

ORIGINAL

**POLICY SCHEDULE
PROPERTY ALL RISK INSURANCE**

POLICY NO. : 1SB01091800029 (RENEWAL)
 THE INSURED : RUMAH SAKIT MATA UNDAAN
 CORRESPONDENCE ADDRESS : JL. UNDAAN KULON No. 17 - 19
 SURABAYA
 SURABAYA

- DETAILS OF THE SUBJECT MATTER INSURED -

PERIOD OF INSURANCE : commencing from March 26, 2018 to March 26, 2019 both days at 12 o'clock noon, local time at the location of the insured property.

OCCUPATION : Rumah Sakit Mata - Unit Gedung Rawat Inap (2951)
 CONSTRUCTION CLASS : I
 RISK LOCATION : Rumah Sakit Mata Undaan - Unit Gedung Rawat Inap
 Jl. Undaan Kulon 17 - 19, Surabaya

TOTAL SUMS INSURED :

- Building			
Sum Insured	IDR		6,500,000,000
- Machinery (termasuk Genset, Lift, Peralatan Medis yg terdapat di Gdg Rawat Inap) + Inventory (AC, Tempat Tidur, Komputer, Peripheral, & Alat2 Kantor)			
Sum Insured	IDR		4,500,000,000

- DEDUCTIBLES & THE CLAUSES -

DEDUCTIBLE :

- Fire, lightning, explosions, impact of falling aircraft and smoke (FLEXAS) : 0.1 % of Total Sum Insured or 5 % of Recoverable Claim amount whichever higher for each and every loss.
- Burglary & Accidental Damage : IDR 2.500.000,00 for each and every loss
- Impact of Vehicle : IDR 1.000.000,00 for a.o.a
- Windstorm, Tempest, Flood & Water Damage : 10 % of recoverable claim amount for each and every loss
- RSMD (4.1A) : 10 % of Recoverable Claim amount, minimum : IDR 10,000,000.00 for each and every loss
- Civil Commotion : 10 % of Recoverable Claim amount, minimum : IDR 25,000,000.00 for each and every loss

CLAUSES : *As per attached*



ORIGINAL

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In witness whereof the Undersigned being duly authorized by the Insurers and on behalf of the Insurers has (have) hereunto set his (their) hand(s).

Surabaya, March 19, 2018
PT.KSK Insurance Indonesia

**- THE PREMIUM -**

PREMIUM RATE	: 0,04720%
	0,02750%
	0,04500%
	0,00378%

PREMIUM CALCULATION

- Fire (FLEXAS)	IDR 11,000,000,000.00 x 0,04720%	IDR	5,192,000.00
- RSMD + CC	IDR 11,000,000,000.00 x 0,02750%	IDR	3,025,000.00
- TFTWD (FLOOD)	IDR 11,000,000,000.00 x 0,04500%	IDR	4,950,000.00
- OTHERS	IDR 11,000,000,000.00 x 0,00378%	IDR	415,800.00
	TOTAL PREMIUM	IDR	13,582,000.00
	Biaya Polis	IDR	25,000.00
	Biaya Materai	IDR	12,000.00
	TOTAL	IDR	13,619,000.00

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- Clauses : 1. Average Relief Clause (85%)
 2. Appraisement Clause (5% of sum insured)
 3. All Other Contents Clause (it IDR 5,000,000.00 each item and IDR 50,000,000.00 in aggregate)
 4. Automatic Reinstatement of Sum Insured Clause (subject to additional premium)
 5. Alterations Clause (30 days)
 6. Brand and Label Clause
 7. Cancellation Clause (30 days)
 8. Civil Authorities Clause
 9. Cyber Risk Exclusion Clause (NMA 2915)
 10. Cost of Re-Writing Records and Claims Preparation Clause (IDR 25,000,000.00)
 11. Designation Clause
 12. Dispute Clause
 13. Earthquake Exclusion Clause
 14. Error and Omission Clause
 15. Extra Contractual Obligation Exclusion Clause
 16. Electronic Date Recognition Clause (EDRC"A")
 17. Fire Brigades Charges Clause (Max. IDR 50,000,000.00)
 18. Fire Extinguishing Cost Clause (Max. IDR 50,000,000.00)
 19. Flood, Windstorm, Tempest and Water Damage (Code 4.3 A) Endorsement - Amended for IAR/PAR
 20. General Interest Clause
 21. Impact by Own Vehicle Clause (PAR/IAR)
 22. Industries, Seepage Pollution & Contamination Clause (NMA 1685) ("Sudden and Accidental")
 23. Internal Removal Clause
 24. IT Hazards Clarification Clause
 25. Loss Notification Clause (14 days)
 26. Loss of Damaged Goods Clause
 27. Minor Alterations and Repairs Clause
 28. Misdescription Clause
 29. Notification Clause
 30. Nominated Adjuster Clause
 31. Payment on Account Clause (20%)
 32. Public Authorities Clause
 33. Payment of Premium Warranty (30 days)
 34. Pro-rata Return of Premium Clause (Subject to no claim)
 35. Property Damage CLarification Clause
 36. Removal Of Debris Clause (10% of sum insured)

