

## Jewellers Block Insurance Policy

(Registration No.: 09OT2021000210300)

### Section 1: Coverage

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#### At the Premises

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1. If, during the **Policy Period**, **Stock & Merchandise** is physically lost or physically damaged at the **Premises**, **Huatai Property & Casualty Insurance Co., Ltd (Huatai)** agrees to indemnify the **Insured** in respect of such physical loss or physical damage, but in no circumstance shall **Huatai** pay more than the amount set out in Item 7(a) of the **Schedule** (Stock & Merchandise Limit) or, where applicable, Item 7(b) of the **Schedule** (Stock & Merchandise Automatic Increase Limit) during the time period set out in Item 7(b).
2. The most **Huatai** will pay in respect of physical loss or physical damage during the **Policy Period** to **Stock & Merchandise**:
  - a. by burglary or theft of **Stock & Merchandise**, occurring at **Premises**, when the **Premises** are not open for business, and out of locked safe(s) and/or strong room(s) is the amount set out in Item 7(c) of the **Schedule** ('Out of Safe / Out of Business Hours Sublimit'). The Out of Safe / Out of Business Hours Sublimit set out in Item 7(c) of the **Schedule** shall not apply to any physical loss or physical damage to **Stock & Merchandise** caused by burglary or theft occurring during any period of temporary daytime closing if at the time of the physical loss or physical damage the **Insured** or an **Employee** of the **Insured** was present in the sales portion of the **Premises**.
  - b. contained in the display windows at the **Premises** by attempted or actual theft, robbery or burglary accomplished by or resulting from the smashing or cutting of such windows is:
    - i. the amount set out in Item 7(d) of the **Schedule** ('Windows business hours sublimit') when either:
      - A. the **Premises** are open for business; or
      - B. when the **Insured** or any of their **Employees** (other than security personnel) are present at, or in attendance at, the **Premises**; or
    - ii. the amount set out in Item 7(e) of the **Schedule** ('Windows after hours sublimit') at all other times.

#### Outside of the Premises

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1. If during the **Policy Period**, **Stock & Merchandise** is outside of the **Premises** and is physically lost or physically damaged, **Huatai** agrees to indemnify the **Insured** in respect of such physical loss or physical damage:
  - a. when **Stock & Merchandise** is in **Transit** personally conveyed by an **Employee**, traveller, messenger, sales person, agent or representative, but not a broker, up to the amount set out in Item 7(f)(i) of the **Schedule** ('Traveller sublimit')
  - b. when **Stock & Merchandise** is in **Transit** by post, up to the amount set out in Item 7(f)(ii) of the **Schedule** (sending via post sublimit)
  - c. when **Stock & Merchandise** is in **Transit** by a general courier, up to the amount set out in Item 7(f)(iii) of the **Schedule** (sending via general courier sublimit)

- d. when **Stock & Merchandise** is in **Transit** by secure courier, up to the amount set out in Item 7(f)(iv) of the **Schedule** (sending via secure courier sublimit)
- e. when **Stock & Merchandise** is in **Transit** by armoured car service, up to the amount set out in Item 7(f)(v) of the **Schedule** (sending via armoured car service sublimit)
- f. when **Stock & Merchandise** is being worn by the **Insured**, any principal, director or partner of the **Insured**, members of their families, relatives, staff or friends, up to the amount set out in Item 7(f)(vi) of the **Schedule** (whilst being worn sublimit)
- g. when **Stock & Merchandise** is on display in a public or private event, up to the amount set out in Item 7(f)(vii) of the **Schedule** (exhibition sublimit)
- h. when **Stock & Merchandise** is in a private dwelling, up to the amount set out in Item 7(f)(viii) of the **Schedule** (whilst in a private home sublimit)
- i. when **Stock & Merchandise** is entrusted to dealers, customers in the trade, repairers, cutters and brokers, up to the amount set out in Item 7(f)(ix) of the **Schedule** (entrustment sublimit).

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#### At and Outside of the Premises

- 1. **Huatai** agrees to indemnify the **Insured**:
  - a. whilst **Stock & Merchandise** is being manufactured, modified or repaired up to the amount set out in Item 7(g) of the **Schedule** (whilst being worked upon sublimit).
  - b. For theft of **Stock & Merchandise** by an **Employee** or theft by any third party to whom the **Insured** has entrusted **Stock & Merchandise** up to the amount set out in Item 7(h) of the **Schedule** (Fidelity Limit).

