



Policy handbook

Fire and Special Perils

FIRE AND SPECIAL PERILS INSURANCE



Table of contents

1	Perils	5
2	General Exclusions	9
3	Claims Conditions	12
4	General Conditions	15

THE COMPANY AGREES (subject to the terms, definitions, exclusions, provisions and conditions contained herein or endorsed or otherwise expressed hereon which conditions shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the right of the Insured to recover hereunder), that if after the Insured has paid or undertaken to pay the First or any renewal Premium, the Property Insured described in the Schedule or any part of such property be lost, destroyed or damaged by any of the PERILS covered in the Schedule at any time during the Period of Insurance the Company will pay to the Insured the value of the Property at the time of the happening of its loss or destruction or the amount of such damage or at its option will reinstate or replace such property or any part thereof.

PROVIDED THAT - the liability of the Company shall in no case exceed:

- i) In the whole the Total Sum Insured or in respect of any item its Sum Insured at the time of the loss, destruction or damage.
- ii) The Sum Insured

remaining after payment for any other loss destruction or damage occurring during the same.

Period of Insurance unless the Company shall have agreed to reinstate any such Sum Insured.

DEFINITION - the word "DAMAGE" in capital letters, shall mean loss or destruction of or damage to the Property Insured at the Premises.

1 Perils

A. Fire, Lightning, Explosion

- i) FIRE (whether resulting from explosion or otherwise) excluding:
 - a) Any DAMAGE occasioned by earthquake, volcanic eruption or other convulsions of nature
 - b) DAMAGE occasioned by:
 - Its own spontaneous fermentation or heating or
 - Its undergoing any process involving the application of heat;
 - c) Any DAMAGE occasioned by or through or in consequence of the burning, whether accidental or otherwise, of forests, bush, prairie, pampas or jungle, and the clearing of lands by fire.
- ii) LIGHTNING
- iii) EXPLOSION
 - a) Of boilers or
 - b) Of gas

used for domestic purposes only but excluding DAMAGE caused by earthquake, volcanic eruption or other convulsions of nature.

B. EXPLOSION

Excluding DAMAGE to boilers (other than boilers used for domestic purposes), economisers, or other vessels, machinery or apparatus in which pressure is used or to their contents resulting from their explosion.

C. AIRCRAFT

And other aerial devices and/or articles dropped therefrom excluding DAMAGE by pressure waves caused by aircraft or other aerial devices travelling at super sonic or sonic speeds.

D. EARTHQUAKE OR VOLCANIC ERUPTION

Including flood or overflow of the sea occasioned thereby.

The Company is not liable for the Deductible specified in the Schedule in respect of DAMAGE caused otherwise than by fire. The Deductible applies to each and every loss at each separate location as ascertained after the application of Claims Conditions No. 6 Average (Underinsurance).

E. RIOT, STRIKERS, LOCKED-OUT WORKERS: DAMAGE directly caused by

- a) The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not).
- b) The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimising the consequences of any such disturbances.
- c) The wilful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out.
- d) The action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimising the consequences of any such act; excluding
 1. DAMAGE occasioned through or in consequence, directly or indirectly, of the malicious act of any person

- (whether or not such act is committed in the course of disturbance of the public peace) not being the wilful act of any rioter striker or locked-out worker in furtherance of a riot or strike or in resistance to a lock-out;
- 2 a) Loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever.
- b) DAMAGE resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
- c) DAMAGE occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
- d) DAMAGE occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building.
- F. MALICIOUS DAMAGE:**
Damage to the property insured directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) other than DAMAGE arising out of theft or any attempt thereat.
- The Company is not liable for the Deductible specified in the Schedule. The Deductible applies to each and every loss at each separate location after the application of the Average Condition (Underinsurance).
- The cover provided under

PROVIDED nevertheless that the Company is not relieved under 2 (c) or (d) above of any liability to the Insured in respect of physical damage to the Property Insured occurring before dispossession or during temporary dispossession.

this Peril is subject to the cover under Peril E being in force and to the application of the exclusions under that Peril other than 1.