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37. Reinstatement Value Clause
38. Riot, Strike, Malicious Damage and Civil Commotion Endorsement (code 4.1B /2007 for use with Munich Re IAR/ PAR wording)
39. Structural Alteration Clause
40. Sanction Limitation and Exclusion Clause - LMA3100
41. Terrorism & Sabotage Exclusion Endorsement NMA 2920
42. Transmission And Distribution Lines Exclusion Clause
43. Total Asbestos / Absolute Asbestos Exclusion Clause
44. Waiver to the Article 1266 and 1267 of the Indonesian Civil Code Clause
45. Waiver of Subrogation Clause (Against Subsidiaries Only)
46. Workmens Clause
47. War and Civil War Exclusion Clause

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Property Insurance

CLAUSES

AVERAGE RELIEF CLAUSE (85%)

It is hereby agreed that each item insured under this Policy is declared to be separately subject to the following condition of average:

If at the time of reinstatement in the terms of Reinstatement Value clause, the sum insured representing 85% (eighty five percent) of the cost which would have been incurred in reinstatement if the value of the whole of the property covered by such item had been destroyed exceeds the sum insured hereon at the breaking out of any perils hereby insured against or at the commencement of any destruction of or damage to such property by any other peril hereby insured against then the Insured shall be considered as being his own insurer for the difference between the sum insured and the sum representing the cost of reinstatement of the whole of the property and shall bear a rateable proportion of the loss accordingly.

APPRAISEMENT CLAUSE (5% OF SUM INSURED)

It is hereby agreed that if the aggregate claim for any one loss does not exceed 5% (five per cent) of the sum insured on each item or items affected, no special inventory or appraisal of the undamaged property shall be required.

If two or more buildings be included in a single item, this provision shall apply to the range of buildings insured by this item.

For the purpose of this clause, the term "Item" shall be held to apply to the total sum Insured on buildings and/or contents by the items affected.

ALL OTHER CONTENTS CLAUSE (IT IDR 5,000,000.00 EACH ITEM AND IDR 50,000,000.00 IN AGGREGATE)

It is hereby agreed that this Policy is extended to include:

- a. Money and stamps not otherwise specifically insured for an amount not exceeding in the aggregate Rp 50.000.000.
- b. Documents, manuscripts and business books but only for the value of the materials as stationery, together with the cost of clerical labour expended in writing up, and not for the value to the insured of the information contained therein and for an amount not exceeding in the aggregate Rp. 50.000.000.
- c. Computer system records but only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value to the insured of the information contained therein for an amount not exceeding in the aggregate Rp. 50.000.000.
- d. Patterns, moulds, models, plans and designs, for an amount not exceeding in the aggregate Rp. 50.000.000.
- e. Employees pedal cycles, clothing, tools and other personal effects for an amount not exceeding Rp.250.000 in respect of any one employee.

AUTOMATIC REINSTATEMENT OF SUM INSURED CLAUSE (SUBJECT TO ADDITIONAL PREMIUM)

It is hereby agreed that in the event of loss covered by the Policy and in the absence of written notice by the Insured to the contrary, the Insurer agrees to reinstate the amount of insurance reduced by loss, from the commencement of the reinstatement, replacement or repair of the loss, destroyed or damaged property until expiry of this insurance subject to:

1. The Insured notifying the Insurer as soon as practicable of such reinstatement.
2. The Insured paying the additional premium calculated at prorata of the appropriate rate from the date of attachment of such reinstatement to the expiry of the insurance.
3. The Insurer's limit liability shall not exceed the sum insured that were in force immediately before the loss.

ALTERATIONS CLAUSE (30 DAYS)

It is hereby agreed that notwithstanding anything contained in the Policy (Alteration) to the contrary, this insurance shall not be prejudiced in the event of any alterations which increases the risks insured, provided that notice of such alterations be given to the Insurer within 30 calendar days of the commencement of such alterations and additional premium paid, if required from the date of such alterations.

BRAND AND LABEL CLAUSE

If branded or labelled merchandise covered by this Policy is damaged, and the Insurer elects to take all or any of such merchandise at the agreed or appraised value, the Insured may, at his own expense, stamp "salvage" on the merchandise or its containers or may remove the brands or labels, if such stamp or removal of brand or label will not physically damage the merchandise but the Insured shall at its own cost relabel the merchandise or containers in compliance with all of the requirements of the applicable law.

CANCELLATION CLAUSE (30 DAYS)

Both the insurers and the Insured are entitled to terminate this insurance upon 30 (thirty) days notice in writing being given except for Riots, Strikes, Malicious Damage and Civil Commotion extension, if any, which is governed under a separate Clause or Endorsement. Such termination should be effected by a registered letter. When the Insurers terminates the insurance he is obligated to give a pro-rata return premium for the unexpired period of insurance. If it is the Insured who terminates the insurance, the premium will be calculated on the customary short-term rate of Indonesia for the completed period of insurance.

CIVIL AUTHORITIES CLAUSE

It is hereby agreed that this insurance is extended to cover direct loss or damage to the property insured caused by acts of destruction executed by order of any civil authorities at the time of and only during any event covered by this Policy to prevent the further loss, and subject to all other terms and conditions of the Policy. The Insurer shall not be liable, however, for more than the amount for which it would have been liable had the loss been caused by a peril insured against under this Policy.

