Company name: JURYS HOTEL MANAGEMENT (UK) LIMITED
Company number: 03447849

Received for Electronic Filing: 30/01/2018

Details of Charge

Date of creation: 19/01/2018
Charge code: 0344 7849 0052
Persons entitled: MOUNT STREET MORTGAGE SERVICING LIMITED (AS SECURITY AGENT FOR THE SECURED PARTIES)
Brief description:
Contains fixed charge(s).
Contains negative pledge.

Authentication of Form

This form was authorised by: a person with an interest in the registration of the charge.

Authentication of Instrument

Certification statement: I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.
CERTIFICATE OF THE
REGISTRATION OF A CHARGE

Company number: 3447849

Charge code: 0344 7849 0052

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th January 2018 and created by JURYS HOTEL MANAGEMENT (UK) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th January 2018.

Given at Companies House, Cardiff on 1st February 2018

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006
INSURANCE PLEDGE AGREEMENT

dated 19 January 2018

THE COMPANIES NAMED HEREIN
as Pledgors

and

MOUNT STREET MORTGAGE SERVICING LIMITED
as Security Agent

regarding rights under certain insurance policies
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This INSURANCE PLEDGE AGREEMENT (this "Agreement") is dated 19 January 2018 and made between:

(1) THE COMPANIES listed in Schedule 1 (List of Pledgors) (together the "Pledgors" and each a "Pledgor"); and

(2) Mount Street Mortgage Servicing Limited, as security agent for the Secured Parties (the "Security Agent") under the Finance Documents, on behalf of the Secured Parties.

BACKGROUND

A. Pandox Midco B.V. (as Borrower), amongst others, has entered into a facility agreement dated 13 December 2017 (the "Facility Agreement") whereby Bank of America Merrill Lynch International Limited (as Arranger), amongst others, has agreed to make available to the Borrower term loan facilities for the purpose of the acquisition of Vesway DAC and, indirectly, 21 hotels located in the United Kingdom and Ireland (the "Transaction").

B. Each Pledgor and the Security Agent (acting on behalf of the Secured Parties) are entering into this Agreement for the purpose of securing the various obligations and liabilities under the Finance Documents.

C. This Agreement is entered into subject to the terms of the Facility Agreement.

I. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

"Acceleration Event" means an Event of Default is continuing and the Agent has given notice, in accordance with clause 24.18 (Acceleration) of the Facility Agreement, to the relevant Pledgor or the Obligors’ Agent that it is taking any of the steps set out in paragraphs (a) and (b) of clause 24.18 (Acceleration) of the Facility Agreement.

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in London, Dublin and Amsterdam and which is a TARGET Day.

"Excluded Payments" means any payments made in respect of the properties listed in Schedule 2 (Excluded assets) under the Insurances and any leases of office space not located at a property listed in Part IV (Property) of Schedule 1 (Original Parties and Property) of the Facility Agreement.

"Finance Documents" shall have the meaning ascribed thereto in the Facility Agreement.

"Insurance" means (i) the insurance(s) held by the Pledgors and issued by the Insurer in favour of the Pledgors as specified in Schedule 3 (List of Insurances), as renewed and amended from time to time in accordance with this Agreement and (ii) any New Insurance in force from time to time, in each case save for Insurances in respect of properties which do not form part of the Transaction.

"Insurer" means each company listed in Schedule 3 as "Insurer" or any insurer under a New Insurance.
“New Insurance” means any insurance in favour of the Pledgor which replaces an Insurance and which complies with the requirements set out in Clause 8.3.

“Permitted Payments” means any payments or proceeds under the Insurances that are permitted in accordance with clauses 23.10(i)(ii)–(iv) of the Facility Agreement applied in accordance with clause 23.10(i).

“Pledge” means the Security created pursuant to this Agreement.

“Secured Liabilities” means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly or severally or in any other capacity whatsoever and whether originally incurred by an Obligor or another Transaction Obligor or by some other person) of each Obligor to any Secured Party under each Finance Document.

“Secured Parties” means the Security Agent, the Agent, the Hedge Counterparty, each Lender and the Arranger from time to time party to the Facility Agreement and any Receiver or Delegate.

“Security” means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

“Security Assets” means all of each Pledgor’s title to, and rights under or pursuant to, the Insurances, other than the Third Party Payments and Excluded Payments.

“Security Period” means the period beginning on the date of this Agreement and ending on the date when all Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and each commitment of the Secured Parties under the Finance Documents has been cancelled or terminated.

“Third Party Payments” means any payments under the Insurances to which a third party, other than a member of the Group, has a legal right against the Insurer.

1.2 Construction

1.2.1 Unless otherwise defined in this Agreement, terms defined in the Facility Agreement shall have the same meanings when used in this Agreement and the rules of construction set out in clause 1.2 of the Facility Agreement shall apply also to this Agreement.

1.2.2 A reference in this Agreement to the Security Agent is always a reference to the Security Agent acting on behalf of the Secured Parties (unless expressly stated otherwise).

1.2.3 No failure to exercise, nor any delay in exercising, on the part of the Security Agent and the Secured Parties, any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy.

1.2.4 The Lenders may from time to time appoint a successor to the Security Agent in accordance with the terms of the Facility Agreement. With regards to the replacement of the Security Agent, each Pledgor shall at the request of the Lenders or the Security Agent take all actions necessary to preserve the Pledge.
2. **GRANT OF PLEDGE**

As continuing security for the due and punctual fulfilment of the Secured Liabilities, each Pledgor hereby irrevocably and unconditionally pledges to the Secured Parties, represented by the Security Agent, all its title, right and interest in, to and under the Security Assets.

3. **PERFECTION OF PLEDGE**

3.1 On the date hereof, each Pledgor shall notify the Insurers of the Pledge created over the Security Assets in the form set out in Schedule 4 (Form of notice of Pledge) and each Pledgor shall use its reasonable endeavours to procure that the Insurers acknowledge receipt of such notice substantially in the form set out in Schedule 4 (Form of notice of Pledge).

3.2 Whenever a New Insurance is entered into, each Pledgor shall promptly notify the New Insurer of the Pledge created over the Security Assets and each Pledgor shall use its reasonable endeavours to procure that the Insurer acknowledges receipt of such notice substantially in the form set out in Schedule 4 (Form of notice of Pledge).

4. **CONTINUING SECURITY**

4.1 The Pledge shall be a continuing Security, and shall extend to the ultimate balance of the Secured Liabilities and shall continue in force notwithstanding any intermediate payment or discharge in whole or in part of the Secured Liabilities.

4.2 This Agreement is in addition to and is not in any way prejudiced by any present or future guarantee, collateral, lien or other Security held by the Secured Parties.

4.3 The Secured Parties' rights hereunder are in addition to and not exclusive of those provided by law.

5. **PAYMENTS UNDER THE INSURANCES**

5.1 All amounts payable by an Insurer to a Pledgor under the Insurances (excluding Third Party Payments, Excluded Payments and Permitted Payments) shall be paid in accordance with Clause 23.10(i) of the Facility Agreement. Subject to clause 5.3, no Pledgor shall accept any payment (excluding Excluded Payments and Permitted Payments), discharge or set-off under the Insurances, unless instructed by the Security Agent to do so. All amounts paid to the Security Agent under the Insurances shall become part of the Pledge and may be applied towards prepayment of the Secured Liabilities in accordance with Clause 10 (Application of proceeds).

5.2 Any payments made in accordance with Clause 5.1 may be released by the Security Agent to the relevant Pledgor if the Security Agent in its sole discretion determines that such payments shall be so released.

5.3 For as long as no Acceleration Event is continuing, all Permitted Payments shall be made to the relevant Pledgor in accordance with the Facility Agreement. Following the occurrence of an Acceleration Event and for as long as it is continuing, all Permitted Payments shall be made to the Security Agent on behalf of the Secured Parties. All Permitted Payments made to the Security Agent shall become part of the Pledge and...
may be applied towards prepayment of the Secured Obligations in accordance with Clause 10 (Application of proceeds).

5.4 All Third Party Payments shall be made by the Insurers directly to the third party entitled to such payment. To the extent a Pledgor receives any Third Party Payments, the amount so received shall be treated as “escrow funds” (redovisningsmedel) and shall be held separately for the account of the third party entitled to such amount. Any such amount shall be transferred as soon as possible to the relevant third party.

6. POWERS OF THE SECURITY AGENT AND DELEGATION

6.1 For the purpose of (i) establishing, maintaining, preserving, protecting and perfecting the Pledge, (ii) exercising the rights hereunder, and (iii) enforcing the Pledge pursuant to Clause 9 (Enforcement of Pledge), each Pledgor irrevocably authorises and empowers the Security Agent and any nominee or agent designated by the Security Agent, after the occurrence of an Event of Default which is continuing, to act in its own name or in the name of such Pledgor and, on behalf of such Pledgor, to do all acts and take any steps it deems necessary in respect of the Security Assets or otherwise. In exercising these powers, the Security Agent shall not be obliged to obtain the further consent of the relevant Pledgor, but shall, if it is practically possible in the reasonable opinion of the Security Agent, notify the relevant Pledgor of any actions taken by it pursuant to such powers granted to it under this Clause 6.1. The power of attorney set out in this Clause 6 is irrevocable and shall be valid until the expiry of the Security Period.

6.2 The Security Agent may at any time delegate to any person(s) all or any of its rights, powers and discretions under this Agreement on such terms (including power to sub-delegate) as the Security Agent sees fit and employ agents, managers, employees, advisers and others on such terms as the Security Agent sees fit for any of the purposes set out in this Agreement. The Security Agent shall not be bound to supervise or in any way be liable or responsible to any Pledgor or any person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of such delegate or sub-delegate.

7. REPRESENTATIONS

7.1 Each Pledgor makes the following representations, in respect of the Insurances, to each of the Secured Parties:

(a) The copies of the insurance policies attached as Schedule 6 (Insurance policies) and each copy of an insurance policy in respect of a New Insurance delivered by the Pledgor to the Security Agent pursuant to Clause 8.4 are a true, complete and up-to-date copy of the respective insurance policy for the Insurances, as in effect on the date hereof or the date of delivery, as the case may be.

(b) The Insurances are in full force and effect (other than to the extent any Insurance has been replaced by a New Insurance).

(c) The Pledgor is the sole owner of the Security Assets and there is no claim by any person in respect of the ownership of the Security Assets outstanding against the Pledgor.

(d) No member of the Group or other party related to the Pledgor has a right to any payment under the Insurances.
(e) There are no restrictions applicable to the Pledgor or the Insurances, preventing the Pledgor from pledging the Security Assets.

7.2 The representation set out in Clause 7.1 are made by each Pledgor from the date of this Agreement and are deemed to be repeated by each Pledgor on each other date during the Security Period on which any of the Repeating Representations are repeated under the Facility Agreement, by reference to the facts and circumstances then existing.

8. COVENANTS OF THE PLEDGORS

8.1 No Pledgor shall sell, transfer or dispose or agree or attempt to sell, transfer or dispose of the Security Assets, or any part thereof, or permit the same to occur.

8.2 No Pledgor shall create or agree or attempt to create any Security or third party right in the Security Assets or any interest therein, or permit the same to exist, other than the Pledge.

8.3 Each Pledgor shall maintain and renew the Insurances in accordance with the terms of the Facility Agreement.

8.4 Each Pledgor shall, prior to the expiration (or termination) of an Insurance, provide the Security Agent with evidence that the Insurance (i) has been renewed, or (ii) has been replaced with a New Insurance in accordance with Clause 8.3 and that the relevant Insurer has been notified of the Pledge in accordance with Clause 3.2.

8.5 Each Pledgor must promptly notify the Security Agent and the Agent of any claim, and any actual or threatened refusal of any claim, under any of the Insurances in each case where the amount of such claim (together with any connected claims) exceeds the SEK equivalent of GBP75,000 or EUR75,000.