G. STORM AND TEMPEST

Excluding DAMAGE:

- i) Caused by the escape of water from normal confines of any natural or artificial water course or lake reservoir canal or dam or any water tanks, apparatus or pipes and inundation from the sea whether resulting from storm or otherwise.
- ii) Caused by frost, subsidence or landslip.
- iii) To awnings, blinds, signs or other outdoor fixtures and fittings, gates and fences and moveable property in the open and open sided buildings.
- iv) To premises in course of construction, alteration or repair except when all outside doors, windows and other openings are complete and protected against storm or tempest.
- v) By water or rain other than by water or rain entering the building through openings made in its fabric, by the direct force of the storm or tempest.

vi) As a result of doors, windows, or roof lights being left open or in a defective condition.

vii) Solely attributable to change in water table levels.

The Company is not liable for the Deductible specified in the Schedule. The Deductible applies to each and every loss at each separate location as ascertained after the application of Claims Condition No. 6 - Average (Underinsurance).

H. FLOOD

DAMAGE caused by the escape of water from the normal confines of any natural or artificial water course or lake reservoir canal or dam or inundation from the sea.

Excluding DAMAGE:

- i) Caused by frost, subsidence or landslip.
- ii) To awnings, blinds, signs or other outdoor fixtures and fittings, gates and fences and moveable property in the open and open sided buildings.
- iii) To premises in course of construction, alteration or repair except when

all outside doors, windows and other openings are complete and protected against storm or tempest.

iv) By water or rain other than by water or rain entering the building through openings made in its fabric, by the direct force of the storm or tempest.

v) As a result of doors, windows, or roof lights being left open or in a defective condition.

vi) Resulting from the escape of water from any tank apparatus or pipes.

vii) Caused as a result of inability of gutters, pipes, downpipes and apparatus to convey rain water off and out of the Building.

viii) Solely attributable to change in water table levels.

The Company is not liable for the Deductible specified in the Schedule. The Deductible applies to each and every loss at each separate location as ascertained after the application of Claims Condition No. 6 - Average (Underinsurance).

I. ESCAPE OF WATER FROM ANY TANK, APPARATUS OR PIPES Excluding:

- i) DAMAGE by water discharged or leaking from an installation of automatic sprinklers.
- ii) DAMAGE in respect of any building which is empty or left unoccupied for more than 30 days consecutively.
- iii) DAMAGE to the component or appliance from which the water escapes.
- iv) Costs of locating and rectifying the source of escape of water.

The Company is not liable for the Deductible specified in the Schedule. The Deductible applies to each and every loss at each separate location as ascertained after the application of Claims Condition No. 6 - Average (Underinsurance).

J. IMPACT BY ANY ROAD VEHICLE OR ANIMAL Excluding

DAMAGE by any road vehicle or animal belonging to or under the control of the Insured or any occupier of the premises or their respective employees.

The Company is not liable for the Deductible specified in the Schedule. The Deductible applies to each and every loss at each separate location as ascertained after the application of Claims Condition No. 6 - Average (Underinsurance).

2 General Exclusions

This Policy does not cover:

1. DAMAGE

a) To any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from:

- i) Any nuclear weapons material.
- ii) Ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this Exclusion 'combustion' shall include any self-sustaining process of nuclear fission.

b) To any electrical machine, apparatus, or any portion of the electrical installation arising from or occasioned by overrunning, excessive pressure, short circuiting, self heating, arcing or leakage of electricity arising from whatever cause

(lightning included).

PROVIDED that this Exclusion shall only apply to the particular machine, apparatus, or portion of the electrical installation so affected, and not to other machines, apparatus or electrical installation destroyed or damaged by fire set up by such particular machine, apparatus or other electrical installation.

c) Caused by pollution or contamination except (unless otherwise excluded) DAMAGE to the Property Insured caused by:

- i) Pollution or contamination which itself results from a Peril hereby insured against.
- ii) Any Peril hereby insured against which itself results from pollution or contamination.

This Insurance also excludes any liability in connection with disposed or dumped wasted materials or substances.

2. a) Goods held in trust or on commission including under custody, control and care as part

of any contractual obligation of the insured bullion or unset precious stones, money (coined or paper), cheques, securities, obligations, stamps, documents, manuscripts business books, computer systems records, patterns, models, moulds, plans, drawing or designs, explosives, unless specifically mentioned as insured by this Policy.

b) DAMAGE to Property Insured which, at the time of the happening of such DAMAGE is insured by, or would, but for the existence of this Policy, be insured by any marine policy or policies, except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected.