CYBER RISK EXCLUSION CLAUSE (NMA 2015)

It is hereby noted and agreed that this Policy does not cover losses arising, directly or indirectly, out of;

- (i) loss of, alteration or damage to or
- (ii) a reduction in the functionality, availability or operation of

a computer system, hardware, programme, software, data information repository, microchip, integrated circuit or similar device in computer equipment or non-equipment, whether the property of the policy holder or the Insured or not, do not in and of themselves constitute an event unless arising out of one or more of the following perils;

fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, cyclone, hurricane, flood, freeze or weight of snow.

COST OF RE-WRITING RECORDS AND CLAIMS PREPARATION CLAUSE (IDR 25,000,000.00)

It is hereby agreed that this insurance is extended to cover the costs and expenses necessarily and reasonably incurred by the Insured following loss of or damage to the property insured:

1. to reconstruct and recompile records (but not for the value to the Insured of the information contained therein)
2. to extract and compile information required by the Insurer from the Insured's own records for the purpose of preparing a claim under the Policy but excluding legal, investigation and research fees/expenses incurred for the purpose of contesting any issue over the Insurers' liability under the Policy.

Provided always that :

- i. no amount shall be recoverable under this clause if subsequent to the incurrence of any expenses, the Insurer shall deny liability for any claim in respect of which the expenses have been incurred (with or without the consent of the Insurers);
- ii. the Insurers' liability does not exceed the limits as specified in the schedule maximum 1% of sum insured.

DESIGNATION CLAUSE

It is hereby agreed that for the purpose of determining, where necessary, the definition of any property insured hereby, the Insurers agree to accept the designation under which such property has been entered in the Insured's books.

DISPUTE CLAUSE

1. In the event of any dispute arising between the Insurer and the Insured as consequence of the interpretation of liability or amount of indemnity of this Policy, the dispute shall be settled amicably within 60 (sixty) calendar days from the dispute arose. The dispute arises since the Insured has expressed in writing his disagreement on the subject matter of the dispute
2. If the dispute could not be settled amicably as provided in item 1 above, the Insured may request the Indonesian Insurance Mediation Board (BMAI) to act as a mediator in order to settle the dispute subject to the terms and conditions applied by BMAI.
3. If the dispute could not be settled amicably as provided in item 1 above, the Insured does not take settlement through BMAI or take the settlement through BMAI but the decision of adjudication of BMAI can not be accepted by the Insured then the Insurer shall give the option to the Insured to select either one of the following dispute clauses as stated below:

A. Arbitration

It is hereby declared and agreed that the Insured and the Insurer shall settle the dispute through Arbitration Ad Hoc as follows :

- a.1. The Ad Hoc Arbitration consists of 3 (three) Arbitrators. The Insured and the Insurer shall each appoint one Arbitrator within 30 (thirty) calendar days from the date of the receipt of the written notification, then the two Arbitrators shall choose and appoint the third Arbitrator within 14 (fourteen) calendar days from the date of appointment of the second Arbitrator. The third Arbitrator shall act as Umpire of the Arbitration Ad Hoc.
- a.2. Should there be any failure as to the appointment of the third Arbitrator, the Insured and or the Insurer could request the Chairman of the court (Ketua Pengadilan Negeri) where the defendant domiciles to appoint the Umpire.
- a.3. The examination of the dispute shall be settled within 180 (one hundred and eighty) calendar days from the date of the formation of the Arbitration Ad Hoc. The period of examination of the case could be extended. Upon the agreement of both parties and if it is deemed necessary by the Arbitration Ad Hoc, the period of

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- examination of the dispute could be extended.
- a.4. The Arbitration award is final and enforceable at law and binding the Insured and the Insurer. Should the Insured and or the Insurer fail to comply with the arbitration award, then the award shall be executed under the order of the Chairman of the competent court (Ketua Pengadilan Negeri yang berwenang) at the request of the other party in dispute.
- a.5. Other matters which are not provided under this clause shall be subject to the provisions of laws on arbitration, which currently be the Act of the Republic of Indonesia Nr. 30 year 1999 dated August 12, 1999 regarding Arbitration and Alternative Dispute Resolution.

B. Court

It is hereby declared and agreed that the Insured and the Insurer shall settle the dispute through the Court (Pengadilan Negeri) within the territory of the Republic of Indonesia.

4. In case of the decision of adjudication of BMAI is declined by the insured, but the insured does not take the case to arbitration or court within 180 (one hundred eighty) calendar days from the date of the adjudication's decision made by BMAI in writing, then the rights of the Insured to indemnification will be automatically forfeited.

EARTHQUAKE EXCLUSION CLAUSE

It is hereby noted and agreed that this insurance shall not in any case to cover Earthquake, Fire following Earthquake, Volcanic Eruption and Tsunami.

ERROR AND OMISSION CLAUSE

It is hereby agreed that the Insured shall not be prejudiced by an unintentional and/or inadvertent omissions, errors, incorrect valuation or incorrect description of the interest, risks or property provided notice is given to the Insurers as soon as practicable upon discovery of such errors or omissions and subject to the Insured paying additional premium if required.

EXTRA CONTRACTUAL OBLIGATION EXCLUSION CLAUSE

It is hereby noted and agreed that this Policy does not provide cover in respect of extra-contractual obligations howsoever arising, such extra-contractual obligations being defined as any award made by a court of competent jurisdiction against an Insurer, which award is not within the coverage granted by any insurance contract made between the parties in dispute.