8.6 Unless instructed otherwise by the Security Agent, each Pledgor shall make and enforce any and all claims and rights it is entitled to make under the Insurances if it is commercially reasonable to do so. If a Pledgor determines that it is not commercially reasonable to make and enforce a claim under the Insurances, such Pledgor must as soon as possible inform the Security Agent of such determination and provide the Security Agent with reasonably detailed explanation of the same. No Pledgor shall release the relevant Insurer from any of its obligations under an Insurance, or otherwise do, omit to do, or permit to be done, any act, matter, or thing which may prejudice the rights of the Secured Parties in and to the Security Assets. Notwithstanding the foregoing, all payments by the relevant Insurer under an Insurance shall be made in accordance with Clause 5 above.

9. ENFORCEMENT OF PLEDGE

9.1 Upon the occurrence of an Acceleration Event and for as long as it is continuing, the Security Agent shall be entitled to enforce the Pledge or any part thereof by:

(a) requesting immediate payment of any amounts due under the Insurances and exercising any other rights of the Pledgors thereunder in accordance with the terms of the Insurances;

(b) selling the Security Assets by private or public sale or auction or in such manner and on such terms as the Security Agent in its sole discretion deems appropriate.
Where reasonably practicable and not detrimental to the interests of the Secured Parties, the Security Agent shall give notice of such intended or actual action to the relevant Pledgor five (5) Business Days before the exercise of any right under this Clause 9.1.

9.2 The Secured Parties are entitled to decide in their own discretion which Security shall be applied towards the satisfaction of the Secured Liabilities and in what order.

9.3 Any subsequent remedy of an Acceleration Event shall not in any way prejudice the enforcement of the Pledge which had been initiated whilst such default was continuing.

9.4 Chapter 10 Section 2 of the Swedish Commercial Code (Handelsbalken) shall not apply to this Agreement or any enforcement hereunder.

10. APPLICATION OF PROCEEDS

Subject to the terms of the Finance Documents, all moneys (or other consideration) obtained by the Security Agent or its designee by virtue of operation of law or through the exercise of the rights, powers and remedies under this Agreement, shall be applied by the Security Agent towards the discharge of the Secured Liabilities in the manner, order and priority determined by the Security Agent. When all the Secured Liabilities have been fully and irrevocably discharged, the surplus (if any) shall be paid to the relevant Pledgor.

11. FURTHER ASSURANCE

Each Pledgor shall, from time to time and at its own expense, upon the request of the Security Agent, promptly take all actions and duly execute and deliver any and all such transfers, powers of attorney, notifications, confirmations and other documents as the Security Agent deems necessary for the purpose of perfecting, preserving, protecting and enforcing the Pledge and for the Secured Parties to obtain the full benefit of this Agreement and the rights and powers granted under it.

12. WAIVER OF DEFENCES

The Pledge shall not be affected in any way by any variation, extension, waiver, compromise or partial release of the Secured Liabilities, the Finance Documents or of any Security from time to time granted in respect thereof; or by any change in the laws, rules or regulations of any jurisdiction or by any present or future action of any governmental authority or court amending, varying, reducing or otherwise affecting, or purporting to amend, vary, reduce or otherwise affect, any of the Secured Liabilities or the Finance Documents.

13. NON-COMPETITION AND WAIVER OF SUBROGATION

13.1 Each Pledgor irrevocably waives any claim against any relevant member of the Group arising by way of subrogation or otherwise as a result of the enforcement of the Pledge and agrees that it will not by virtue of any Security enforced or moneys received by the Secured Parties, for or on account of the Secured Liabilities:
(a) be subrogated to or have the benefit of any rights of, Security or moneys held, received or receivable by, the Secured Parties or be entitled to any right of contribution or indemnity; or

(b) claim, rank, prove or vote as a creditor in the bankruptcy, liquidation, re-organisation or dissolution of any party, or exercise any right of set-off or recourse against any party, in competition with any Secured Party.

13.2 To the extent a Pledgor receives any payment, distribution or benefit of security in violation of the terms of this Agreement, the amount or benefit so received shall be treated as “escrow funds” (redovisningsmedel) and shall be held separately for the account of the Secured Parties. Any such amount or benefit shall be transferred immediately to the Security Agent.

14. COSTS AND EXPENSES

14.1 Each Pledgor shall, promptly on demand (and in any event within three Business Days of demand), pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with the enforcement (or attempted enforcement) of, or the preservation (or attempted preservation) of any rights under, any Secured Document or the Transaction Security and with any proceedings instituted by or against the Security Agent or that Secured Party as a consequence of its entering into a Finance Document, taking or holding the Transaction Security, or enforcing those rights.

15. RELEASE OF SECURITY

15.1 Upon the expiry of the Security Period, the Security Agent shall, at the request and cost of the Pledgors, release to the Pledgors all rights and interest of the Secured Parties in or to the Security Assets, or part thereof, as the case may be, and give such instructions and directions, and deliver such documents, as the relevant Pledgor reasonably may require in order to effect such release. The Security Agent shall notify the relevant Insurer when the Pledge has been released in form and substance substantially similar to that notice set out in Schedule 5 (Notice of release), such notice to be sent to the address provided to the Security Agent by the relevant Pledgor.

15.2 Where an amount has been received by the Security Agent under the Finance Documents or this Agreement, but the Security Agent determines that there is a reasonable risk that such payment will be avoided or otherwise set aside in the course of bankruptcy proceedings or other similar proceedings, such amount shall not be considered to have been irrevocably paid for the purposes of this Agreement.

16. ASSIGNMENT

16.1 The Security Agent and each Secured Party may at any time assign its rights and/or obligations under this Agreement, provided such assignment is permitted under the Facility Agreement and, with respect to any assignment by a Secured Party other than the Security Agent, provided the Secured Party’s participation in the Facility Agreement is assigned simultaneously to the same assignee. With regards to any such assignment, each Pledgor shall at the request of the Security Agent take all action necessary to preserve the Pledge.

16.2 No Pledgor may assign any of its rights and/or obligations under this Agreement.
17. NOTICES

Clause 34 (Notices) in the Facility Agreement shall apply also to this Agreement.

18. FORCE MAJEURE AND LIMITATION OF LIABILITY

18.1 Neither the Security Agent nor any of the Secured Parties shall be held responsible for any damage arising out of any Swedish or foreign legal enactment, or any measure undertaken by a Swedish or foreign public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance. The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Security Agent or a Secured Party takes such measures, or is subject to such measures.

18.2 Any damage that may arise in other cases, including in connection with the enforcement of the Pledge, shall not be indemnified by the Security Agent or a Secured Party. The Security Agent or any Secured Party shall not in any case be held responsible for any indirect, special, punitive or consequential damage and/or loss of profit, reputation, goodwill or anticipated saving. Should there be an obstacle as described above for the Security Agent or a Secured Party to take any action in compliance with this Agreement, such action may be postponed until the obstacle has been removed.

19. SECURITY AGENT PROVISIONS

19.1 The Security Agent executes this Agreement as security agent in the exercise of the rights, powers and authority conferred and vested in it under the Facility Agreement and any other Finance Documents, for and on behalf of the Secured Parties for whom it acts. It will exercise its powers, rights, duties and authority under this Agreement in the manner provided for in the Facility Agreement and any other Finance Document and, in so acting, the Security Agent will have the protections, immunities, rights, powers, authorisations, indemnities, limitations of liability and benefits conferred on it under any of the Facility Agreement and the other Finance Documents.

19.2 The Security Agent shall not owe any fiduciary duties to any party to this Agreement or any of their directors, employees, agents or affiliates.

19.3 Notwithstanding any other provision of this Agreement, in acting under and in accordance with this Agreement, the Security Agent is entitled to seek instructions from the relevant Lenders in accordance with the provisions of the Facility Agreement and other Finance Document and at any time, and where it so acts or refrains from acting on the instructions of the relevant Lenders entitled to give it instructions, the Security Agent shall not incur any liability to any person for so acting or refraining from so acting.

20. GOVERNING LAW AND JURISDICTION

20.1 This Agreement and any non-contractual obligations arising out of or in connection with it are governed by Swedish law.

20.2 Subject to Clause 20.3, the courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement). The City Court of Stockholm (Stockholms tingsrätt) shall be court of first instance.
20.3 Clause 20.2 is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings in any other courts with jurisdiction over each Pledgor or any of its assets. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.
SIGNED and DELIVERED for and on behalf of
JURYS CORK CP DESIGNATED ACTIVITY
COMPANY by its lawfully appointed attorney

in the presence of:

Witness Signature: [Blank]
Witness Name: Josefin Bengquist
Witness Address: Kallertigatan 1
SE-11333 Stockholm
Sweden
Witness Occupation: Head of Receptions

SIGNED and DELIVERED for and on behalf of
JURYS INNS GROUP DESIGNATED ACTIVITY
COMPANY by its lawfully appointed attorney

in the presence of:

Witness Signature: [Blank]
Witness Name: Therese Remmerfelt
Witness Address: Hamnersvägen 18d
116 38 Ekerö
Sweden
Witness Occupation: Receptionist
JYRUS CARDIFF B.V.
as Pledgor

Authorised signatory
Name: JOWAS TÖMNER

JYRUS INVERNESS B.V.
as Pledgor

Authorised signatory
Name: JOWAS TÖMNER

JYRUS CHELTENHAM B.V.
as Pledgor

Authorised signatory
Name: JOWAS TÖMNER

JYRUS MIDDLESBROUGH B.V.
as Pledgor

Authorised signatory
Name: JOWAS TÖMNER

JYRUS EAST MIDLANDS B.V.
as Pledgor

Authorised signatory
Name: JOWAS TÖMNER
JYRUS BRIGHTON B.V.
as Pledgor

Authorised signatory
Name: [REDACTED]

JYRUS SHEFFIELD B.V.
as Pledgor

Authorised signatory
Name: [REDACTED]

JYRUS SWINDON B.V.
as Pledgor

Authorised signatory
Name: [REDACTED]

JYRUS SWINDON CP B.V.
as Pledgor

Authorised signatory
Name: [REDACTED]

JYRUS BRADFORD B.V.
as Pledgor

Authorised signatory
Name: [REDACTED]
JURYS HOTEL MANAGEMENT (UK) LIMITED
as Pledgor

Signed by JONAS TÖRNER as attorney for Jurys Hotel Management (UK) Limited

CHAMBERLAIN HOTELS LIMITED
as Pledgor

Signed by JONAS TÖRNER as attorney for Chamberlain Hotels Limited

HOTEL COLLECTION HOTEL NO. 1 LIMITED
as Pledgor

Signed by JONAS TÖRNER as attorney for Hotel Collection Hotel No. 1 Limited

HOTEL COLLECTION HOTEL NO. 4 LIMITED
as Pledgor

Signed by JONAS TÖRNER as attorney for Hotel Collection Hotel No. 4 Limited

MOUNT STREET MORTGAGE SERVICING LIMITED
as Security Agent, acting for itself and on behalf of the Secured Parties

Signed by attorney for Mount Street Mortgage Servicing Limited
## SCHEDULE 1

### LIST OF PLEDGORS

<table>
<thead>
<tr>
<th>Company</th>
<th>Registered number</th>
<th>Jurisdiction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jurys Cork CP DAC</td>
<td>Ireland</td>
<td>575998</td>
</tr>
<tr>
<td>Jurys Inns Group DAC</td>
<td>Ireland</td>
<td>418679</td>
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<td>Jyrus Cardiff B.V.</td>
<td>The Netherlands</td>
<td>65189450</td>
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<td>Jyrus Inverness B.V.</td>
<td>The Netherlands</td>
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<td>Jyrus Cheltenham B.V.</td>
<td>The Netherlands</td>
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<td>Jyrus Middlesbrough B.V.</td>
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<td>65189841</td>
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<tr>
<td>Jyrus East Midlands B.V.</td>
<td>The Netherlands</td>
<td>65189531</td>
</tr>
<tr>
<td>Jyrus Brighton B.V.</td>
<td>The Netherlands</td>
<td>65189787</td>
</tr>
<tr>
<td>Jyrus Sheffield B.V.</td>
<td>The Netherlands</td>
<td>60170719</td>
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<tr>
<td>Jyrus Swindon B.V.</td>
<td>The Netherlands</td>
<td>60170905</td>
</tr>
<tr>
<td>Jyrus Swindon CP B.V.</td>
<td>The Netherlands</td>
<td>60170921</td>
</tr>
<tr>
<td>Jyrus Bradford B.V.</td>
<td>The Netherlands</td>
<td>60170948</td>
</tr>
<tr>
<td>Jurys Hotel Management (UK) Limited</td>
<td>England and Wales</td>
<td>3447849</td>
</tr>
<tr>
<td>Chamberlain Hotels Limited</td>
<td>England and Wales</td>
<td>02307261</td>
</tr>
<tr>
<td>Hotel Collection Hotel No. 1 Limited</td>
<td>England and Wales</td>
<td>09173742</td>
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<tr>
<td>Hotel Collection Hotel No. 4 Limited</td>
<td>England and Wales</td>
<td>09174106</td>
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## SCHEDULE 2