3. Consequential loss or damage of any kind or description except

<p>those specified in the Schedule of the Policy.</p> <p>4. Loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:</p> <p>a) War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power;</p> <p>b) 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</p> <p>c) Any act of terrorism.</p>	<p>For the purpose of this Exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/ or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(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.</p> <p>This Exclusion 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 (a), (b) and/or (c) above.</p>	<p>If the Underwriters 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.</p> <p>In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.</p> <p>5. a) Any loss or destruction of or damage to property or consequential loss arising therefrom or any other loss</p> <p>b) Cost or expense directly or indirectly caused by or consisting of or arising from or any legal liability directly or indirectly caused by or contributed to by or arising from the inability or failure of any computer data processing equipment or media microchip integrated circuit</p>	<p>or similar device or any computer software whether the property of the Insured or not and whether occurring before during or after the year 2000</p> <p>i) To correctly recognise any date as its true calendar date or</p> <p>ii) To capture save or retain and/ or correctly to manipulate interpret or process any data information command or instruction as a result of treating any date otherwise than as its true calendar date or</p> <p>iii) To capture save or retain and/ or correctly to manipulate interpret or process any data or information as a result of the operation of any command which has been programmed into any computer software which causes</p>	<p>loss of data or information or the inability to capture save retain or correctly to process such data or information on or after any date.</p> <p>But this does not exclude subsequent loss destruction or damage arising therefrom as insured and not otherwise excluded by the policy which itself results from any of the following named perils which are insured by the Cover under which the loss arises.</p> <p>Named perils</p> <p>Fire lightning explosion aircraft aerial devices or articles falling from them riot civil commotion strikers locked out workers persons taking part in labour disturbances malicious persons earthquake storm flood escape of water from any tank apparatus or pipe impact by a road vehicle or animal or subsidence.</p> <p>6. Losses arising, directly or indirectly from:</p> <p>The loss of, alteration of or damage to or a reduction in</p>	<p>the functionality, availability or operation of a computer system, hardware, programme, software, data, information repository, microchip, integrated circuit or similar device in computer equipment.</p> <p>That results from the malicious or negligent transfer (electronic or otherwise) of a computer programme that contains any malicious and or damaging code, including but not limited to computer virus, worm, logic bomb, or Trojan horse and which can be identified as the cause of loss do not in and of themselves constitute a claim under this policy.</p>
---	--	--	--	---	--

3 Claims Conditions

1. Action by the Insured

If any event giving rise to or likely to give rise to a claim under this Policy comes to his knowledge the

Insured shall:

- a) Immediately
 - i) Take steps to minimise the loss or damage and recover any missing property
 - ii) Give notice in writing to the Company
- b) Within 30 days or such further time as the Company may in writing allow, deliver to the

Company

- i) A claim in writing for the DAMAGE containing as particular an account as may be reasonably practical of all the several articles or items of property lost or damaged and the amount of DAMAGE thereto respectively having regard to their value at the time of the DAMAGE.
- ii) Particulars of all other insurance if any.

The Insured shall at all

times at his own expense produce, procure and give to the Company all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies thereof, documents, proofs and information with respect to the claim and the origin and cause of the DAMAGE and the circumstances under which the DAMAGE occurred, and any matter touching the liability or the amount of liability of the Company as may be reasonably required by or on behalf of the Company together with a declaration on oath or in other legal form of the truth of the claim and any matters connected therewith.

2. Forfeiture

- a) All benefit under the Policy shall be forfeited if any claim made is in any respect fraudulent or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain benefit under this Policy or if any DAMAGE is caused by the willful act or with the connivance of the Insured.
- b) Benefit under the Policy shall also be forfeited in respect of any claim

made and rejected if an action or suit be not commenced within twelve months after such rejection.

3. Basis of Loss Settlement

- a) The insured is required to keep all books of accounts, business records and the like accurately and in such a manner that the true extent of any loss can be established in accordance with the basis of settlement detailed below.
- b) Unless otherwise specifically stated in the Policy, Claims under the Policy will be settled in accordance with the Operative Clause and Claims Condition No. 4 of the Policy and, claim payments will be calculated taking into account the actual value of the Property Insured at the time of the DAMAGE subject to deductions for betterment (if any), depreciation, wear and tear, slow, non-moving, obsolete or unsaleable stocks in accordance with International Accounting Standards IAS 2 "Valuation and presentation of

inventories in the context of the historical cost system" or any revisions thereof.

Provided that the amount payable under the Policy shall not exceed any individual item(s) Sum(s) Insured or in all the Total Sum Insured under the Policy.