ELECTRONIC DATE RECOGNITION CLAUSE (EDRC"A")

This Insurance does not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

- (a) the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not; or
- (b) any change, alteration or modification involving the date change to the year 2000 or any other date change, including leap year calculations, to any such computer system, hardware, programme or software or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not.

This clause applies regardless of any other course or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

FIRE BRIGADES CHARGES CLAUSE (MAX. IDR 50,000,000.00)

It is hereby agreed that reasonable charges raised by any local authority for the provision of Fire Brigades called for the purpose of protecting the premises shall be recoverable hereunder subject to a maximum of IDR 50,000,000.00

FIRE EXTINGUISHING COST CLAUSE (MAX. IDR 50,000,000.00)

It is noted and agreed that the insurance by this Policy extends to cover loss of or damage to the fire extinguishing appliances caused by the insured perils.

This extension is deemed to include the reasonable costs of refilling the fire extinguishing appliances providing always that such cost is incurred as a direct result of the use of the fire extinguishing appliances for the extinguishments of fire endangering the safety of the insured property.

The Insurers will not be liable for the first USD.100.00 for the loss in respect of the costs of refills.

FLOOD, WINDSTORM, TEMPEST AND WATER DAMAGE (CODE 4.3 A) ENDORSEMENT - AMENDED FOR IAR/PAR

It is hereby declared and agreed that notwithstanding anything contained in this Policy to the contrary and subject to the Insured paying additional premium, that the coverage for flood, windstorm, tempest and water damage shall refer to the wording as provided in this Endorsement.

1. Extensions

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- a. This insurance is extended to cover loss of or damage to the insured property as a result of one of the following perils:
- Flood
 - Windstorm and/ or Tempest
 - Water Damage
- b. Claim payable includes costs and/or expenses necessarily incurred for cleaning the subject matter insured or removal of debris from building as a consequence of this extension.
2. **Exclusions**
This extension does not cover loss of or damage to:
- Stock of merchandise and/or other moveable items stored in the open.
 - Property and/or interest insured directly or indirectly caused by:
 - Erosion, Subsidence, Landslide, Volcanic Eruption, Earthquake or Tsunami.
 - Seepage.
 - Water discharged from sprinklers, drenchers or hydrant installations in the building/ insured premises.
 - Business interruption or any kind of consequential loss..
3. **Special Conditions**
Under penalty of nullity of the insurance under this Endorsement, the Insured shall take all reasonable steps to maintain the building, roof, roof-guttering, water tanks, pipes, drain, sump pumps and other water apparatus in a good state of repair.
4. **72 Hours Clause**
- Each loss by any insured perils shall constitute a single claim hereunder, provided that if more than one event shall occur within a period of 72 (seventy two) hours during the term of this Policy, such event shall be deemed to be a single event within the meaning hereof.
 - The Insurer shall not be liable for any loss caused by any insured perils occurring before the effective date and time of this Policy, nor for any loss occurring after the expiry date and time of this Policy.
5. **Deductible**
The Insured shall bear the deductible as stated in the Policy Schedule for each and every claim payable under this Endorsement.
6. **Definitions**
For the purpose of this Endorsement, the terms printed in italic are defined as follows:
- Flood is temporary inundation of normally dry land due to overflow of water beyond the normal boundaries of rivers, streams, canals, irrigation systems, drainages, lakes, dams, or sea including direct consequence of rain.
 - Windstorm is the air movement at a speed of minimum 30 (thirty) knot.
 - Tempest is a weather phenomenon caused by the activities of the atmosphere that affects to considerably wide area of land with movement of air at minimum velocity of 30 (thirty) knots which may be accompanied by heavy rain, thunder and/or lightning.
 - Water Damage is damage to the insured property caused by water entering in to building/ subject matter insured, which is sudden and unforeseen.
This definition excludes damage caused by water entering into the building/subject matter insured through gaps or normal openings on walls or roofs of the buildings or caused by Seepage
 - Erosion is the removal of the surface and/or wall of the soil caused by movement or flow of water.
 - Subsidence is fall in surface of land caused by the pressure or load on the surface or weakening of support of the lower layer of the land.
 - Landslide is the movement of land surface from a higher to a lower level which occurs suddenly.
 - Volcanic Eruption is the issuance of molten or hot rock or steam, gas or liquid from a vent or vents in the earth's crust.
 - Earthquake is a shaking or trembling of the earth due to geological phenomena such as tectonic movement and Volcanic Eruptions.
 - Tsunami is a great sea wave produced by submarine earth movement such as subduction of crustal plates or by submarine Volcanic Eruption.
 - Seepage is water entering in the building gradually through the pores of/ cracks on walls, grounds or floors.

All other terms and conditions of the Policy remain unchanged.

(This wording is a translation of the original version in Bahasa Indonesia; in the event of any dispute arising from the interpretation of any meaning herein, the terms and conditions shall be interpreted according to the original Bahasa Indonesia version).

GENERAL INTEREST CLAUSE

It is hereby agreed that part of the property insured may be the subject of hire purchase lease or other agreements and the interest of the other parties to these arrangements. Such property is accepted by this insurance subject to the nature and extent of such interest to be disclosed by the Insured in the event of damage.

IMPACT BY OWN VEHICLE CLAUSE (PAR/AR)

It is noted and agreed that the insurance hereunder is extended to cover damage to the property insured directly resulting from actual physical contact of a vehicle owned by the Insured with the property insured hereunder or with the building containing such property.