### EXCLUDED ASSETS

**Short term leases**

<table>
<thead>
<tr>
<th>Property</th>
<th>Tenure</th>
<th>Owner</th>
<th>Address</th>
<th>Title Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Jurys Inn</td>
<td>Short</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>The part of the Union Square, Guild Street, Aberdeen retail and leisure development (the “Centre”) comprising ground floor lobby, eight upper floors and plant room on Centre roof (the “Plant Room”)</td>
<td>ABN103397</td>
</tr>
<tr>
<td>Aberdeen Airport</td>
<td>Leasehold</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Jurys Inn</td>
<td>Short</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Jurys Inn Hotel Aberdeen Airport, Argyll Road, Dyce, Aberdeen</td>
<td>ABN65387</td>
</tr>
<tr>
<td>Brighton</td>
<td>Leasehold</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Jurys Inn</td>
<td>Short</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Jurys Inn Brighton, 101 Stroudley Road, Brighton BN1 4DJ</td>
<td>ESX352747</td>
</tr>
<tr>
<td>Derby</td>
<td>Leasehold</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Jurys Inn</td>
<td>Short</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>The Hotel, King</td>
<td>DY197602</td>
</tr>
<tr>
<td>Derby</td>
<td>Leasehold</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property</td>
<td>Tenure</td>
<td>Owner</td>
<td>Address</td>
<td>Title Number</td>
</tr>
<tr>
<td>-----------------</td>
<td>-------------</td>
<td>-------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jurys EDI Limited</td>
<td>43 Jeffrey Street, Edinburgh EH1 1DH</td>
<td>MID1885 29</td>
</tr>
<tr>
<td>Edinburgh</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>The Hotel, Carnegie House, Russell Street, Exeter EX1 2AE</td>
<td>DN59366 1</td>
</tr>
<tr>
<td>Exeter</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Jurys Inn, South Shore Road, Gateshead ; two canopy areas included only at first floor</td>
<td>TY49892 1, TY53311 9 (Car Park)</td>
</tr>
<tr>
<td>Gateshead</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Hotel at Kings Waterfront, Liverpool</td>
<td>MS57012 8</td>
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<tr>
<td>Liverpool</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>308 Midsummer Boulevard</td>
<td>BM52817 2</td>
</tr>
<tr>
<td>Milton Keynes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Jurys Inn Hotel, St James Gate, Newcastle Upon Tyne</td>
<td>TY39783 5</td>
</tr>
<tr>
<td>Newcastle</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Hotel on the west side of London Road,</td>
<td>NT42523 3</td>
</tr>
<tr>
<td>Nottingham</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property</td>
<td>Tenure</td>
<td>Owner</td>
<td>Address</td>
<td>Title Number</td>
</tr>
<tr>
<td>---------------------------</td>
<td>----------</td>
<td>------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>12. Jurys Inn Parnell</td>
<td>Short</td>
<td>Jurys Inns Group DAC</td>
<td>Basement (part), Ground (part), Second, Third, Fourth and Fifth Floors of Moore Street Plaza, Parnell Street Dublin</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>Leasehold</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Jurys Inn Plymouth</td>
<td>Short</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>The Hotel, Exeter Street, Plymouth PL4 0AZ</td>
<td>DN596265</td>
</tr>
<tr>
<td></td>
<td>Leasehold</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Jurys Inn Southampton</td>
<td>Short</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Jurys Inn Hotel, Charlotte Place, Southampton SO14 0TB above ground level only</td>
<td>HP663425</td>
</tr>
<tr>
<td></td>
<td>Leasehold</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Jurys Inn Watford</td>
<td>Short</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>31-35 Clarendon Road, Watford</td>
<td>HD497197</td>
</tr>
<tr>
<td></td>
<td>Leasehold</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. Jurys Inn Middlesbourough (car park)</td>
<td>Short</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Land adjoining Gurney House, Gurney Street, Middlesborough.</td>
<td>CE230889</td>
</tr>
<tr>
<td></td>
<td>Leasehold</td>
<td></td>
<td></td>
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</table>
# Existing operating leases

<table>
<thead>
<tr>
<th></th>
<th>Property</th>
<th>Tenure</th>
<th>Owner</th>
<th>Address</th>
<th>Title Number</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Jurys Inn Cardiff</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Park Hotel, Park Place, Cardiff CF10 2BG</td>
<td>CYM3494 08</td>
</tr>
<tr>
<td>2</td>
<td>Jurys Inn Cheltenham</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Thistle Hotel, Gloucester Road, Cheltenham GL51 0TS</td>
<td>GR306239</td>
</tr>
<tr>
<td>3</td>
<td>Jurys Inn Brighton Waterfront</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Thistle Hotel, Kings Road, Brighton BN1 2GS</td>
<td>ESX30570 9</td>
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<tr>
<td>4</td>
<td>Jurys Inn Bradford</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>2 Thornton Road, Bradford BD1 2DH</td>
<td>WYK9282 59</td>
</tr>
<tr>
<td>5</td>
<td>Jurys Inn East Midlands</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Thistle Hotel, East Midlands Airport, Castle Donington, Derby DE74 2SH</td>
<td>LT398971</td>
</tr>
<tr>
<td>6</td>
<td>Jurys Inn Middlesbrough</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Thistle Hotel, Fry Street, Middlesbrough TS1 1JH</td>
<td>CE196115</td>
</tr>
<tr>
<td></td>
<td>Franchisee</td>
<td>Franchisor</td>
<td>Properties affected</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>----------------------------------</td>
<td>-------------------------------------------------</td>
<td>------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Jurys Inn Sheffield</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Jurys Inn Sheffield Hotel, 119 Eyre Street, Sheffield S1 4QW</td>
<td>SYK5716 08</td>
<td></td>
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<td></td>
<td>Short Leasehold</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Jurys Inn Swindon</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Jurys Inn, Fleming Way, Swindon SN1 2NG</td>
<td>WT28427 0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Short Leasehold</td>
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</tbody>
</table>

**Intra-group franchising agreements**

<table>
<thead>
<tr>
<th>Agreement date</th>
<th>Franchisee</th>
<th>Franchisor</th>
<th>Properties affected</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 April 2007 (as amended by an Extension and Amendment Agreement dated 18 September 2012 and further amended by an Amendment and Restatement Agreement dated 6 December 2017)</td>
<td><strong>Original franchisee:</strong> Jurys Hotel Group (UK) Limited (formerly Jurys Doyle Hotel Group (UK) Limited)</td>
<td><strong>Current franchisee:</strong> Jurys EDI Limited (novated by way of Amendment and Restatement Agreement dated 6 December 2017)</td>
<td>Jurys Inn Edinburgh</td>
</tr>
<tr>
<td>14 April 2007 (as amended by an Extension and Amendment Agreement dated 18 September 2012)</td>
<td>Chamberlain Hotels Limited</td>
<td>Jurys Inns Group DAC (formerly Rickwood Limited)</td>
<td>Jurys Inn Birmingham</td>
</tr>
<tr>
<td>14 April 2007 (as amended by an Extension and Amendment Agreement dated 18 September 2012 and further amended by an Amendment and Restatement Agreement dated 6 December 2017)</td>
<td>Jurys Hotel Management (UK) Limited (formerly Jurys Doyle Hotel Group (UK) Limited)</td>
<td>Jurys Inns Group DAC (formerly Rickwood Limited)</td>
<td>Jurys Inn Manchester; Jurys Inn Croydon; Jurys Inn Glasgow; Jurys Inn Brighton; Jurys Inn Plymouth; Jurys Inn Liverpool Hotel; Jurys Inn Leeds; Jurys Inn Newcastle; Jurys Inn Southampton; Jurys Inn Nottingham; Jurys Inn Milton Keynes;</td>
</tr>
<tr>
<td>Date</td>
<td>Original franchisee</td>
<td>Jurys Inns Group DAC</td>
<td>Other hotels</td>
</tr>
<tr>
<td>--------------</td>
<td>----------------------------------------------------------</td>
<td>----------------------</td>
<td>---------------------------------------------------</td>
</tr>
<tr>
<td>1 November 2015</td>
<td><strong>Original franchisee:</strong> Curzon Hotels (Operator) Limited</td>
<td>Jurys Inns Group DAC</td>
<td>The Parc Hotel Cardiff; Thistle Inverness; Thistle Cheltenham; Thistle Middlesbrough; Thistle East Midlands Airport; Thistle Brighton; Thistle Aberdeen Airport</td>
</tr>
<tr>
<td>1 November 2015</td>
<td><strong>Current franchisee:</strong> Jurys Hotel Management (UK) Limited (&lt;i&gt;novated by way of a deed of amendment dated 1 August 2016&lt;/i&gt;)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 November 2015</td>
<td>Hotel Collection No. 1 Limited</td>
<td>Jurys Inns Group DAC</td>
<td>Hinckley Island Hotel</td>
</tr>
<tr>
<td>1 November 2015</td>
<td>Hotel Collection No. 4 Limited</td>
<td>Jurys Inns Group DAC</td>
<td>The Oxford Hotel</td>
</tr>
</tbody>
</table>
# SCHEDULE 3

## LIST OF INSURANCES

<table>
<thead>
<tr>
<th>Type of insurance</th>
<th>Insurer</th>
<th>Policy number</th>
<th>Governing law</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Damage &amp; Business Interruption (Master)</td>
<td>AIG Europe Ltd, Sweden Branch</td>
<td>106-9533</td>
<td>Swedish</td>
</tr>
</tbody>
</table>
SCHEDULE 4

FORM OF NOTICE OF PLEDGE

To: [Insurer]

Date: [Date]

This is to notify you that:

1. We have entered into the following insurance contract with you (the “Insurance”):
   Policy number: [ ]

2. Pursuant to a pledge agreement dated 19 January 2018 between the Pledgors and Mount Street Mortgage Servicing Limited as security agent (the “Security Agent”) (the “Pledge Agreement”), a copy of which is enclosed to this notice, the Pledgors have pledged to the Secured Parties, represented by the Security Agent, all of each Pledgor’s title, right and interest in, to and under the Insurance, other than Excluded Payments and Third Party Payments.

3. Terms not defined herein shall have the meanings given to them in the Pledge Agreement.

4. No payments under the Insurance (other than Permitted Payments and Excluded Payments) may, as long as the pledge created under the Pledge Agreement remains in force (whereby it should be noted that the Security Agent will inform you when the pledge has been released), be demanded by or directed to a Pledgor, but shall instead be made to such address or bank account (as applicable) as the Security Agent may direct in writing. All Excluded Payments and, subject to paragraph 5 below, all Permitted Payments shall be made by you to the relevant Pledgor entitled to such payments. All Third Party Payments shall be paid by you directly to the third party entitled to such payments.

5. Following an instruction by the Security Agent including a statement that an Acceleration Event has occurred under the Facility Agreement, all Permitted Payments shall also be made to the address or bank account (as applicable) instructed by the Security Agent

6. Each Pledgor will continue to send and receive notices and claims, and exercise other rights, under the Insurance, but only in its capacity as agent for the Secured Parties and provided that all payments under the Insurance are made in accordance with paragraphs 4 and 5 above. The Security Agent is entitled to terminate the appointment of any Pledgor as agent for the Secured Parties at any time.

7. The Insurance may not be amended or varied, and any rights thereunder may not be waived by any Pledgor, without the prior written consent of the Security Agent.

8. Following an instruction by the Security Agent, including a statement that an Acceleration Event has occurred under the Facility Agreement, the Security Agent has the right to act in the name and on behalf of each Pledgor in relation to Insurance.