4. Reinstatement

The company may at its option, repair or replace the property damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or may join with any other Company or Insurers in so doing, but the Company shall not be bound to repair exactly or completely, but only as circumstances permit and in reasonably sufficient manner, and in no case shall the Company be bound to expend more in repair than it would have cost to repair such property as it was at the time of the occurrence of such loss or damage, nor more than the Sum Insured thereon.

If the Company so elects to repair or replace any property the Insured shall, at his own expense, furnish the Company with such plans, specifications,

measurements, quantities and such other particulars as the Company may require, and no acts done, or caused to be done by the Company with a view to repair or replacement shall be deemed an election by the Company to repair or replace.

If in any case the Company shall be unable to repair or replace the Property Insured, because of any municipal or other regulations in force affecting the alignment of streets, or the construction of buildings, or otherwise, the Company shall, in every such case, only be liable to pay such sums as would be required to repair or replace such Property if the same could lawfully be repaired to its former condition.

5. Rights of the Company following a claim

On the happening of DAMAGE in respect of which a claim is made the Company and any person authorised by the Company may without hereby incurring any liability or diminishing any of the Company's rights under this Policy:

- a) Enter, take or keep possession of the

premises where such DAMAGE has occurred

- b) Take possession of or require to be delivered to the Company any Property Insured and deal with such Property for all reasonable purposes and in any reasonable manner.

No Property may be abandoned to the Company whether taken possession of by the Company or not.

6. Average (Underinsurance)

If the Property Insured, at the time of any DAMAGE, be collectively of greater value than the Sum Insured thereon, the Insured shall bear a share of the loss corresponding directly to the proportion of underinsurance. Every item, if more than one, of the Policy shall be separately subject to this Condition.

7. Contribution

If at the time of any DAMAGE there be any other insurance effected by or on behalf of the Insured covering any of the Property Insured lost, destroyed or damaged, the liability of the Company hereunder shall be limited to its rateable proportion of such DAMAGE.

If any such insurance is expressed to cover any of the Property Insured, but is subject to any provision whereby it is excluded from ranking concurrently with this Policy either in whole or in part or from contributing rateably to the destruction or damage, the liability of the Company hereunder shall be limited to such proportion of the destruction or damage as the Sum Insured hereby bears to the value of the property.

8. Subrogation

The claimant agrees to subrogate all rights or remedies to the Company for obtaining relief or indemnity from other parties, upon its paying or making good any destruction or damage under this Policy, and shall at the request and at the expense of the company do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing such rights or remedies, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

9. Arbitration

If any difference arises out of this Policy the Company shall immediately notify the Insured in writing of his right to refer the difference to arbitration. Such difference shall be referred to the decision of an Arbitrator to be appointed in writing by the parties in difference or if they cannot agree upon a single Arbitrator to the decision of two Arbitrators one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties or in case the Arbitrators do not agree of an Umpire appointed in writing by the Arbitrators before entering upon the reference. The Umpire shall sit with the Arbitrators and preside at their meetings and the making of an Award shall be a condition precedent to any right of action against the Company if the Company shall disclaim liability for any claim hereunder and such claim shall not within twenty four calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been

abandoned and shall not thereafter be recoverable hereunder.

4 General Conditions

1. Privity of Contract

This Policy of insurance is a private and exclusive contract between the Insured and the Company. All benefits, rights and obligations under the terms hereof belong to or are owned by the Insured and the Company. The Company is under no obligation whatsoever to defend, settle, compromise or otherwise respond to any action or claim brought directly and solely against the Company in respect of any risk covered by this Policy by any person who is not a party to the said contract.

Nothing in this clause or Condition or in the contract generally shall prevent the Company from exercising its rights of subrogation against any person who is not a party to this contract.

2. Identification

This Policy and the Schedule and Specification (which form an integral part of this Policy) shall be read together as one contract and words and expressions to which specific meanings

have been attached in any part of this Policy or of the Schedule or Specification shall bear such specific meanings wherever they may appear.

3. Policy Voidable

This Policy shall be voidable by the Company in the event of misrepresentation, misdescription or non-disclosure in any material particular by the Insured.

4. Alterations and Removals

Under any of the following circumstances the insurance ceases to attach as regards the property affected unless the Insured before the occurrence of any DAMAGE, has obtained the sanction of the Company signified by endorsement upon the Policy, by or on behalf of the Company:

(a) if the trade or manufacture carried on is altered, or if the nature of the occupation of or other circumstances affecting the building insured or containing the

Property Insured is changed in such a way as to increase the risk of DAMAGE by any of the perils insured.