Provided that the Insurer shall not be liable for any damage caused:

- by any vehicle owned or operated by any tenant of the insured premises;
- to fences, driveways, walkways or lawns;
- to any other vehicle including its contents, other than stock of vehicles in process of manufacture or for sale.

For the purpose of this Clause, "vehicle" shall mean any vehicle running on land or tracks but not aircraft. It is further agreed

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that for each and every loss recoverable hereunder, the Insured shall bear **IDR. 1,000,000.** - (one million Rupiah).

INDUSTRIES, SEEPAGE POLLUTION & CONTAMINATION CLAUSE (NMA 1686) ("SUDDEN AND ACCIDENTAL")

This Policy does not cover any liability for:

1. Personal Injury or Bodily Injury or loss of, damage to, or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always 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, polluting or contaminating substances unless the seepage, pollution or contamination is sudden, unintended and unexpected happening during the period of this insurance.
3. Fines, penalties, punitive or exemplary damages.

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

INTERNAL REMOVAL CLAUSE

It is hereby agreed that in the event of removal of property from one building to another at any of the situations covered by this Policy being inadvertently not advised to the Insurer, the insurance on such property shall follow removal.

The necessary adjustments of sum insured and premium, if any, shall be made as from the date of removal as soon as the oversights is discovered, provided that the liability of the Insurer shall not exceed the sum insured hereunder.

IT HAZARDS CLARIFICATION CLAUSE

It is hereby agreed that the property damage covered under this insurance shall mean physical damage to the substance of property, which is not include damage to the data or software, in particular any detrimental change in data, software or computer programs that caused by a deletion, a corruption or deformation of the original structure.

Consequently, the following are excluded from this insurance:

1. Loss or damage to data or software, in particular any detrimental change in data, software or computer programs that caused by a deletion, a corruption or deformation of the original structure and any business interruption losses resulting from such loss or damage.

Notwithstanding this exclusion, loss of or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered.

2. Loss or damage resulting from an 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.

LOSS NOTIFICATION CLAUSE (14 DAYS)

It is hereby agreed that this insurance will not be prejudiced by any inadvertent delays, errors or omission in notifying the Insurer of any circumstances or events giving rise or likely to give rise to a claim under this Policy.

Provided the Insurers are notified within 14 days from the date of such events/ circumstances.

LOSS OF DAMAGED GOODS CLAUSE

It is hereby agreed that in case of damage to goods bearing brands labels and trademarks the sale of which carries in any way a guarantee of the Insured, the salvage value of such damaged goods shall be determined after the removal in the customary manner of all brands labels and trademarks which might be taken to indicate that the guarantee of the manufacturer or the Insured attached to said goods.

However, it is understood and agreed that in case of damage to goods insured under this Policy due to a peril insured against, the Insured or their representatives are to retain control of all damaged goods.

The Insured, however, agrees wherever practicable to use recondition or sell such goods, the sale being made after removal of all brands labels or trademark, with the Insurer being entitled to the proceeds of the sale.

Where the use or disposal or sale of damage goods would be in the opinion of the Insured or their representatives detrimental to their interest, such damage shall be treated as a constructive total loss and the Insured shall destroy the damaged goods in the presence of a representative of the Insurers and the Insured.

MINOR ALTERATIONS AND REPAIRS CLAUSE

Minor alterations, additions and repairs to building, plant fixtures and fittings, and machinery (exclusive of any Sprinkler Installations) and minor works in progress are allowed and the insurance by this Policy shall not be prejudiced by this.

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MISDESCRIPTION CLAUSE

It is hereby agreed that this insurance shall not be prejudiced by any inadvertent mis-description of occupancy provided the Insured shall notify the Insurers within 7 (seven) calendar days as they become aware and to pay additional premium if required from the date of the inception of the inadvertent mis-description of occupancy.

NOTIFICATION CLAUSE

The present situation, manner of connection, construction, nature and interior of the buildings and also the trade carried on therein is known to Insurer.

NOMINATED ADJUSTER CLAUSE

In the event of any claim under Policy the following adjuster will be appointed:

- a. PT Satria Dharma Pusaka Crawford THG
- b. Pramayasa Vaisha Adjuster
- c. any other adjuster as mutually agreed by the Insurers as the Insured.

PAYMENT ON ACCOUNT CLAUSE (20%)

It is hereby agreed that progress payment on account of 20% of any loss recoverable under this Policy will be made to the Insured at such stages as may be mutually agreed upon if desired by the Insured and on production of an interim report by the loss adjuster (if appointed) provided that such payment are deducted from the finally agreed claim settlement figures.