9. The Security Agent may from time to time appoint a successor as representative of the Secured Parties in accordance with the terms of the Facility Agreement.
10. We hereby further instruct you to provide, whenever requested by the Security Agent, and in form and substance satisfactory to the Security Agent (acting reasonably), such information about the Insurance as deemed necessary or appropriate by the Security Agent.

These instructions may not be varied or revoked except with the prior written consent of the Security Agent.

We kindly request you to confirm your receipt and acknowledgement of the above by returning signed copies of the confirmation below to each of the Pledgor and the Security Agent.
SIGNED and DELIVERED for and on behalf of
JURYS CORK CP DESIGNATED ACTIVITY
COMPANY by its lawfully appointed attorney

in the presence of:

Witness Signature: _______________________
Witness Name: _______________________
Witness Address: _______________________

Witness Occupation: _______________________

SIGNED and DELIVERED for and on behalf of
JURYS INNS GROUP DESIGNATED ACTIVITY
COMPANY by its lawfully appointed attorney

in the presence of:

Witness Signature: _______________________
Witness Name: _______________________
Witness Address: _______________________

Witness Occupation: _______________________

________________________  Attorney
JYRUS CARDIFF B.V.  
as Pledgor

Authorised signatory  
Name: 

Authorised signatory  
Name: 

JYRUS INVERNESS B.V.  
as Pledgor

Authorised signatory  
Name: 

Authorised signatory  
Name: 

JYRUS CHELTENHAM B.V.  
as Pledgor

Authorised signatory  
Name: 

Authorised signatory  
Name: 

JYRUS MIDDLESBROUGH B.V.  
as Pledgor

Authorised signatory  
Name: 

Authorised signatory  
Name: 

JYRUS EAST MIDLANDS B.V.  
as Pledgor

Authorised signatory  
Name: 

Authorised signatory  
Name:
<table>
<thead>
<tr>
<th>Company</th>
<th>Role</th>
<th>Authorised signatory</th>
<th>Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>JYRUS BRIGHTON B.V.</td>
<td>as Pledgor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JYRUS SHEFFIELD B.V.</td>
<td>as Pledgor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JYRUS SWINDON B.V.</td>
<td>as Pledgor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JYRUS SWINDON CP B.V.</td>
<td>as Pledgor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JYRUS BRADFORD B.V.</td>
<td>as Pledgor</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
JURYS HOTEL MANAGEMENT (UK) LIMITED
as Pledgor

Signed by as
attorney for Jurys Hotel
Management (UK) Limited Signature

CHAMBERLAIN HOTELS LIMITED
as Pledgor

Signed by as
attorney for Chamberlain Hotels Limited

HOTEL COLLECTION HOTEL NO. 1 LIMITED
as Pledgor

Signed by as
attorney for Hotel Collection
Hotel No. 1 Limited

HOTEL COLLECTION HOTEL NO. 4 LIMITED
as Pledgor

Signed by as
attorney for Hotel Collection
Hotel No. 4 Limited
We hereby acknowledge receipt of the above letter and a copy of the Pledge Agreement and confirm that we agree to the terms thereof. We further confirm that we, prior to the date hereof, have not been notified of any pledge or other security interest over the Insurance which is still in force. We further confirm that we will observe and follow all instructions given in the above letter and pay all moneys from time to time payable by us under the Insurance in accordance therewith.

We undertake to inform the Security Agent immediately if any premiums due under the Insurance are not paid to us by their due date and not to exercise our right of cancellation without giving the Security Agent fourteen (14) days’ notice in writing. Notwithstanding anything to the contrary contained in the terms for the Insurance, if such defaulted premiums are paid within such fourteen (14) day period, all damages or losses occurring during the period from the due date of premiums to the time of payment thereof shall be covered as if such premiums were actually paid on the due date.

In case we are liable to make any payment under the Insurance to the Secured Parties, but not to the Pledgor, we shall not exercise any right of subrogation against the Pledgor unless and until the Secured Liabilities have been irrevocably paid and discharged in full.

We also undertake to notify the Security Agent of any circumstances or events whereby the Insurance may become invalid, voidable or otherwise unenforceable.

Date:

[INSURER]

Name: ___________________________  Name: ___________________________
SCHEDULE 5

NOTICE OF RELEASE

To: [Insurer]

Date: [Date]

NOTICE OF RELEASE

We hereby notify you that the security granted over all the rights and interest to the insurance with policy number [policy number], pursuant to the insurance pledge agreement dated 19 January 2018, as amended from time to time, between certain subsidiaries of Pandox Midco B.V (as listed therein, the “Pledgors”) and Mount Street Mortgage Servicing Limited (the “Security Agent”), has been irrevocably released.

MOUNT STREET MORTGAGE SERVICING LIMITED
as Security Agent
By:
SCHEDULE 6

INSURANCE POLICIES

[to be appended separately]
ALL RISKS MASTER POLICY

Pandox AB

April 01 2017 – March 31 2018 (bdi)

Policy nr 106-9533
PREAMBLE

AIG Europe Limited (herein called the Company) and the Insured agree:

The proposal or any information supplied by the Insured shall be incorporated in the contract.

The Company will provide the insurance described in this Policy subject to the terms and conditions for the period shown in the Schedule and any subsequent period for which the Insured shall pay and the Company shall agree to accept the premium.

Any word or expression to which a specific meaning has been attached shall bear such meaning wherever it appears.

Provided that this Policy shall not be in force unless it has been formally approved in writing by an authorised official of the Company.

Västra Järnvägsgatan 7
103 69 Stockholm, Sweden
Telephone: +46 8 506 920 00
Fax: +46 8 506 920 90
PREMIUM PAYMENT CONDITION

The Insured undertakes that premium shall be paid in full to the Company within 30 days of the Company sending the premium invoice (or, in respect of instalment premiums, when due) and shall have the burden of establishing that such payment has been made.

If the premium due under this policy has not been so paid to the Company by the 31st day from the inception of this policy (and, in respect of instalment premiums, by the date they are due) the Company shall have the right to cancel this policy by notifying the Insured in writing direct or via the broker or agent as appropriate. In the event of cancellation, premium is due to the Company on a pro rata basis for the period that the Company is on risk but the full policy premium shall be payable to the Company in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this policy.

It is agreed that the Company shall give not less than 30 days prior notice of cancellation to the Insured via the broker. If premium due is paid in full to the Company before the notice period expires, notice of cancellation shall automatically be revoked. If premium not paid in time, the policy shall automatically terminate and be of no effect at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect. If this clause becomes fully or partially invalid or unenforceable the statutory provisions governing the issue regulated by this clause shall apply instead of the elements of the clause that have been deemed invalid or unenforceable.
CONTENTS

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B. PROPERTY EXCLUDED
C. PERILS INSURED
D. PERILS EXCLUDED
E. ADDITIONAL COVERAGE
F. VALUATION

SECTION II: BUSINESS INTERRUPTION INSURANCE

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B. BUSINESS INSURED
C. SUM INSURED
D. PERIOD OF CALCULATION
E. PERIOD OF INSURANCE
F. TIME EXCESS
G. EXCLUSIONS
H. BASIS OF LOSS SETTLEMENT
I. ADDITIONAL COVERAGE
SECTION III: GENERAL TERMS AND CONDITIONS

SECTION IV: DEFINITIONS

ENDORSEMENTS

IMPORTANT NOTICE:

WORDS AND PHRASES WHICH APPEAR IN QUOTATION MARKS (" ") HAVE SPECIAL MEANING. PLEASE REFER TO SECTION IV. DEFINITIONS.
## SCHEDULE

AIG Europe Limited, Swedish Branch and AIG member companies will issue insurance policies. AIG in Sweden will be the primary contact for all queries with regard to this insurance program.

<table>
<thead>
<tr>
<th><strong>POLICY NUMBER</strong></th>
<th>106-9533</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>POLICYHOLDER</strong></td>
<td>Pandox AB</td>
</tr>
<tr>
<td><strong>COMPANY REGISTRATION NUMBER</strong></td>
<td>556030-7885</td>
</tr>
<tr>
<td><strong>INTERMEDIARY</strong></td>
<td>AON Sweden AB</td>
</tr>
<tr>
<td><strong>BUSINESS INSURED</strong></td>
<td>All business of the policyholder and subsidiaries</td>
</tr>
<tr>
<td><strong>TERRITORIAL LIMITS</strong></td>
<td>Worldwide, but excluding any territory with trading sanctions by the United States or the United Nations or the European Union</td>
</tr>
<tr>
<td><strong>INSURED</strong></td>
<td>The Policyholder and all associated, affiliated and/or subsidiary companies, including Pandox Holding AB, declared to and accepted by the Company.</td>
</tr>
<tr>
<td><strong>LOSS PAYEE</strong></td>
<td>Mount Street Mortgage Servicing Limited (Jurys Hotel)</td>
</tr>
<tr>
<td><strong>CO-INSURED</strong></td>
<td>Mount Street Mortgage Servicing Limited (Jurys Hotel)</td>
</tr>
<tr>
<td><strong>COMPANY'S SHARE</strong></td>
<td>100%</td>
</tr>
<tr>
<td><strong>PERIOD OF INSURANCE</strong></td>
<td>1st April 2017 to 31st March 2018 (both days included).</td>
</tr>
<tr>
<td><strong>PROPERTY INSURED</strong></td>
<td>According to Specification II</td>
</tr>
<tr>
<td><strong>BUSINESS INTERRUPTION</strong></td>
<td>According to Specification II</td>
</tr>
</tbody>
</table>
| **DEDUCTIBLES** | SEK 400,000 for each and every occurrence
EUR 5,000 (Queens Moat Houses) for each and every occurrence |
| **NATURAL HAZARD DEDUCTIBLES** | 2% of the insured value, with a minimum of SEK 750,000 |
| **TIME EXCESS** | Option 1: BI: 24 hours
Interruption in the supply of Utilities: 72 hours |
| **INDEMNITY PERIOD** | 36 months
48 months for 21 hotels in Irland and UK (Jurys Hotel)
Notifiable Disease 3 months |
| **INSURED LOCATIONS** | Locations owned, used, leased and/or rented by the Insured which have been declared to and accepted by the Company and detailed in the presentation in Specification II attached here to. |
| **POLICY LOSS LIMIT** | None |
| **TOTAL SUMS INSURED** | PD: SEK 51,497,640,359
BI/Extra Expense: SEK 9,868,560,500 |
| **NET PREMIUM** | Total Annual Premium
0.14875 o/o @ TSI equals to: SEK 9,128,208 |
| **TOTAL SUMS INSURED (QUEENS MOAT HOUSES)** | PD: SEK 6,568,386,573
BI/Extra Expense: SEK 785,973,000 |
| **NET PREMIUM (QUEENS MOAT HOUSES)** | Total Annual Premium
0.1992734 o/o @ TSI equals to: SEK 1,465,528 |

All premiums and rates exclude brokerage, taxes, charges for state schemes, pools, statutory payments and other fees.
OTHER DEDUCTIONS FROM PREMIUM

SEK 138,409 is payable by AIG in respect of the value of risk management / engineering / survey report(s) undertaken, or to be undertaken, and relevant by AON. Agreed minimum of 10 risk engineering site visits per year.

PROGRAM

Master cover issued in Sweden
Local Policy issued for Canada, Switzerland, Denmark, Norway, Finland, Germany, Belgium, The Netherlands, UK and Austria.

ENDORSEMENTS

Money and Securities
Fine Arts
Valuable Papers and Records
Cost of Clean-up
Natural Phenomenon
Flood
Earth Movement
Strike, Riot and Civil Commotion
Errors and Omissions
Extra Expense
Accounts Receivable
Fixed property and buildings with Insurable Interest
Electronic Data Endorsement NMA 2915
Mould & Fungi
Leakage of oil and other liquids
Tenants and neighbours liability
Goods in transit
Non-Admitted Increases Tax Liability
Notifiable Disease
AIG T3 Wording

POLICY OPERATION

Local policies are issued using the Master Policy Wording. When the Master Policy wording is not possible to use in the local policy, the local underlying policies shall be as close as possible to the scope of coverage as stipulated in the Master Policy.