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#### Contents

- 1. If during the **Policy Period**, **Contents** are physically lost or physically damaged by fire, lightning, explosion, aircraft, burglary, theft or any attempt thereat, storm, tempest, flood, bursting or overflowing or leakage of **Water Pipes or Apparatus**, any member of the **Insured's** household or the **Insured's Employees**, **Huatai** agrees to indemnify the **Insured** in respect of such physical loss or physical damage to the extent and in the manner hereinafter provided, but in no circumstance shall **Huatai** pay more than the amount set out in Item 7(i) of the **Schedule** ('Contents Limit').

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#### What we will pay

- 1. The value of **Stock & Merchandise** owned by the **Insured** shall be the cost price.
- 2. The value of **Stock & Merchandise** loaned to the **Insured** shall be the consigned price.
- 3. The value of **Contents** shall be the cost of repair or replacement.
- 4. Except where applicable by reason of the operation of Item 7(b) of the **Schedule**, nothing in this Section 1 - Coverage shall increase the Stock & Merchandise Limit set out in Item 7(a) of the **Schedule** or the Contents Limit set out in Item 7(i) of the **Schedule**.

## Section 2: Exclusions

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This **Policy** does not cover any physical loss or physical damage to **Stock & Merchandise** or **Contents** (as applicable) caused by, arising out of or in any way connected with:

1. any theft, or dishonesty, or deception committed by:
  - a. any **Employee**, traveller, sales person, agent, representative, or messenger in the exclusive employment of the **Insured**, unless an amount is set out in Item 7(h) of the **Schedule** (Fidelity Limit).
  - b. any customer, broker, broker's customer or agent in respect of **Stock & Merchandise** entrusted to them by the **Insured**, by its **Employees**, servants or agents; or
  - c. any director or officer of the **Insured**.
2. any:
  - a. natural ageing, gradual deterioration, inherent defect, rust or oxidation, moth or vermin, warping or shrinkage;
  - b. any process of manufacture, modification or repair. This exclusion shall not apply to manufacture, modification or repair, if there is an amount set out in Item 7(g) of the **Schedule** (whilst being worked upon sublimit);
  - c. aridity, humidity, exposure to light or extremes of temperature unless such loss or damage is caused by frost or fire.
3. any typhoon, hurricane, cyclone, volcanic eruption, earthquake, subterranean fire or other convulsion of nature. This exclusion applies only to **Stock & Merchandise** on land.
4. any **Stock & Merchandise** missing at stocktaking in respect of which no claim has been previously notified.
5. any **Stock & Merchandise** whilst it is being worn (except watches worn solely for the purpose of testing) or used by the **Insured**, any principal, director or partner of the **Insured**, members of their families, relatives, staff or friends or whilst in their custody for this purpose. This exclusion shall not apply if there is an amount set out in Item 7(f)(vi) of the **Schedule** (whilst being worn sublimit).
6. any **Stock & Merchandise** whilst on display in public or private event. This exclusion shall not apply if there is an amount set out in Item 7(g) (vii) of the **Schedule** (exhibition sublimit).
7. any theft or disappearance of **Stock & Merchandise** from road vehicles of every description owned by or under the control of the **Insured** and or its **Employees**, travellers, messengers, sales persons, agents or representatives when such vehicles are left unattended.
8. any **Stock & Merchandise** entrusted to the **Insured** by private clients and/or customers solely for safe custody.
9. any loss of data or records held in electronic form.
10. any mysterious disappearance of the **Stock & Merchandise** and/or **Contents**.
11. any **Stock & Merchandise** claimed to have been forwarded in a package when the package is received in apparent good order with the seals unbroken.
12. any **Stock & Merchandise** taken to a private dwelling by the **Insured**, its principals, **Employees**, representatives, travellers or agents unless it is locked in a safe or drawer

within the private dwelling. This exclusion shall not apply if there is an amount set out in Item 7(f)(viii) of the **Schedule** (whilst in a private home sublimit).

13. any:
  - a. acceptance by the **Insured** of any currency which subsequently is proved to have been forged, counterfeit, or otherwise for any reason whatsoever;
  - b. acceptance by the **Insured** of any cheque, credit, debit or charge card, or other negotiable instrument which is subsequently dishonoured for payment; or
  - c. any other form of payment which is invalid or uncollectable for any reason whatsoever.
14. any financial default or non-payment or when a company can no longer or chooses to no longer meet its debt obligations in respect of **Stock & Merchandise**.
15. any insolvency, administration, voluntary arrangements with creditors, bankruptcy or receivership of:
  - a. the **Insured**; or
  - b. any third party to whom **Stock & Merchandise** has been entrusted.

## Section 3: Exclusions

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### 1. **War and Confiscation**

This **Policy** does not cover any physical loss or physical damage to **Stock & Merchandise** and/or **Contents** (as applicable) caused by, arising out of or in any way connected with any war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, martial law or confiscation or nationalisation or requisition or destruction of or damage to **Stock & Merchandise** or **Contents** by or under the order of any government or public or local authority or lawfully constituted body.