PUBLIC AUTHORITIES CLAUSE

The insurance by this Policy extends to include such additional cost of reinstatement of the destroyed or damaged property thereby insured as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Government Act or Bye-Law of any Municipal or Local Authority provided that:

1. The amount recoverable under this Extension shall not include:
 - a. The cost incurred in complying with any of the aforesaid Regulations or Bye-Laws:
 - i) in respect of destruction or damage occurring prior to the granting of this Extension.
 - ii) in respect of destruction or damage not insured by the Policy.
 - iii) under which notice has been served upon the insured prior to the happening of the destruction or damage.
 - iv) in respect of undamaged property or undamaged portions of property.
 - b. The additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-Laws not arisen.
 - c. The amount of any rate, tax, duty, development or other charge or assessment, arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid Regulations or Bye-Laws.
2. The work of reinstatement must be commenced and carried out within reasonable despatch and in any case must be completed within twelve months after the destruction or damage or within such further time as the Insurer may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-Laws so necessitate) subject to the liability of the Insurer under this Extension not being thereby increased.
3. If the liability of the Insurer under (any item of) the Policy apart from this Extension shall be reduced by the application of any of the terms and conditions of the Policy then the Liability of the Insurer under this Extension (in respect of any such item) shall be reduced in proportion.
4. The total amount recoverable under any item of the Policy shall not exceed the sum insured thereby.
5. All the conditions of the Policy except insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

PAYMENT OF PREMIUM WARRANTY (30 DAYS)

(1) Notwithstanding the provisions of Article 257 of the Commercial Code (Kitab Undang-Undang Hukum Dagang) and notwithstanding anything herein contained to the contrary, and subject only and without prejudice to Clause 2 hereinafter set out, it is hereby declared and agreed that it is a condition precedent to liability under this Policy, any Renewal Certificate, Endorsement or Cover Note that any premium due must be paid and actually received in full by the Insurers:

- a. When the period of Insurance is 30 days or more, within 30 days from the inception date of coverage under the Policy, Renewal Certificate, Endorsement or Cover Note.
 - b. When the period of Insurance is Less than 30 days, within the period of insurance specified in the Policy, Endorsement, Renewal Certificate or Cover Note.
- (2) In the event any of the above mentioned premium is not paid in full to and received by the Insurers, as described above in the manner and within the time stipulated above (the "premium warranty period"), the Cover Note under this Policy, any Renewal Certificate, Endorsement or Cover Note shall be deemed to have terminated from the expire to the

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premium warranty period and the Insurers shall be discharged from all liability therefrom but without prejudice to any liability incurred before that date and the Insurers will be entitled to a pro-rata time on risk premium subject to a minimum of 20% the annual premium.

PRO-RATA RETURN OF PREMIUM CLAUSE (SUBJECT TO NO CLAIM)

Notwithstanding anything contained to the contrary, it is hereby declared and agreed that in case of cancellation of the Policy, return premium, if any, shall be subject to pro-rata premium calculation basis. This clause only applies if there has been no claim made and no known or reported losses under this Policy.

PROPERTY DAMAGE CLARIFICATION CLAUSE

It is hereby agreed that the property damage covered under this insurance shall mean physical damage to the substance of property, which is not include damage to the data or software, in particular any detrimental change in data, software or computer programs that caused by a deletion, a corruption or deformation of the original structure.

Consequently, the following are excluded from this insurance:

1. Loss or damage to data or software, in particular any detrimental change in data, software or computer programs that caused by a deletion, a corruption or deformation of the original structure and any business interruption losses resulting from such loss or damage.

Notwithstanding this exclusion, loss of or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered.

2. Loss or damage resulting from an 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.

REMOVAL OF DEBRIS CLAUSE (10% OF SUM INSURED)

It is hereby agreed that subject to additional premium to be paid, this insurance is extended to indemnify the Insured in respect of the cost of removal of debris, demolition and any temporary repairs necessary (including the Insured's legal liability for the cost of removal of debris, demolition, and temporary repairs in regard to adjoining premises, roadways or waterways as well as on the site), consequent upon the destruction of or damage to any property insured by this Policy occasioned by any peril thereby insured against.

Provided always that:

such cost is not recoverable under any other insurance;

The indemnity afforded by this insurance shall not apply to or include liability assumed by the Insured under agreement entered into after the commencing date of this insurance, unless such liability would have attached to the Insured in the absence of such agreement.

The limit of liability under this extension will be as specified in the Schedule but not exceed 10% of the sum insured on building(s) and/or contents.

REINSTATEMENT VALUE CLAUSE

(applicable to buildings, plant and machinery)

It is hereby agreed that in the event of the property insured being destroyed or damaged the basis upon which the amount payable under this Policy is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the insured property when new, subject to the following Special Provisions and subject also to the terms and conditions of the Policy except insofar as the same may be varied hereby.

Special Provisions

- i). The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of Insurer not being thereby increased) must be commenced and carried out with reasonable despatch and in any case must be completed within 12 months after the destruction or damage or within such further time as the Insurer may (during the said 12 months) in writing allow otherwise no payment beyond the amount which would have been payable under the Policy if this memorandum had not been incorporated therein shall be made.
- ii). Until expenditure has been incurred by the Insured in replacing or reinstating the property destroyed or damaged the Insurer shall not be liable for any payment in excess of the amount which would have been payable under the Policy if this memorandum had not been incorporated therein.
- iii). If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered had been destroyed exceeds the sum insured thereon at the breaking out of any fire or at the commencement of any destruction of or damage to such property by any other peril insured against by this Policy then the Insured shall be considered as being his own insurer for the excess and shall bear a ratable proportion of the loss accordingly. Each item of the Policy (if more than one) to which this memorandum applies shall be separately subject to the foregoing provision.
- iv). No payment beyond the amount which would have been payable under the Policy if this memorandum had not been incorporated therein shall be made if at the time of any destruction or damage to any property insured hereunder such property shall be covered by any other insurance effected by or on behalf of the Insured which is not upon the identical basis of reinstatement set forth herein.
- v). This Clause shall be without force or effect if:
 - a. The Insured fails to intimate to the Insurers within 6 months from the date of destruction or damage or such further time as the Insurers may in writing allow his intention to replace or reinstate the property destroyed or damaged.
 - b. The Insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or