TERMS AND CONDITIONS

This Schedule and Master Policy Wording enclosed shall apply to the Insurance Contract.

If the Terms and Conditions applied to the Insurance Contract are mutually contradictory then they shall apply in the following order to the extent permitted by local mandatory legislation or other mandatory rules:

1. The Policy of Insurance
2. The Schedule and Endorsements attached to the All Risks Master Policy wording
3. The All Risk Master Policy Wording
4. The Local Policy

Other documents as included in the submission package are not to be considered as part of the insurance contract.

SPECIFICATIONS

I: Sub-limits of Liability
II: Described locations and Sums Insured
**SPECIFICATION I**

Sub-limits of Liability for each and every loss (no annual aggregate unless stated) are as follows:

<table>
<thead>
<tr>
<th>SUBLIMITS FOR SECTION I PROPERTY DAMAGE</th>
<th>SEK each and every occurrence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Floating Cover</td>
<td>50 000 000</td>
</tr>
<tr>
<td>Full value guarantee clause for buildings</td>
<td>included</td>
</tr>
<tr>
<td>Losses as a consequence of pressure from snow shall be included</td>
<td>Included</td>
</tr>
<tr>
<td>Culverts included up to 300 meter from the building</td>
<td>Included</td>
</tr>
<tr>
<td>Pipes outside of building included if owned or liable for by the policy holder up to 300 meter from the building</td>
<td>Included</td>
</tr>
<tr>
<td>Reconstruction in other building site</td>
<td>Included</td>
</tr>
<tr>
<td>New-/rebuilding at other location within the same country</td>
<td>Included</td>
</tr>
<tr>
<td>Damage by cloudburst shall be included without amount limit</td>
<td>Included</td>
</tr>
<tr>
<td>Stroke of lightning and windstorm, within 24 h, is considered an event of insurance, regardless of insurance location</td>
<td>Included</td>
</tr>
<tr>
<td>The insurance applies for all reconstructions and renovations, without obligation to report.</td>
<td>Included</td>
</tr>
<tr>
<td>No obligation to report increase of risk.</td>
<td></td>
</tr>
<tr>
<td>Client provides to the insurer an investment plan per hotel for planned investments annually. Based on investment plan the insurer can eventually request further information of the planned projects. Investments/projects in existing buildings are included within the limits of the full value insurance.</td>
<td>Included</td>
</tr>
<tr>
<td>Automatic coverage/newly acquired property (Section I, clause E. 7)</td>
<td>50 000 000</td>
</tr>
<tr>
<td>New premises, subject to 90 days reporting (property damage only)</td>
<td>100 000 000</td>
</tr>
<tr>
<td>FLEXA cover</td>
<td></td>
</tr>
<tr>
<td>Building Laws – increased cost of construction or demolition cost</td>
<td>25 000 000</td>
</tr>
<tr>
<td>Building foundation extensions</td>
<td>5 000 000</td>
</tr>
<tr>
<td>Building inventories incl. motorized cleaning equipment/tools</td>
<td>1 000 000</td>
</tr>
<tr>
<td>Claims Preparation Costs</td>
<td>2 000 000</td>
</tr>
<tr>
<td>Construction work at Property owned by the insured. Geographical scope: Worldwide. Outside the Nordic counties – Munich Re CPI wording - Works</td>
<td>10 000 000</td>
</tr>
<tr>
<td>The insurance is only applicable if engaged contractor has not fulfilled his obligation to sign requested insurance according to the contract for the construction work.</td>
<td></td>
</tr>
<tr>
<td>Property in course of construction or erection or demolition at the insured property (clause A. 5)</td>
<td>10 000 000</td>
</tr>
<tr>
<td>&quot;Damage&quot; or &quot;Business Interruption Loss&quot; caused by or consisting of; construction, erection or demolition work</td>
<td>10 000 000</td>
</tr>
<tr>
<td>Notifiable disease, indemnity period 3 months</td>
<td>5 000 000 per occurrence and annual aggregate</td>
</tr>
<tr>
<td>Errors &amp; Omissions</td>
<td>25 000 000 (combined PD &amp; BI)</td>
</tr>
<tr>
<td>Fine Arts (see endorsement)</td>
<td>3 000 000</td>
</tr>
<tr>
<td>Garden, fences, railway tracks and track yards, asphalt, glass and signs. Carvings are included if causing obvious inconvenience to the property owner</td>
<td>2 000 000</td>
</tr>
<tr>
<td>Description</td>
<td>Amount</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Goods including wine, liquor and tobacco</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Index and investment clause (clause E. 6)</td>
<td>30% of total sum insured at insured locations, however with a maximum of 25,000,000</td>
</tr>
<tr>
<td>Professional fees (clause E. 5)</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Loss distortion or corruption of data information</td>
<td>Not covered</td>
</tr>
<tr>
<td>Money, cheques, stamps, bonds, credit cards, securities (see endorsement)</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Natural Hazards outside High Hazard areas</td>
<td></td>
</tr>
<tr>
<td>Flood each and every occurrence and in the annual aggregate</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Earthquake &amp; Volcanic Eruption each and every occurrence and in the annual aggregate</td>
<td>3,000,000,000</td>
</tr>
<tr>
<td>Storm each and every occurrence and in the annual aggregate</td>
<td>3,000,000,000</td>
</tr>
<tr>
<td>Storm surge, Park Hotel Amsterdam, Stadhoudersstraat Hobbemastraat</td>
<td>3,000,000,000</td>
</tr>
<tr>
<td>Natural Hazards in High Hazard areas</td>
<td></td>
</tr>
<tr>
<td>Flood each and every occurrence and in the annual aggregate</td>
<td>200,000,000</td>
</tr>
<tr>
<td>Earthquake &amp; Volcanic Eruption each and every occurrence and in the annual aggregate</td>
<td>200,000,000</td>
</tr>
<tr>
<td>Storm each and every occurrence and in the annual aggregate</td>
<td>200,000,000</td>
</tr>
<tr>
<td>Earthquake in Montreal – Canada each and every occurrence and in the annual aggregate</td>
<td>300,000,000</td>
</tr>
<tr>
<td>Necessary change of lock systems (loss of key due to burglary or robbery)</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Property at unnamed locations, FLEXA cover (clause E. 8)</td>
<td>5,000,000</td>
</tr>
<tr>
<td>Property belonging to customers/suppliers (clause A. 4)</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Property belonging to employees (clause A. 3)</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Property in transit</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Reconstruction/transcription cost of drawings, records and media for data processing and of valuable papers (see endorsement)</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Debris Removal (clause A. 1) and Cost of Clean-up (see endorsement), limit is combined PD&amp;B</td>
<td>50,000,000 or 20% of the amount of physical loss, whichever is less</td>
</tr>
<tr>
<td>Loss due to robbery or assault</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Strike Riot &amp; Civil Commotion, Vandalism, Malicious mischief, Sabotage (see endorsement)</td>
<td>25,000,000 (combined PD &amp; BI)</td>
</tr>
<tr>
<td>Tax Clause</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Temporary hired/leased equipment</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Tenant’s, Neighbour’s and Landlord’s Liability</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Terrorism cover in Denmark, Sweden, Norway, Finland (Terrorism Policy - T3 Wording)</td>
<td>300,000,000 per occurrence and 600,000,000 in the annual aggregate</td>
</tr>
<tr>
<td>Terrorism cover in the UK according to Pool Re (Terrorism Policy - T3 Wording)</td>
<td>Included</td>
</tr>
<tr>
<td>Underinsurance Protection/coinsurance deficiency</td>
<td>100,000,000</td>
</tr>
<tr>
<td>Machinery Breakdown</td>
<td>Included</td>
</tr>
<tr>
<td>Leakage of oil and other (damage covered only to own property)</td>
<td>5,000,000</td>
</tr>
<tr>
<td>Loss Adjusters fees</td>
<td>5,000,000</td>
</tr>
<tr>
<td>72 hour Clause</td>
<td>Included</td>
</tr>
</tbody>
</table>

1 Park Hotel Amsterdam: Blue Hotels Property B.V. is considered to be outside High Hazard areas
<table>
<thead>
<tr>
<th>Item</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Authorities (clause E. 2)</td>
<td>Included</td>
</tr>
<tr>
<td>Temporary Removal (clause E. 3)</td>
<td>Included</td>
</tr>
<tr>
<td>Excess cost due to distinctive character of a building</td>
<td>50 000 000</td>
</tr>
<tr>
<td><strong>Business Interruption Loss</strong></td>
<td></td>
</tr>
<tr>
<td>Business Interruption caused by denial of access to Insured premises by a Local or a Governmental Authority. Waiting period 24 hours (see endorsement clause I. 4)</td>
<td>5 000 000</td>
</tr>
<tr>
<td>Business Interruption caused by denial of access to Insured premises due to sabotage, bomb threats and leakage of gas. Act of Terrorism is excluded. Waiting period 24 hours</td>
<td>5 000 000</td>
</tr>
<tr>
<td>Extra Expenses (see endorsement)</td>
<td>20 000 000</td>
</tr>
<tr>
<td>Interruption in the supply of Water, Gas, Electricity, Fuel or Telecommunication (Failure of Public Utilities) (clause I. 1) (up to 1.5 km from the Insured’s premises)</td>
<td>10 000 000</td>
</tr>
<tr>
<td>Unnamed Suppliers’/Customers’ extension (clause I. 2)</td>
<td>5 000 000</td>
</tr>
<tr>
<td>Off premises power</td>
<td>10 000 000</td>
</tr>
<tr>
<td>Rental Value (clause I. 5)</td>
<td>According to specification II</td>
</tr>
</tbody>
</table>

ALL OTHER EARTHQUAKE TERRITORIES

- Algeria
- American Samoa
- Antigua
- Argentina
- Australia
- Barbados
- Bhutan
- Canada
- Chile
- China
- Christmas Islands
- Cocos (Keeling Islands)
- Colombia
- Costa Rica
- Cyprus
- Djibouti
- Dominica
- Dominican Republic
- Ecuador
- Fiji
- Greece
- Grenada
- Guam
- Guatemala
- Honduras
- Iceland
- Indonesia
- Italy
- Jamaica
- Jordan
- Kenya
- Malawi
- Malaysia
- Mongolia
- Montserrat
- Nepal
- Nevis
- New Zealand
- Nicaragua
- Pakistan
- Panama
- Papua New Guinea
- Peru
- Philippines
- Portugal
- Puerto Rico
- Rwanda
- Soloman Islands
- South Africa (Cape Province, only)
- St Kitts
- St Lucia
- St Vincent
- Taiwan
- Trinidad & Tobago
- Turkey
- Venezuela
CARIBBEAN REGION

For the purposes of this Limit and of the Deductible, the Caribbean shall mean Antigua, Netherlands Antilles, Aruba, Bahamas, Cayman Islands, Curacao, Dominica, Dominican Republic, Grenada, Grenadines/St Vincent, Guadeloupe, Jamaica, Martinique, St Martin/St Maarten, St Lucia, Trinidad & Tobago, British Virgin Islands and any location in the Caribbean Sea not specifically mentioned.

ALL OTHER STORM TERRITORIES

For the purposes of this Limit and of the Deductible, the Caribbean shall mean Antigua, Netherlands Antilles, Aruba, Bahamas, Cayman Islands, Curacao, Dominica, Dominican Republic, Grenada, Grenadines/St Vincent, Guadeloupe, Jamaica, Martinique, St Martin/St Maarten, St Lucia, Trinidad & Tobago, British Virgin Islands and any location in the Caribbean Sea not specifically mentioned.

All locations within 50 miles of salt water in the following territories:

| Australia (Queensland and Northern Territory only) | Hong Kong | Panama |
| Bangladesh | India | Papua New Guinea |
| Barbados | Kampuchea | Paraguay |
| Belize | Korea | Philippines |
| Brazil | Madagascar | Poland |
| China | Malaysia | Puerto Rico |
| Colombia | Marshall Islands | Reunion |
| Costa Rica | Mexico | South Africa |
| Denmark | Micronesia | Sri Lanka |
| Fiji | Mozambique | Sweden |
| France | New Zealand | Taiwan |
| French Polynesia | Nicaragua | Thailand |
| Guam | Norway | Uruguay |
| Guatamela | Oman | Venezuela |
| Honduras | Pakistan | Yemen |
NATURAL PERILS DEDUCTIBLES

Definition: that part of each and every Occurrence required to be borne by the Insured.

