the same manner.

7.3 If, after the aforementioned time frames have expired, no new valuation report has been issued, the pre-existing valuation report will remain valid for a twelve-month period in the form of a two-party valuation (see Article 7.4). After that period, the sum insured will be deemed to be the value as specified by the insured.

7.4 If the policy schedule shows that the insured items were valued by the parties themselves, this amount will be considered the covered value until the insurance expires. However, the insurance company reserves the right to prove that this value was overestimated at the time of the damage.

7.5 The preliminary valuation by the experts and/or the parties themselves will become null and void in the following situations:

- the right in rem is transferred and the new insured party will use the valued property for other purposes, or
- the valued property has not been or will not be used for a period exceeding twelve months, or
- the building has been or will be empty for a period exceeding three months, or
- the building is being used by squatters, or
- no new money will be put into the property after the damage occurs.

Article 8 Notification of Claim and Claim Assessment

8.1 Notification

The insured is required to notify the insurance company as soon as reasonably possible of any event that might result in MS Amlin being obliged to compensate the insured.

8.2 Appointing of claims assessors (experts)

8.2.1 Hiring experts

The damage and the costs eligible for reimbursement will be assessed by mutual consultation or by hiring two experts. One of these experts will be appointed by MS Amlin, while the other will

be appointed by the insured. Prior to performing their assessment duties, these two experts will appoint a third expert who will issue a binding ruling, within the boundaries of both valuations, in the event that the two experts fail to arrive at a consensus.

8.2.2 Cost of the experts' assessments

The fees charged and costs incurred by all the experts involved will be borne by MS Amlin, on the proviso that the fee paid to the expert appointed by the insured does not exceed the fee paid by MS Amlin to its own expert. The costs incurred by the experts will also be deemed to include the costs incurred by the persons hired by the experts. MS Amlin will not reimburse the costs associated with the hiring of an expert who has not signed the Dutch Association of Insurers' Code of Conduct for Expertise Consultancy Groups ('Gedragscode Expertiseorganisaties').

8.2.3 If either party fails to appoint an expert due to negligence or a lack of consensus, the other party may request the Chairperson of the Amsterdam or Rotterdam Chamber of Commerce to appoint an expert, which appointment will be binding on both parties.

The party who requests such an appointment will notify the other party of the request.

8.2.4 Any cooperation in the aforementioned procedure on MS Amlin's part does not constitute an acknowledgement by MS Amlin that it is obliged to compensate the insured.

8.3 Cooperation

The insured and MS Amlin are required to cooperate with the experts in any way the experts deem necessary for the proper performance of their duties, including by allowing the inspection of the policy schedule and other administrative records, and by providing information on the cause, circumstances and extent of the damage.

Article 9 Loss and Extent of the Indemnity

9.1 MS Amlin's obligation to indemnify the insured concerns:

9.1.1 property damage: at the insurance company's discretion, either the difference between the value of the insured items immediately prior to and immediately after the event or the repair costs immediately after the event of those items that, in the experts' opinion, are able to be repaired, as well as – if the sum insured is based on the new-for-old value – the depreciation caused by the event that was not undone by the repairs;

9.1.2 loss of profits;

9.1.3 the amount of the indemnity in excess of the sum insured in accordance with Article 4;

9.1.4 the amount in accordance with Article 5.

9.2 The assessment of the value of the insured items immediately prior to the event is based on the valuation basis as specified below, which is also taken into account in determining the value of the insured items immediately after the event.

9.2.1 If the sum insured is based on a valid valuation report: the amount specified in the valuation report.

9.2.2 If there is no valid valuation report, with regard to cover provided for:

9.2.2.1 buildings:

- the reinstatement value if:
 - the insured notifies the insurance company within twelve months after the date on which the damage occurred that it will repair or rebuild the property, at the same location or at a different location, and if the repair or rebuild activities commence within twenty-four months after the date on which the damage occurred;
 - it is lower than the market value;
 - the building is subject to an obligation to rebuild.
- the reinstatement value with depreciation if:

- the damage to the roof was caused by hail. If the roof was damaged due to the impact of hail, the calculation of the damage will be subject to the subtraction of an amount depending on the state of repair of the damaged component. The depreciation of the roof over a useful life that is deemed realistic for that particular type of roofing will also be taken into account;
 - components containing asbestos were damaged by an insured event. If a component containing asbestos is damaged, an amount will be subtracted from the amount of the damage that is proportionate to the depreciation of the component concerned. For the purposes of applying this article, the depreciation of components containing asbestos is set at linear depreciation over a 30-year period starting from the moment the material was used in or on the building.
- the market value if:
- the building had been put up for sale;
 - the building had been condemned or declared unusable by the competent authority;
 - the building had been empty or unused for a period exceeding nine months;
 - the building or parts thereof had been used by squatters for a period exceeding three months;
 - the insured failed to notify the insurance company within twelve months after the date on which the damage occurred that it would repair or rebuild the property and failed to commence repairing or rebuilding the property within twenty-four months after the date on which the damage occurred.

However, if the insured notifies the insurance company within twelve months after the date on which the damage occurred that it will repair or rebuild the property: the rebuild value, provided that the repair/rebuild activities commence within twenty-four months after the date on which the damage occurred.

- the demolition value if:
- the insured already intended to have the building demolished before the damage occurred;
 - the building had been designated for demolition or expropriation.

9.2.2.2 machinery/equipment and inventory: the new replacement value.