RIOT, STRIKE, MALICIOUS DAMAGE AND CIVIL COMMOTION ENDORSEMENT (CODE 4.1B /2007 FOR USE WITH MUNICH RE IAR/ PAR WORDING)

It is hereby agreed and declared that:

- a. notwithstanding anything contained in *item 1 of the General Exclusions* of this Policy to the contrary and subject to payment of additional premium, the Insurer agrees to extend this insurance as provided in this Endorsement.
- b. notwithstanding anything which may be defined in any laws or regulations to the contrary, for the purpose of this Endorsement, all terminology printed in italics shall be deemed to mean as defined in *Item 5 - DEFINITIONS* of this Endorsement.

1. EXTENSIONS

This insurance is extended to cover:

- Physical damage to the property and/or interest insured directly caused by one or more of the following perils:

- 1.1 *Riot*
- 1.2 *Strikes*
- 1.3 *Locked-out Workers*
- 1.4 *Malicious Act*
- 1.5 *Civil Commotions*
- 1.6 *Preventive Acts* related to perils 1.1. up to and including 1.5.

- Physical loss of the property and/or interest insured directly caused by:

- 1.7 *Looting occurring during Riots or Civil Commotions*

provided that any of these perils does not develop in an uninterrupted chain of events into one or more of the excluded perils.

2. EXCLUSIONS

This extension does not cover all physical loss of or damage to the property and/or interest insured including loss or damage by fire directly or indirectly caused by or contributed to or arising from or in consequence of:

- 2.1 One or more of the following perils:
Insurrection/Popular Rising, Usurped Power, Revolution, Rebellion, Military Power, Invasion, Civil War, War and Hostilities, Subversive Acts, Terrorism, Sabotage or Looting (except Looting occurring during Riots or Civil Commotions).
In any action, suit or other proceedings, where the Insurer alleges that loss or damage is directly or indirectly caused by one or more of the excluded perils under this Section, the burden of proof that such loss or damage is covered shall be on the Insured.
- 2.2 *Total or partial cessation of works, or retarding or interruption or cessation of any process or operation.*
- 2.3 *Permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority or body, or unlawful occupation by any person.*
- 2.4 *Business interruption, or any kind of consequential loss.*

3. DEDUCTIBLES

The Insured shall bear the amount of deductible as per the Policy Schedule for each claim payable under this Endorsement.

4. CANCELLATION

This Endorsement may be cancelled at any time by the Insurer by giving written notice through Registered Letter, Facsimile, Telex or Telegram to the Insured at his last known address.

The Insurer is relieved from all liability under this Endorsement 3 (three) x 24 (twenty four) hours after the date of dispatch of written notice at 12.00 hours local time where the insured object is located.

As a result of this cancellation, the Insurer is obliged to return prorata premium for the unexpired period of insurance.

5. MEMORANDUM

For the purpose of this Endorsement:

- 1 *Riots* is an act of a group of at least 12 (twelve) persons, who in the execution of their common purpose cause public disturbance tumultuously with violence and damage to the property of others, not amounting to *Civil Commotions* or not appertaining to the act of *Terrorism*
- 2 *Strikes* is a deliberate act of damage, by a group of workers of at least 12 (twelve) persons or one half of the entire workforce (if the total number of workforce is less than 24 persons), refusing to work as usual in an attempt to force the employer to accept their demands or to protest against any terms of employment enforced by the employer provided such act is not appertaining to the act of *Terrorism*
- 3 *Locked-out Workers* is a deliberate act of damage, by a group of workers of at least 12 (twelve) persons or