SECTIONS 1 AND 2 COMBINED:

Earthquake

2% of the Property Damage and Business Interruption total insured values as declared to the Company at each Premises subject to a minimum of : SEK 750,000

Storm

2% of the Property Damage and Business Interruption total insured values as declared to the Company at each Premises subject to a minimum of : SEK 750,000

Flood

2% of the Property Damage and Business Interruption total insured values as declared to the Company at each Premises subject to a minimum of : SEK 750,000

This Policy does not cover the amount of the deductibles stated above in respect of each and every loss as ascertained after the application of all other terms and conditions of this Policy including any Condition of Average (Underinsurance).

It is warranted that the Insured shall not effect insurance in respect of the amount of the deductible.
## SPECIFICATION II

### Summary by country 2017-04-01 – 2018-03-31

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Building</td>
<td>Machinery</td>
<td>Stock</td>
<td>Total</td>
<td>Total</td>
<td>Total</td>
</tr>
<tr>
<td>Belgium</td>
<td>6 840 438 138</td>
<td>488 540 000</td>
<td>5 250 000</td>
<td>6 344 228 138</td>
<td>1 528 372 000</td>
<td>7 872 600 138</td>
</tr>
<tr>
<td>Canada</td>
<td>1 473 114 572</td>
<td>127 050 000</td>
<td>700 000</td>
<td>1 600 864 572</td>
<td>460 183 000</td>
<td>2 061 047 572</td>
</tr>
<tr>
<td>Denmark</td>
<td>3 086 041 614</td>
<td>133 550 000</td>
<td>500 000</td>
<td>3 222 481 614</td>
<td>620 292 920</td>
<td>3 842 784 534</td>
</tr>
<tr>
<td>Finland</td>
<td>6 318 563 052</td>
<td>32 225 460</td>
<td>300 000</td>
<td>6 351 088 502</td>
<td>707 053 000</td>
<td>7 058 141 502</td>
</tr>
<tr>
<td>Germany</td>
<td>11 393 614 160</td>
<td>269 640 000</td>
<td>1 900 000</td>
<td>11 665 054 160</td>
<td>1 802 046 000</td>
<td>13 467 100 160</td>
</tr>
<tr>
<td>Norway</td>
<td>4 815 184 030</td>
<td>180 166 000</td>
<td>3 400 000</td>
<td>4 998 350 030</td>
<td>1 028 458 100</td>
<td>6 027 208 130</td>
</tr>
<tr>
<td>Sweden</td>
<td>14 739 099 356</td>
<td>125 725 000</td>
<td>500 000</td>
<td>14 865 324 356</td>
<td>2 465 966 000</td>
<td>17 331 290 356</td>
</tr>
<tr>
<td>Switzerland</td>
<td>593 943 993</td>
<td>0</td>
<td>0</td>
<td>593 943 993</td>
<td>110 166 000</td>
<td>704 109 993</td>
</tr>
<tr>
<td>Austria</td>
<td>917 877 042</td>
<td>0</td>
<td>0</td>
<td>917 877 042</td>
<td>227 992 000</td>
<td>1 145 869 042</td>
</tr>
<tr>
<td>Holland</td>
<td>328 204 107</td>
<td>24 056 000</td>
<td>0</td>
<td>352 270 107</td>
<td>156 678 000</td>
<td>507 948 107</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>6 572 499 408</td>
<td>0</td>
<td>0</td>
<td>6 572 499 408</td>
<td>1 280 643 480</td>
<td>7 853 082 888</td>
</tr>
<tr>
<td>Ireland</td>
<td>581 595 000</td>
<td>0</td>
<td>0</td>
<td>581 595 000</td>
<td>267 782 000</td>
<td>849 377 000</td>
</tr>
<tr>
<td>Grand Total</td>
<td>56 662 014 473</td>
<td>1 381 362 450</td>
<td>12 550 000</td>
<td>58 056 926 923</td>
<td>10 854 533 500</td>
<td>68 720 460 423</td>
</tr>
</tbody>
</table>

Additional Hotels in United Kingdom and Ireland from 2017-12-15 – 2018-03-31.
Please see schedule of values on next page. Local policy in UK, Ireland under Freedom of Service.
UK law applied for both United Kingdom and Ireland.

Premium for the period
SEK 290 805 UK
SEK 37 038 Ireland
### Hotels Jurys UK and Ireland (Indemnity Period 48 months)

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Location</th>
<th>Address</th>
<th>Expected Rate/Period</th>
<th>Cover</th>
<th>Date of Policy</th>
<th>Value</th>
<th>Effective Date</th>
<th>Expiry Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>JUI</td>
<td>Jurys Inn Cardiff Bay <strong>- Graded</strong>, ten years existing <strong>- Newbuild</strong></td>
<td>Cardiff</td>
<td>38-40 Cornwallis Street</td>
<td>100.0</td>
<td>30.0</td>
<td>01/01/2023</td>
<td>5000000</td>
<td>01/01/2024</td>
<td>30/06/2025</td>
</tr>
<tr>
<td>JUI</td>
<td>Jurys Inn Cardiff Bay <strong>- Graded</strong>, ten years existing <strong>- Newbuild</strong></td>
<td>Cardiff</td>
<td>38-40 Cornwallis Street</td>
<td>100.0</td>
<td>30.0</td>
<td>01/01/2023</td>
<td>5000000</td>
<td>01/01/2024</td>
<td>30/06/2025</td>
</tr>
<tr>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
</tbody>
</table>

**Notes:**
- Graded: Indicates a property with an existing grading.
- Newbuild: Indicates a property under construction or newly built.

**General Information:**
- *Place:* Cardiff
- *Address:* 38-40 Cornwallis Street
OPERATION OF THIS POLICY

In respect of "Local Policy", this Policy shall apply as provided under the following clauses:

1. DIFFERENCE IN CONDITIONS (DIC)

Subject to its terms and conditions, this policy shall apply only when the perils and/or definitions and/or conditions set forth in this policy are broader in meaning or scope than the corresponding perils and/or definitions and/or conditions respectively set out in any "Local Policy".

Notwithstanding the foregoing, this Policy does not apply in respect of

1.1 any government or locally imposed self-insurance,

1.2 any loss in excess of a sub-limit or first loss cover under a "Local Policy",

1.3 losses arising from a shortfall of cover under "Local Policies" brought about by the operation of an average or similar under-insurance condition,

1.4 that part of any loss which under a "Local Policy" is required to be borne by the Insured,

1.5 non-recovery due to violation of "Local Policy" conditions.

2. DIFFERENCE IN LIMITS (DIL)

Subject to its terms and conditions this policy shall apply in excess of any sub-limits provided under the "Local Policies".

3. MASTER INSURANCE

This Policy applies as a MASTER INSURANCE as follows:

3.1 When there is no "Local Policy" in force, this Policy provides cover for the property insured as specified in the Schedule up to the limit stated in the Specifications.

3.2 When there is no local cover in force because there is no local cover available, this Policy provides cover for the property insured as specified in the Schedule up to the limit stated in the Specifications.
SECTION I PROPERTY DAMAGE INSURANCE

A. PROPERTY INSURED

Unless otherwise excluded, this Policy covers the following property whilst on the described locations as specified in the Schedule:

1. "real property" in which the Insured has an insurable interest.

2. personal property owned by the Insured, including improvements and betterments in which the Insured has an insurable interest.

3. personal property, other than motor vehicles, of directors, officials and employees of the Insured.

Subject to the sub-limit stated in the Schedule.

4. personal property of others in the care, custody or control of the Insured, which the Insured is under an obligation to keep insured for physical loss or damage of the type insured against under this Policy.

Subject to the sub-limit stated in the Schedule.

5. property, structures and machinery owned by the Insured in course of construction, erection or installation on the described locations as specified in the Schedule and materials and supplies of the Insured in connection with such construction or erection work, whether stored on or off site of the insured's location. Coverage attaches when the Insured has insurable interest in the property.

Subject to the sub-limit stated in the Schedule.
B. PROPERTY EXCLUDED

This Policy does not cover, unless specifically endorsed and specified in the Schedule, loss or damage to:

1. "money", "securities" or "valuable papers and records".

2. "fine arts", furs, jewellery, precious stones or precious metals, historical or cultural monuments.

3. land including water or any substance in or on land, roads, pavements, piers, jetties, bridges, culverts or excavations.

4. property located in or on water

5. livestock, animals, crops or trees.

6. motor vehicles licensed for road use, railway locomotives and/or rolling stocks, watercraft or aircraft.

7. property sold by the Insured under conditional sale, trust agreement, instalment plan or other deferred payment plan, after delivery to customers.

8. property in transit outside of Insured locations.

9. underground mines, caverns, tunnels and any property contained therein.

10. dams, dikes or reservoirs.

11. transmission and/or distribution lines, including but not limited to wires, cables, poles, pylons, standards, towers or other supporting structures which may be attendant to the transmission and/or distribution of electrical power and/or telephone communications. This exclusion shall not apply to such property which is located on the insured premises.

12. constructions and foundations including but not limited to pilework below ground level or below the basement floor.

13. Property or structure in the course of construction, erection or demolition or materials or supplies in connection therewith, or undergoing alteration, testing, installation, removal or resisting (including dismantling and re-erection), unless such operations or work consist of normal maintenance of the property at the insured locations.
C. PERILS INSURED

This Policy covers sudden and unforeseen physical loss or damage to the insured property described in the Schedule, except as hereinafter excluded.

D. PERILS EXCLUDED

GROUP I: GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THIS POLICY INCLUDING ANY ENDORSEMENTS ATTACHED HERETO.

This Policy does not cover:

1. loss or damage caused directly or indirectly by or resulting from war, invasion, act of foreign enemy, hostilities or warlike operations (whether war has been declared or not), civil war, mutiny, rebellion, revolution, insurrection or military or usurped power; all regardless of any other cause or event contributing concurrently or in any sequence to the loss or damage.

2. loss or damage caused directly or indirectly by or resulting from nuclear reaction, nuclear radiation or radioactive contamination from any cause, whether direct or indirect, proximate or remote regardless of any other cause or event contributing concurrently or in any sequence to the loss or damage; however if fire not otherwise excluded results, the Company shall be liable for direct physical loss or damage by such resulting fire.

3. loss or damage caused directly or indirectly by or resulting from detention, confiscation, nationalisation, seizure or destruction by order of any government or public authority; all regardless of any other cause or event contributing concurrently or in any sequence to the loss or damage.

4. loss, destruction or damage subject to coverage by a monopoly or a government or a natural catastrophe insurance scheme for the maximum coverage and limits collectible thereunder including but not limited to the following:
   - Denmark; Stormflood as declared by the Danish Storm council;
   - Norway; Norsk Naturskadepool;
   - France; Catastrophes Naturelles;
   - Spain; Calamidad Nacional Perils covered by the Consorcio;
   - Germany; Stormsurge as declared by the German Federal Office for Maritime shipping and Hydrographics.

5. expenses, fines, penalties or costs incurred or sustained by or imposed upon the Insured at the order of any government agency, court or other authority in connection with any environmental impairment including but not limited to seepage, pollution or contamination.

6. loss or damage caused by or resulting from acts or omissions which has been caused wilfully or through gross negligence by the Insured.

7. loss or damage caused directly or indirectly by or resulting from asbestos, PCB (Polychlorinated Biphenyls) or formaldehyde whether direct or indirect, proximate or remote regardless of any other cause or event contributing concurrently or in any sequence to the loss or damage; however if fire not
otherwise excluded results, the Company shall be liable for direct physical loss or
damage by such resulting fire.

GROUP II: EXCLUSIONS APPLICABLE TO SECTION I OF THIS POLICY.

This Policy does not cover loss or damage caused by or resulting from:

1. indirect or remote loss or damage, delay or loss of market.

2. any risk covered by any other insurance.

3. disappearance, unexplained or inventory shortage, misfiling or misplacing of
information.