The indemnity will be based on the replacement value:

- if the insured already intended to close down the company before the damage occurred;
- if the insured decides against resuming the company's business operations and putting more money into the company;
- if MS Amlin is not notified in writing that the company will resume its business operations and/or put more money into the company within twelve months after the date on which the damage occurred;
- with regard to items whose replacement value is less than 40% of the new replacement value;
- with regard to items that are no longer being used in the manner they were intended to be used;
- with regard to motor vehicles (including mopeds and slow mopeds), caravans and other trailers, boats and components thereof;
- for objects of art, antiques and rare items.

9.2.2.3 goods: either the cost price or the replacement value, whichever is lower.

In the event of goods that had been sold but had not yet been delivered, and that were being stored for the insured's account and risk: the selling price.

9.2.2.4 If the parties had agreed to a different value than the value specified in Article 9.2.1 or 9.2.2: this other value.

9.3 If the sum insured is subject to inflation indexation, the impact of the index on the sum insured is taken into consideration, up to any maximum indemnity that may have been agreed.

9.4 Surpluses of overinsured items will be used to offset deficits of underinsured items, subject to and in the order of precedence specified in Article 10.

9.5 Unless a separate amount is insured specifically for this purpose, tenant's fixtures and fittings are understood to be included in the sum insured for machinery/equipment and inventory.

9.6 The period of indemnity for a loss of profits will be limited to thirteen weeks if:

- the company is unable to continue (some of) its business operations due to an event that has impacted them;
- no attempt has been made in the thirteen weeks following the event to resume normal business operations.

However, if, pursuant to legal or contractual obligations, the insured is required to continue paying wages and the associated social security contributions, the period of indemnity will be extended up to a period of 26 weeks, unless the period of indemnity specified in the policy schedule is shorter.

9.7 To the extent that MS Amlin is obliged to indemnify the insured, the indemnity will not exceed the sum insured, plus the sum of the reimbursements in excess of the sum insured pursuant to Articles 4 and 5.2.

9.8 Proportionality provision

9.8.1 In the event of property damage, MS Amlin will only be obliged to pay a proportionate level of compensation if the sum insured is lower than the value of the insured items immediately prior to the event.

9.8.2 In the event of a loss of profits, MS Amlin will only be obliged to pay a proportionate level of compensation if the sum insured is lower than the gross profit the insured would have made if the loss of profits had not occurred.

If the Overinsurance and Restitution clause (increase/decrease arrangement) applies, the amount of compensation referred to above will be calculated on the basis of the percentages specified in this clause.

9.8.3 Any compensation arising from Article 4 will be paid in full, up to the maximum sums insured. The proportionality provision does not apply.

9.9 First-loss provision

9.9.1 The proportionality provision outlined in Article 9.8 does not apply to cover provided under this insurance subject to the first-loss principle (the maximum amount to be paid out in the event of damage or loss, irrespective of the actual value of the insured items immediately prior to the event).

9.9.2 If the insurance is subject to a deductible, the amount of the damage that remains after the applicable amount paid out of pocket has been subtracted will be paid, up to the sum insured under the first-loss policy.

9.10 Every indemnity owed by MS Amlin to the insured will be paid within four weeks after the receipt of all the necessary information. The insurance company will not be in default of payment until four weeks after the receipt of all this information.

9.11 If the insured fails to meet one or more obligations specified in the policy schedule in full or in part, MS Amlin is entitled to reduce the amount of the indemnity by the amount of the damage suffered by MS Amlin.

9.12 Notwithstanding the second sentence of Article 7:962(3) of the Dutch Civil Code, the insurance company will not have recourse against the policyholder and/or the insured, unless the policyholder and/or the insured deliberately caused the damage within the meaning of the present insurance policy.

Article 10 Moveable Property of Third Parties

If they can be incorporated into the sum insured for machinery/equipment, inventory and goods, movable assets belonging to third parties will be covered as well, if and insofar as these assets are not sufficiently covered under a different insurance policy.

Article 11 Other Insurance Policies

Notwithstanding the provisions of Article 8 ('Concurrence') of the General Terms and Conditions, the following provision applies:

11.1 The insured is required to disclose all the insurance policies it knows provided cover against damage to the insured items and/or (some) cover for a loss of profits at the time of the event.

11.2 If the insured items or the loss of profits are also covered under an insurance policy specifically taken out for this purpose, this specific insurance policy shall always take precedence. 'Insurance policies specifically taken out for certain purposes' are understood to include glass insurance, valuables insurance, loss-of-profits-due-to faulty-electronics insurance, loss-of-profits-due-to-machinery-breakdown insurance, construction all-risk insurance, construction all-risk insurance covering loss of profits, advance loss-of-profit insurance, costs-of-reconstruction insurance, or loss-of-rental-income insurance.

Article 12 Transfer of the Right in Rem (Real Interest)

12.1 The insurance policy follows the right in rem with regard to the insured buildings, machinery/equipment and inventory.

12.1.1 If the right in rem has passed to another party following the death of the insured, both the new insured and MS Amlin are entitled to cancel the agreement, subject to two months' notice, within three months of learning that the right in rem has passed to another party.

12.1.2 If the right in rem has passed to another party for reasons not being the death of the insured, the agreement will expire after thirty days, unless the new insured notifies MS Amlin within that time frame that it will accept the terms of the insurance policy, in which case MS Amlin has the right to cancel the agreement subject to at least eight days' notice within thirty days after the receipt of this statement.

12.2 The provisions of this article cannot result in an extension of the agreement or in a restriction of the right to cancel the agreement for other reasons.

12.3 Changes to the company's trade name or legal form, participation in, a departure from or the transfer of shares in a company or joint ownership are not deemed to constitute a transfer of the right in rem.

Article 13 Duration and Expiry of the Insurance

Notwithstanding the provisions of Article 6.1 ('Duration and Expiry of the Insurance') of the General Terms and Conditions, the insurance will enter into effect and expire at noon local time at the place where the items are located.