- one half of the entire workforce (if the total number of workforce is less than twenty-four persons), to protest against the termination or suspension of a fellow employee by the employer provided such act is not appertaining to the act of **Terrorism**
- 4 **Malicious Acts** is an act of any person(s) deliberately causing damage to the property of others driven by vengeance, hatred, anger or vandalistic, except such acts done by the employee(s) of the Insured, or any person(s) on behalf of the Insured, or by person(s) entrusted by the Insured to maintain or keep such property, or by thieves/robbers/looters provided such act is not appertaining to the act of **Terrorism**
 - 5 **Preventive Acts** is an act of any lawfully constituted authority or body in an attempt to prevent or suppress the occurrence of any of insured perils or to minimize the consequences of any such perils.
 - 6 **Civil Commotions** is an act of a large number of people acting together disrupting public peace and disturbance tumultuously with violence and a chain of destruction of a large number of properties, indicated by the cessation of more than one half of the normal activity of commercial/shopping or business areas or schools or public transportation in one city for at least 24 (twenty-four) hours consecutively commencing immediately before, during or after the event provided such act is not appertaining to the act of **Terrorism**.
 - 7 **Insurrection/Popular Rising** is an uprising of a majority of the people in the capital city of the country, or in three or more capital cities of the provinces within 12 (twelve) days, demanding a change in the government de jure or de facto, or open resistance against the government de jure or de facto, not amounting to a **Rebellion**.
 - 8 **Usurped Power** is a situation where the established order has been overthrown and replaced by some illegal authority which is in a position to lay down rules of conduct and also ensure that the rules are obeyed.
 - 9 **Revolution** is an uprising of the people with force to make a radical change to the current public administration system of the country or to overthrow the established government de jure or de facto, not amounting to a **Rebellion**.
 - 10 **Rebellion** is a state of organized resistance against the established authority with the object of supplanting or overthrowing it with force using fire arms which threatens the existence of such authority.
 - 11 **Military Power** is an act by a group of home or foreign armed forces personnel consisting of at least 30 (thirty) persons using force with the intention to overthrow the established authority or to cause public disorder and disturbance.
 - 12 **Invasion** is an act by the military power of one country to penetrate or invade the territory of another with the object of permanently or temporarily occupying and taking control over such territory.
 - 13 **Civil War** is an armed conflict between regions or political factions within the territorial limits of a country with the object of gaining legitimate power.
 - 14 **War and Hostilities** is a widespread armed conflict (whether or not war has been declared) or a warlike situation between two or more countries, including military exercises of a country or joint-military exercises between countries.
 - 15 **Subversive Acts** is an act by any person on behalf of or in connection with any organization with activities directed towards the overthrow by force of the government "de jure" or "de facto", or to the influencing of it by **Terrorism** or **Sabotage** or violence.
 - 16 **Terrorism** is an act including but not limited to the use of force or violence and or the threat thereof, of any person or group of persons, whether acting alone or on behalf of or in connection with any organization or government, committed for political, religious, ideological or similar purposes including the intention to influence any government and or to put the public in fear.
 - 17 **Sabotage** is a destructive act against property or the obstruction of work process or causing the reduction in value of work, by any person in an attempt to achieve a goal which according to public opinion has a political background.
 - 18 **Looting** is the appropriation of property belonging to another by any person (excluding those employed by or under the control of the insured), with the intention of permanently depriving that other of it.

All other terms and conditions of the Policy remain unchanged.

(This wording is a translation of the original version in Bahasa Indonesia; In the event of any dispute arising from the interpretation of any meaning herein, the terms and conditions shall be interpreted according to the original Bahasa Indonesia version)

STRUCTURAL ALTERATION CLAUSE

It is hereby agreed that structural alteration and extension of the buildings mentioned in this Policy is allowed, as are the erection of the new buildings, installation, reinstallation, replacement of machines, tools, implements, piping or other installation required for the process carried on, parts of installation and objects as well as to move all these within the premises.

SANCTION LIMITATION AND EXCLUSION CLAUSE - LMA3100

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

TERRORISM & SABOTAGE EXCLUSION ENDORSEMENT NMA 2920

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is agreed that this Policy

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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 groups(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.

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 the Insurers 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 be upon the Insured.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

TRANSMISSION AND DISTRIBUTION LINES EXCLUSION CLAUSE

It is noted and agreed that this Policy excludes all transmission and distribution lines, including wire, cables, poles, pylons, standard towers and any equipment of any type of which may be attendant to such installation of any description. This exclusion includes but is not limited to transmission or distribution of electrical power, telephone or telegraph signal and all communication signals whether audio or visual.

This exclusion applies to both above and below ground equipment except that which is within 1,000 metres of the Insured's premises or as defined in the Insured's original policy(ies).

This exclusion also applies to both physical damage to the equipment and all business interruption, consequential loss and/or other contingent losses related to transmission and distribution lines.

TOTAL ASBESTOS / ABSOLUTE ASBESTOS EXCLUSION CLAUSE

This policy does not apply to any loss, demand, claim or suit arising out of or related in any way to asbestos or asbestos-containing materials.

The Company shall have no duty or any kind with respect to any such loss, demand, claim or suit.

This Clause applies to all coverages under this Policy.

Instructions:

1. This exclusion is to be used on all GL and/or EL primary policies for classes listed in the Schedule of Risks section of the Casualty Authority Manual with the ASB symbol. This requirement does not apply to EL which is statutory and where asbestos cannot legally be excluded.
2. This exclusion should also be used on any other risk with asbestos exposure or potential exposure which would include the manufacturing, sales, storage, handling or distribution of asbestos and/or asbestos related products.

WAIVER TO THE ARTICLE 1266 AND 1267 OF THE INDONESIAN CIVIL CODE CLAUSE

It is hereby declared that in the event of the Insured or the Insurer terminates this insurance, then both parties agree to waive articles 1266 and 1267 of the Indonesian Civil Code and such termination shall be made without requiring any consent of the Court (Pengadilan Negeri) within the territory of the Republic of Indonesia.

WAIVER OF SUBROGATION CLAUSE (AGAINST SUBSIDIARIES ONLY)

The Insurers hereby agree to waive any rights and remedies or relief to which they may become entitled by subrogation against any corporation or organisation which is a subsidiary or an affiliated company of the Insured except when such rights of subrogation are acquired in consequence of any fraud, misrepresentation, non disclosure or breach of condition or warranty by that Insured.

Nothing contained in this Clause shall be deemed to increase the sum insured stated in the schedule of the Policy.

WORKMENS CLAUSE

It is hereby agreed that workmen are allowed in and about any of the described premises for the purpose of making new erections or alteration, repair, decoration, plant installation, general maintenance and the like without prejudice to the terms and conditions of the Policy.

WAR AND CIVIL WAR EXCLUSION CLAUSE

Notwithstanding anything to the contrary contained herein this Policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be

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declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

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