4. theft or attempted theft not involving entry to or exit from the premises by forcible
and violent means or by violence or the threat of violence to the Insured or any
employee of the Insured.

5. acts of fraud or dishonesty by the Insured or any employee of the Insured
whether acting alone or in collusion with others. If loss or damage occurred as a
result of a violation of a security provision contained in this Policy, only acts of
an employee with the obligation to ensure compliance with the provision is
equated with the Insured.

6. theft or disappearance of data or malicious damage to data and/or software
through unauthorised access to a data system, software manipulation, computer
virus or other destructive programme or malfunction, incompatibility or
overloading of any data and/or software; unless physical damage not otherwise
excluded by this Policy results, in which case, this Policy shall cover only such
resulting damage.

7. the cost of repairing, replacing or rectifying insured property which is faulty or
defective in material, workmanship, construction or design. If physical loss or
damage occurred as a result of any fault or defect excluded herewith the The
Company shall nevertheless be liable for repair costs which are additional to the
costs for rectifying such fault or defect had the damage not occurred.

8. loss attributable to manufacturing or processing operations which results in
damage to stock or materials while such stock or materials are being processed,
manufactured, tested or otherwise being worked upon; unless physical damage
not otherwise excluded by this Policy results, in which case, this Policy shall cover
only such resulting damage.

9. deterioration, depletion, rust, corrosion, erosion, wear and tear, inherent vice or
latent defect; unless physical damage not otherwise excluded by this Policy
results, in which case, this Policy shall cover only such resulting damage

10. dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, change
in colour, flavour, texture or finish; unless physical damage not otherwise
excluded by this Policy results, in which case, this Policy shall cover only such
resulting damage.
11. settling, cracking, shrinking, bulging, or expansion of pavements, foundations, walls, floors, or ceilings; unless physical damage not otherwise excluded by this Policy results, in which case, this Policy shall cover only such resulting damage.

12. extremes of temperature damage (except damage to equipment) or changes in relative humidity damage, all whether atmospheric or not; unless physical damage, not otherwise excluded by this Policy results, in which case, this Policy shall cover only such resulting damage.

13. wind, rain, hail, sleet, snow, flood or dust in respect of fences and gates or movable property in the open.

14. pollution or contamination; unless such damage to the property insured directly results from physical damage not otherwise excluded by this Policy.

15. hurricane, typhoon or tornado.

16. "flood"

17. "earth movement"

18. "riot", "civil commotion", "malicious mischief" "vandalism", strikers, locked-out workers or persons taking part in labour disturbances.

In any action, suit or other proceedings where the Company alleges that by reasons of the provisions of this exclusion any loss or damage is not covered by the Policy the burden of proving that such loss or damage is covered shall be upon the Insured.

19. acts of "terrorism".

In any action, suit or other proceedings where the Company alleges that by reasons of the provisions of this exclusion any loss or damage is not covered by the Policy the burden of proving that such loss or damage is covered shall be upon the Insured.

20."Internal machinery breakdown".

Internal machinery breakdown shall mean loss or damage caused by or resulting from:

- Explosion in or of any of the following property insured: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes connecting any of the foregoing; or gas turbines; except that this exclusion shall not apply to explosion of accumulated gases or unconsumed fuel within the firebox or the combustion chamber of any fired vessel, other than gas turbines, or within the flues or passages which conduct the gases of combustion therefrom.

- Rupture, bursting, cracking, burning or bulking of any of the following property insured: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes connecting any of the foregoing; hot water boilers or other equipment for
heating water; pressure vessels, including equipment attached to and forming a part thereof; or gas turbines.

- Mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force.

- Electrical injury or disturbance to electrical appliances, devices, fixtures, wiring, or other electrical or electronic equipment caused by electrical currents artificially generated.

However if direct physical loss or damage by fire or combustion explosion outside any of the property described in this exclusion results, the Company shall be liable for such resulting direct physical loss or damage.
E. ADDITIONAL COVERAGES

1. Debris Removal

This Policy is extended to cover the costs and expenses necessarily incurred by the Insured with the consent of the Company in:

a) removing debris

b) dismantling and/or demolishing

c) shoring up or propping of the portion or portions of the property insured being destroyed or damaged by perils hereby insured against.

The Company will not pay for any costs or expenses:

1) incurred in removing debris except from the site of such property destroyed or damaged;

2) arising from pollution or contamination of property not insured by this Policy.

Subject to the sub-limit stated in the Schedule.

2. Public Authorities

This Policy is extended to cover such additional cost of reinstatement of the destroyed or damaged property as may be incurred solely by reason of the necessity to comply with building or other regulation under or framed in pursuance of any Act of Parliament or with bye-laws 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:

      - in respect of destruction or damage occurring prior to the granting of this extension;

      - in respect of destruction or damage not insured by the policy;

      - under which notice has been served upon the Insured prior to the happening of the destruction or damage;

      - in respect of undamaged property or undamaged portions of property other than foundations of that portion of the property destroyed or damaged.

   b) the additional cost that would have been required to make good the property damaged or destroyed to a condition equivalent 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 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 without reasonable delay and in any case must be completed within twelve months after the destruction or damage or within such further time as the Company may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the regulations or bye-laws so necessitate) subject to the liability of the Company under this extension not being thereby increased.

3) if the liability of the Company 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 Company under this extension in respect of any such item shall be reduced in the same proportion.

4) the total amount recoverable under any item of the policy shall not exceed the sum insured thereby.

5) all the terms and conditions of the policy except insofar as they may be hereby specifically amended shall apply as if they had been incorporated herein.

Subject to the sub-limit stated in the Schedule.

3. Temporary Removal

This Policy is extended to cover the property insured (other than stock) whilst temporarily removed for cleaning, renovation, repair or similar purposes elsewhere at the same location or to any other location including whilst in inland transit, in the country in which the locations herein insured are situated.

Subject to the sub-limit stated in the Schedule.

4. Expediting Expense

This Policy is extended to cover reasonable and necessary extra costs of temporary repair of physical damage to property insured by this Policy and the extra costs of expediting the permanent repair or replacement of such damaged property resulting from physical damage insured against by this Policy.

In no event shall these Expediting Expenses include expense recoverable elsewhere in this Policy or the cost of permanent repair or replacement of the damaged property.

Subject to the sub-limit stated in the Schedule.
5. **Professional Fees & Fire Brigade Expenses**

This Policy is extended to cover architects' and surveyors', consultants', legal and other professional fees necessarily incurred in the reinstatement of the property insured consequent upon its damage but not for preparing any claim, it being understood that the amount payable for such fees shall not exceed those authorised under the scale of charges of the respective professional bodies at the time of such damage and that the liability for such damage and fees shall not exceed in the aggregate the limits of liability in respect of such property.

Additionally, in the event of the property insured hereby being destroyed or damaged by any perils insured against, the insurance hereunder covers fire brigade charges and other extinguishing expenses for which the Insured may be assessed.

Subject to the sub-limit stated in the Schedule.

6. **Index and Investments**

Notwithstanding clause 1.3 of the Difference in Conditions provision or the provision in clause 2: Difference in Limits, this Policy covers the loss sustained by the Insured resulting from the application of an average or similar under-insurance condition forming part of a "Local Policy" at each location due to increase in prices, exchange rate fluctuations and new investments during insurance period.

The following terms apply to this provision:

- The Insured shall as far as possible maintain sums insured under "Local Policies" which are commensurate with the full replacement cost or, where applicable, the indemnity value,

- The Company's liability shall not exceed the sub-limit specified in the Schedule,

- in the event of the Company being liable under this provision, an additional premium is payable calculated on the amount of the Company's liability and backdated to the last renewal date before the loss.

- The Company has a right to review or to have reviewed annually all sums insured.

Subject to the sub-limit stated in the Schedule.

7. **Automatic Coverage (New acquisitions reported within 60 days)**

This Policy covers property of the Insured, including any Business Interruption, at any new location rented, leased or purchased by the Insured after the inception date of this Policy for the Period of sixty (60) days from date of acquisition of such location.

No coverage is provided under this clause on property in transit, property insured elsewhere in this Policy or property at any location insured in this Policy.
However, loss or damage caused by or resulting from natural phenomenon, "flood", "earth movement", "riot", "civil commotion", "malicious mischief", "vandalism", strikers, lock-out workers or persons taking part in labour disturbances or "acts of terrorism" or secret acts of foreign enemy or agent of any government is excluded in respect of property insured under this clause.

Subject to the sub-limit stated in the Schedule.

8. **Unscheduled locations**

This Policy also covers property of the Insured at any unscheduled location subject to the Territorial limits of this policy. No coverage is provided under this clause on property in transit, property insured elsewhere in this Policy or property at any location insured in this Policy.

However, loss or damage caused by or resulting from natural phenomenon, "flood", "earth movement", "riot", "civil commotion", "malicious mischief", "vandalism", strikers, lock-out workers or persons taking part in labour disturbances or "acts of terrorism" or secret acts of foreign enemy or agent of any government is excluded in respect of property insured under this clause.

Subject to the sub-limit stated in the Schedule.
VALUATION

1. Declared Value

At the inception of each "Period of insurance" the Insured shall notify the Company the declared value of the property insured. In the absence of such declaration the last amount declared by the Insured shall be taken as the declared value for the ensuing "Period of insurance".

Declared value shall mean the Insured's assessment of the cost of reinstatement or the actual cash value of the property insured calculated in accordance with paragraph 2. below at the level of costs applicable at the inception of the "Period of insurance".

2. Calculation of the Loss Amount

In the event of the property insured being lost destroyed or damaged the basis upon which the amount payable is to be calculated shall be determined in the respective Local Policy.

With respect to the locations where no Local Policy is issued the basis upon which the amount payable is to be calculated, in the event of the property insured being lost destroyed or damaged, shall be following:

2.1 The reinstatement cost of the property lost destroyed or damaged.

Reinstatement means:

a) The rebuilding or replacement of property lost or destroyed.

The rebuilding or replacement may be carried out on the same or another site in any manner suitable to the requirements of the Insured provided that the liability of the Company is not thereby increased.

b) The repair or restoration of property damaged to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

The liability of the Company for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed.

2.2 The actual cash value of the property lost destroyed or damaged

a) in the event that the property lost destroyed or damaged is not repaired rebuilt or replaced on the same or another site within two years from the date of loss;

b) if the property lost destroyed or damaged is obsolete or useless to the Insured;

c) if the actual cash value immediately prior to the loss was less than half of the replacement value.
Actual cash value shall mean the cost to rebuild or replace the property in kind, less depreciation and obsolescence.

The provisions issued on taxation (including but not limited to Value Added Tax) shall be taken into account in Calculation of the Loss Amount.

2.3 The total liability of the Company under this Policy shall not exceed the lesser of the following:

a) the cost to repair, or

b) the cost to rebuild or replace, on the same site, with new materials of equivalent size, kind and quality, or

c) the actual expenditure incurred in rebuilding, repairing or replacing the damaged or destroyed property on the same or another site, but not to exceed the size and operating capacity that existed at the time of loss,

all as of the time when, with due diligence and dispatch, rebuilding, repairing or replacement of the damaged or destroyed property could be effected.

2.4 The following property shall be valued as described below:

a) "stock in process"; the value of raw materials and labour expended plus the proper proportion of overhead charges;

b) "finished stock" or finished goods manufactured by the Insured; the regular cost selling price at the location where the loss occurs, less all discounts and charges to which the merchandise would have been subject had no loss occurred;

c) "raw stock" or raw materials, supplies and other merchandise not manufactured by the Insured; the replacement cost;

d) exposed film, records, manuscripts and drawings; the value blank plus the cost of copying information from backup or from originals of a previous generation, however this Policy does not insure any other costs, including research, engineering or other cost, connecting with restoring or recreating information lost;

e) data, programs or any other software stored on electronic, electromechanical, electromagnetic data processing or production equipment, the cost of transferring such from backup or from originals of a previous generation, however this Policy does not insure any other costs, including research, engineering or other cost, connecting with restoring or recreating information lost;

f) wire, felts, moulds, jigs and fixtures, dies, small tools, patterns, contractors' equipment, employees' personal property and personal property of third parties; the actual cash value, however not exceeding the cost to repair or replace the property with material of similar kind and quality.
3. Average Clause

If at the time of damage the declared value for the property insured is less than the cost of reinstatement then the Company’s liability for any damage hereby insured shall be limited to that proportion thereof which the declared value bears to such cost of reinstatement.