### 2. **Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons**

This **Policy** does **not** cover any physical loss or physical damage to **Stock & Merchandise** and/or **Contents** (as applicable) caused by, arising out of or in any way connected with any:

- a. ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- b. radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- c. weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- d. radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter, but not radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
- e. chemical, biological, bio-chemical, or electromagnetic weapon.

### 3. **Terrorism**

This **Policy** does **not** cover any physical loss or physical damage to **Stock & Merchandise** and/or **Contents** (as applicable) caused by, arising out of or in any way connected with any:

- a. **Act of Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the **Loss**.
- b. action taken in preventing, controlling or suppressing an **Act of Terrorism**

### 4. **Cyber Attack Exclusion**

In no case shall this **Policy** cover any loss, damage, liability or expense directly or indirectly caused by, contributed to or arising from the:

- (i) failure, error or malfunction of any computer, computer system, computer software programme, code or process or any other electronic system, or
- (ii) use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

**5. Sanctions Exclusion**

Huatai shall not be deemed to provide cover and Huatai shall not 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 Huatai, or its parent company, affiliate or ultimate holding company to any sanction, prohibition or restriction implemented pursuant to resolutions of the United Nations or the trade and economic sanctions, laws or regulations of the European Union, United Kingdom, People's Republic of China or United States of America.

## Section 4: Conditions

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### General Conditions

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#### 1. **Books and Records**

The **Insured** shall keep detailed records of all sales, purchases and other transactions of **Stock & Merchandise**, and such records shall be available for inspection by **Huatai** or its representatives if a claim is made under this **Policy**.

#### 2. **Protections**

Protections and/or safeguards referred to in the proposal form as being in force shall not be withdrawn or varied to without **Huatai's** consent.

#### 3. **Notice and Proof of Loss**

In the event of physical loss or physical damage to **Stock & Merchandise** and/or **Contents** that may give rise to a claim under this **Policy**, the **Insured** must:

- a. give notice to **Huatai**, and, if a crime is suspected, give notice to the police, as soon as reasonably possible and in any event no later than 90 days after the expiration of the **Policy Period**; and
- b. give **Huatai** such relevant information and evidence as may reasonably be required and co-operate fully in the investigation or adjustment of any claim; and
- c. if required by **Huatai**, submit to examination by any person designated by **Huatai**.

#### 4. **Interpretation of Terms**

To the extent that any court of competent jurisdiction should determine that any term or provision of this **Policy** would be in conflict with the public policy of the country wherein such court is situated, the said term or provision is to be interpreted and/or amended so as to conform to the said country's public policy.

#### 5. **Subrogation**

**Huatai**, at its own expense but in the **Insured's** name, will be entitled to take over and deal with the settlement of any claim and to bring proceedings to recover, for **Huatai's** benefit, the amount of any payment made under this **Policy**, including **Huatai's** own costs and expenses. **Huatai** shall be entitled to exercise all the rights and remedies of the **Insured** who shall give all assistance in his power as **Huatai** may require.

#### 6. **Cancellation**

- a. The **Insured** may cancel the cover provided by this Policy by giving notice in writing to **Huatai**. If such notice is given, the cancellation will take effect on the day the notice is received by **Huatai**.
- b. **Huatai** may cancel this Policy pursuant to Insurance Law of People's Republic of China.
- c. Upon cancellation by the **Insured** or **Huatai**, the **Insured** will receive a pro rata refund of premium for the unexpired period of insurance subject to the **Insured** complying with below item(d).
- d. When the premium is subject to adjustment, cancellation will not affect the obligation of the **Insured** to supply to **Huatai** such information as is necessary to permit the premium adjustment to be calculated and to pay the amount of the adjustment applicable up to the effective date of cancellation.

7. **Other Insurance**

- a. If any loss, damage, costs or expenses sustained is insured under any other policy entered into by the Insured, whether prior or current, then to the extent permitted by Insurance Law of People's Republic of China, this Policy, subject to its limitations, conditions, provisions and other terms, will only cover such loss, damage, costs or expenses to the extent that the amount involved is in excess of the amount of such other insurance.
- b. If any loss, damage, costs or expenses sustained is insured under any other policy effected on behalf of the Insured or under which the Insured is a third party beneficiary, whether prior or current, then to the extent permitted by Insurance Law of People's Republic of China, this Policy, subject to its limitations, conditions, provisions and other terms, will only cover such loss, damage, costs or expenses to the extent that the amount involved is in excess of the amount of such other insurance.
- c. Nothing in this Other Insurance clause applies to such other insurance that is written specifically as excess insurance over the Limits of Liability set out in Item 7 of the **Schedule**.