- b) if any of the buildings insured or containing the Property Insured become unoccupied and so remain for a period of more than 30 days.
- c) if the Property Insured is removed to any building or place other than that in which it is herein stated to be insured.
- d) if the interest in the Property Insured passes from the Insured otherwise than by will or operation of Law.

5. Sum Insured

- a) It is a condition of the Policy that any individual sum(s) insured and/or the Total Sum Insured must equal the total value(s) of the property at risk.
- (b) Unless otherwise specifically stated in the Policy, if any individual Sum Insured and/or the

Total Sum Insured is found to be less than the value at risk, in accordance with the terms of Claims Condition No. 6 - Average (Underinsurance) of the Policy claim payments will be reduced in such proportion as the Sum Insured bears to the value at risk.

6. Cancellation

This Policy may be terminated at any time at the request of the Insured in writing in which case the Company will retain the customary short period rate for the time the Policy has been in force. This Policy may also be terminated at any time at the option of the Company, on thirty days notice to that effect being given to the Insured, in which case the Company shall be liable to repay on demand a rateable proportion of the Premium for the unexpired term from the date of the cancellation.

7. Fall or Displacement of Building

All insurance under this Policy:

- i) On any building or part of any building.
- ii) On any property contained in any building.
- iii) On rent or other subject matter of insurance in respect of or in connection with any building or any property contained in any buildings shall cease immediately upon, any fall or displacement:
 - a) Of such building or of any part thereof.
 - b) Of the whole or any part of any range of buildings or of any structure of which such building forms part. PROVIDED that such fall or displacement is of the whole or a substantial or important part of such building or impairs the usefulness of such building or any part thereof or leaves such building or any part thereof or any property

contained therein subject to increased risk of fire or is otherwise material.

AND PROVIDED that such fall or displacement is not caused by fire, loss or damage which is covered by this Policy or would be covered if such building, range of buildings or structure were insured under this Policy.

8. Reasonable Precautions

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

9. Warranties

Every warranty to which the Property Insured or any item thereof is, or may be made subject, shall from the time the warranty attaches apply and continue to be in force during the whole currency of this Policy, and noncompliance with

any such warranty shall be a bar to any claim in respect of such property or item, provided that whenever this Policy is renewed a claim in respect of DAMAGE occurring during the renewal period shall not be barred by reason of a warranty not having been complied with at any time before commencement of such period.

10. Contracting Purchaser's Interest

If at the time of DAMAGE the Insured shall have contracted to sell the interest of the Insured in any building hereby insured and the purchase shall not have been completed but shall be thereafter completed, the purchaser on completion of the purchase (if and so far as the property is not otherwise insured against such DAMAGE by the purchaser or on behalf of the purchaser) shall be entitled to benefit under this Policy without prejudice to the rights and liabilities of the Insured or the Company until completion.

11. Jurisdiction

The Policy applies only to judgements delivered by or obtained from a Court of Competent Jurisdiction in a member country of the Gulf Cooperation Council.

12. No alteration in the Terms of this Policy or its Conditions shall be held valid unless the same be signed or initialled by an authorised Official of the Company.

13. The due observance and fulfillment of the Terms of this Policy so far as they relate to anything to be done or complied with by the Insured and the truth of statements and answers in the said Proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.



UAE: 800 292
Bahrain: 8000 1060
Oman: 800 70 292
Qatar: 800 29 21
gig-gulf.com

Gulf Insurance Group (Gulf) B.S.C. (c)

UAE: Registered in the Insurance Companies Register - Certificate no. (69) dated 22/01/2002.
Subject to the provisions of Federal Law no. (6) of 2007 concerning the establishment of Insurance Authority and Organisation of its work.

Bahrain: A company incorporated in the Kingdom of Bahrain (CR 22373) with an authorised and paid up capital of BD 15,000,000 and regulated by the Central Bank of Bahrain as a Bahraini insurance licensee.

Oman: A foreign branch of Gulf Insurance Group (Gulf) B.S.C. (c), a company incorporated in the Kingdom of Bahrain and registered with the Ministry of Commerce, Industry & Investment Promotion in the Sultanate of Oman under the Commercial Registration no. 1112244 and holding insurance registration no. 6 issued by the Capital Market Authority.

Qatar: A foreign branch of Gulf Insurance Group (Gulf) B.S.C. (c) and registered in the Qatar Financial Centre under QFC License no. 00024 and authorised by the Qatar Financial Centre Regulatory Authority.