8. **Removal of Keys**

It is a condition precedent to **Huatai's** liability that all keys and duplicate keys capable of operating the alarms (if any) and all keys and duplicate keys of safes and strong rooms are removed from the **Premises** when the said **Premises** are not open for business.

9. **Sending Condition Precedent**

It is a condition precedent to **Huatai's** liability in respect of the sending via post of **Stock & Merchandise** exceeding RMB 3000 (or currency equivalent) for any one package that such packages are sent by registered letter post or equivalent airmail service.

10. **Personal Conveyance Clause**

**Stock & Merchandise** shall be held by, or attached to, or within sight and an arms-length reach of, the **Insured**, its **Employee**, principal, traveller, messenger, sales person, agent or representative at all times whilst in **Transit** by personal conveyance.

11. **Hotel/Motel Clause**

When the **Stock & Merchandise** is being held in a Hotel/Motel, this **Policy** only covers **Stock & Merchandise** when in the hand or sight of the **Insured**, its **Employee**, principal, traveller, messenger, sales person, agent or representative or when deposited in either bank safe deposit vault or in the main safe of a Hotel/Motel. Under no circumstance will this **Policy** cover any physical loss or physical damage to **Stock & Merchandise** in an unattended Hotel/Motel room.

For the purpose of this Condition a 'Hotel/Motel' means Guest Houses, Inns, Lodges, Bed & Breakfasts, Airbnb and similar sharing-economy accommodations, and any other establishment offering overnight accommodation provided that all establishments are registered, or advertises itself as being registered, in accordance with Local/State/Government Legislation in their country of domicile and are legally recognized in such capacity.

12. **Showcase Clause**

**Stock & Merchandise** on display must be kept in showcases and window showcases that are locked with keys that are removed at all times unless being opened for the purpose of **Stock & Merchandise** being added or removed by an **Employee** or officer of the **Insured**.



13. **Automatic Reinstatement of Loss Clause**

**Limit of Liability** will not be reduced by the amount of any loss subject to a pro-rata additional premium on the amount of loss from the date of the loss to the expiry date of the **Policy Period** paid by the **Insured**.

14. **Deductible**

The **Deductible** is payable by the **Insured** at such time required by **Huatai**. The **Deductible** applies to all amounts payable under this **Policy**.

15. **Governing Law and Dispute Resolution**

This **Policy** shall be governed by the law of People's Republic of China.

## Section 5: Definitions

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**Act of Terrorism** means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any 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.

**Huatai** means Huatai Property & Casualty Insurance Co., Ltd..

**Contents** means **Trade & Office Furniture** and landlord's fixtures and fittings, as referenced in Item 10 of the **Schedule**.

**Deductible** means the amount set out in Item 8 of the **Schedule** which forms the first part of a claim that the **Insured** is responsible for paying.

**Employee** means the **Insured's** full and/or part-time staff compensated by salary or wages and whom the **Insured** has the right to govern and direct in the performance of their duties while acting in the course of their employment by the **Insured**.

**Insured** means the entity named in Item 3 of the **Schedule** and any of its wholly-owned subsidiaries.

**Limit of Liability** means the applicable limits of liability (including sub-limits) as set out in Item 7 of the **Schedule**.

**Policy Period** means the period shown in Item 5 of the **Schedule** and any further period agreed to by **Huatai**.

**Policy** means this policy wording including the **Schedule**, proposal form and any endorsement as agreed by **Huatai** in writing.

**Premises** means:

- a. the principal address of the **Insured** listed in Item 4 of the **Schedule**; and
- b. any permanent or temporary office occupied by the **Insured** or from which the **Insured** conducts its business;
- c. any locations, including any bank or safe deposit vault, which are included in the proposal form.

**Schedule** means the schedule **Huatai** issues to the **Insured** with this **Policy** and forming part of it.

**Stock & Merchandise** means:

- a. stock and merchandise used in the conduct of the **Insured's** business; and
- b. bank notes,

as set out in Item 10 of the **Schedule**, whether the same be the property of the **Insured** or entrusted to it for any purpose whatsoever.

**Transit** means transit carriage of **Stock & Merchandise** by sea, air or land.

**Trade & Office Furniture** means fixtures, fittings, plate glass, machinery, plant, safes, alarm systems, tenant's decorations and improvements, and all other property, excluding **Stock & Merchandise**, of the **Insured**, only whilst in the **Premises**.

**Water Pipes and Apparatus** means water pipes, water mains, water tanks or water apparatus excluding boilers other than domestic boilers.