Each of the sums insured is declared to be separately subject to Average.
SECTION II BUSINESS INTERRUPTION INSURANCE

A. SCOPE OF COVER

This insurance shall cover up to the sums insured stated in the Schedule a loss of the "Interest Insured", if at any time during the "Period of Insurance" occurs a physical loss or damage covered under the Section I Property Damage Insurance which causes an interruption of or interference in the insured business activity.

1. The indemnity for the loss of "Interest Insured" shall be in respect of:

1.1 "Gross Profit" the loss actually sustained during the "Indemnity Period" resulting from a reduction in the "turnover" including any "Increased Cost of Working" or

1.2 "Specified Standing Charges"; the amount actually not earned during the "Indemnity Period" resulting from a reduction in the "turnover" including any "Increased Cost of Working" and/or

1.3 Extra Costs or other insurable interests in accordance with that which has been stated in the Schedule, e.g. agreed income, revenue costs or additional costs.

1.4 The amount of indemnity payable shall not exceed the amount of the Sum Insured during the "Indemnity Period".

B. BUSINESS INSURED

"Business Insured" is specified in the Schedule.

The insured business activity shall be included within the cover provided by this insurance to the extent that it was defined at the commencement of the Insurance Period.

C. SUM INSURED

The basis of the calculation of the Sum Insured for each separate insurable interest is stated in the Schedule.

Sum Insured shall mean the sum of the "Gross Profit" and/or "Specified Standing Charges" and/or Extra Costs or other insurable interests as defined in the Schedule for the "Period of Calculation".
D. PERIOD OF CALCULATION

The Period of Calculation is based on the Period of Indemnity. If the Period of Calculation is other than that of a full year duration, then the Period of Calculation shall be extended to a full year.

The Period of Calculation shall begin upon the commencement of the "Period of Insurance". Where the "Loss Period" and the "Indemnity Period" extends beyond the Period of Calculation as defined above, the Period of Calculation shall be duly amended to end at the cessation of the loss of profit, but not beyond the expiry of the "Indemnity Period".

E. PERIOD OF INSURANCE

The Period of Insurance shall be the period specified in the Schedule.

F. TIME EXCESS

The Company shall not be liable, in any single loss occurrence, for the amount obtained by multiplying the average “daily value” of the loss of the “Interest Insured” sustained during the Period, which shall begin at the occurrence of the loss of damage indemnifiable under Section I Property Damage Insurance, and shall continue until the business activity insured has been or could have been resumed, by he number of days specified in the Schedule as the Time Excess or for the amount of any Deductible which may be specified in the Schedule. The Period herein defined shall not, however, exceed the "Indemnity Period".

G. EXCLUSION APPLYING TO THIS SECTION

The Company shall not be liable under this section for any loss of “Interest Insured” resulting from an interruption of or interference with the “Business Insured” caused by

1. loss or damage covered under the Section I Property Damage Insurance respectively, unless expressly specified as being included within the scope of cover in the Schedule;

2. an indirect loss or a loss which occurs after the date when the items lost, destroyed or damaged are in operational condition again and the "Business Insured" could have been resumed. However, this shall not mean "Loss of Market Share" during the "Indemnity Period";

3. loss or damage to finished goods;

4. The Company shall not be liable for the amount of any fines or damages for breach of contract, for late or non-completion of orders, or for penalties of whatever nature.
H. BASIS OF LOSS SETTLEMENT

In the event of an interruption of or interference with the “Business Insured” the basis of the Loss Settlement under this section shall be as follows:

1. Loss of Gross Profit

1.1 In respect of loss of “Gross Profit”, the Company shall pay the amount obtained by multiplying the “Rate of Gross Profit” with the amount by which the actual “turnover” realised during the “Indemnity Period” falls short of the “Turnover” which would have been achieved had the loss or damage not occurred.

1.2 If the Sum Insured is less than the amount obtained by multiplying the “Rate of Gross Profit” with the “Turnover” calculated for the “Period of Calculation”, then the amount payable shall be reduced accordingly.

2. "Specified Standing Charges"

2.1 In respect of “Specified Standing Charges”, the Company shall pay the amount obtained by multiplying the percentage by which the actual “Turnover” realised during the “Indemnity Period” falls short of the “Turnover” which would have been achieved had the interruption of or interference with the “Business Insured” not occurred with the amount of “Specified Standing Charges” incurred during the said interruption or interference (see Clause A 1.2).

2.2 If the Sum Insured is less than the amount obtained by multiplying the “Rate of Gross Profit” with the “Turnover” calculated for the “Period of Calculation”, then the amount payable shall be reduced accordingly.

3. "Increased Cost of Working"

3.1 In respect of the “Increased Cost of Working”, the Company shall pay the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in “Turnover” which, but for such expenditure would have occurred during the “Indemnity Period”.

3.2 The amount of indemnity payable shall not exceed the amount of the loss of interest thereby avoided.

4. Extra Costs and Other Insured Interests

4.1 The Loss Amount in respect of Extra Costs shall be calculated in accordance with the agreed method as specified in the Schedule.

4.2 The Loss Amount in respect of other Insured Interests shall be determined in accordance with what has been insured and specified in the Schedule (see also Clause A 1.3).

5. Calculation of the "Rate of Gross Profit" and "Turnover"

5.1 When calculating the “Rate of Gross Profit” and “Turnover”; the following shall be taken into consideration:
5.1.1 the trend of the “Business Insured”

5.1.2 any variations in or other circumstances affecting the “Business Insured” either before or after the loss or damage or which would have affected the “Business Insured” had the loss or damage not occurred;

5.1.3 any benefits from deferred inter-company or intra-group sales or from increased production and/or profits as a consequence of an interruption of or interference with the “Business Insured” within the company or group which the Insured receives during the loss or damage and during a period of six months immediately following the start-up of the insured plant and/or machinery after the said loss or damage.

5.1.4 allowance for the time spent on any overhauls, inspections or modifications carried out during the period the “Business Insured” was affected by the interruption or interference.

5.1.5 any money paid or payable in respect of goods sold or services rendered elsewhere than at the insured premises for the benefit of the “Business Insured” either by the Insured or by another party acting on behalf of the Insured.

5.1.6 any amount saved during the “Indemnity Period” in respect of any charges and expenses of the “Business Insured” payable out of the “Gross Profit” that may cease or be reduced as a consequence of the loss or damage, so that the final amounts represent as closely as may be reasonably practical the results which the Insured Business would have achieved during the “Loss Period” has the loss or damage not occurred.

5.1.7 In the event of an interruption of or interference with the “Business Insured” occurring during the first year of commercial operation of the “Business Insured”, the amount of the indemnification shall be calculated on the basis of the “Rate of Gross Profit” and “Turnover” for the 12 months following the cessation of the interruption of or interference with the “Business Insured”.

5.1.8 If the Insured Business activity is discontinued after a loss or damage, then the amount of the Business Interruption shall be calculated for the period of time that, based on experience, would have been required to resume the Insured Business activity, however this shall be limited to the “Indemnity Period”. The Insured shall be indemnified for the part of the calculated amount corresponding to the net profit and to any amount actually expended, if this amount is included in the Sum Insured.
I. ADDITIONAL COVERAGE

1. Public Utilities Extension Clause

The Company shall indemnify the Insured for any Business Interruption immediately caused by physical loss or damage insured against by this Policy, occurring during the "Period of Insurance" and within the country the site is situated in, to public utilities (power, water, gas) used by the insured for the purpose of the insured business activity, subject however to the Terms and Conditions of this Policy.

Losses caused by natural phenomenon, "flood" and "earth movement" are not covered by this extension clause.

Subject to the sub-limit stated in the Schedule.

2. Suppliers' and Customers' Extension Clause

The Company shall indemnify the Insured for any Business Interruption immediately caused by a physical loss or damage insured against by this Policy, if the said physical loss or damage occurs during the "Period of Insurance" at the premises of a supplier or customer, which is in direct business relationship with the Insured, subject however, to the terms and Conditions of this Policy.

In respect of any supplier or customer the Company shall not indemnify any Business Interruption losses resulting from a physical loss or damage caused by or resulting from natural phenomenon, "flood", "earth movement", "riot", "civil commotion", "malicious mischief", "Internal machinery breakdown", "vandalism", strikers, lock-out workers or persons taking part in labour disturbances or "acts of terrorism" or secret acts of foreign enemy or agent of any government is excluded in respect of property insured under this clause.

Subject to the sub-limit stated in the Schedule.

3. Group Interdependency Clause

The Company shall indemnify the Insured for any Business Interruption immediately caused by a physical loss or damage, insured against by this Policy, which occurs during the "Period of Insurance" at any intra-group insured location belonging to the Group as defined in the Schedule of this Policy, subject however, to the Terms and Conditions of this Policy.

Subject to the sub-limit stated in the Schedule.
4. Denial of Access Clause

The Company shall indemnify the Insured for any Business Interruption immediately caused by any compulsory orders given by competent Public Authorities on the basis of a physical loss or damage insured against by this Policy, occurring during the "Period of Insurance" to property in the vicinity of the location of property insured by this Policy, which prevents or hinders the use of the property or access thereto, irrespective of whether or not the location of the property insured by this Policy is damaged or not.

Subject to the sub-limit stated in the Policy.

5. Rental Value

This Policy shall cover the interest of the Insured in loss of rental income, or the additional rental expense as a tenant, resulting from the necessary untenantability of a building or structure caused by a physical loss or damage insured against by this Policy to such building or structure.

In determining the amount of loss sustained, due consideration shall be given to the rental experience before the date of loss and the probable experience thereafter had no loss occurred and in the case where the Insured is the lessee, consideration will be given to the excess of the rental value of such premises over the actual rent payable.

From any claim allowable under above, the charges and expenses of the business that may cease or be reduced as a consequence of the loss, destruction or damage during the indemnity period shall be deducted.

Subject to the sub-limit stated in the Schedule.
SECTION III GENERAL TERMS AND CONDITIONS

The following conditions shall apply to all Sections of this Policy including any endorsements attached hereto.

1. TITLES OF CLAUSES

The titles of the various clauses of this Policy (and of endorsements included in this Policy) are solely for reference and shall not in any way affect the provisions to which they relate.

2. LIMITS OF LIABILITY

The liability of the Company in respect of any Occurrence as insured by this Policy (as ascertained after the application of all terms, conditions and limitations of the Policy) shall not exceed the total value at risk combined property damage and business interruption (unless amended by a clause contained within this Policy), as declared to and noted by the Company or the Policy Limit as stated below whichever is the lower.

Furthermore, the following Limits of Liability shall apply in respect of any one occurrence as undernoted (all as more specifically defined in the relevant sections of this policy) in respect of the following covers:

Notes
1) Limits shall apply in full in excess of any Policy Deductible.
2) Limits marked with (*) are deemed to be any one occurrence and in the aggregate in any one Period of Insurance
3) Irrespective of and notwithstanding various Items, Sums Insured or Limits of Liability which may apply in respect of any one occurrence as insured by this Policy, the maximum amount payable in any one Period of Insurance under this Policy is the Policy Limit.

3. TERRITORY

The insurance provided by this Policy applies to scheduled locations and to other locations as described under the various extensions and endorsements to this Policy.

4. DEDUCTIBLE

In each case of loss or damage covered by this Policy, the Company shall not be liable unless the Insured sustains loss or damage in a single occurrence greater than any applicable deductible provided elsewhere in this Policy and then only for its share of that greater amount. When this Policy covers more than one location or Insured company, the deductible shall apply against the total loss or damage covered by this Policy in any one occurrence.

If two or more deductible amounts provided in this Policy apply to a single occurrence, the total to be deducted shall not exceed the largest deductible applicable unless otherwise provided in this Policy.
If this Policy insures against both physical damage to property and Business Interruption, the deductibles as shown in this Policy shall apply separately to each such coverage, even if both are involved in a single occurrence, unless otherwise provided in this Policy.

6. CONSEQUENTIAL DAMAGE

In the event of direct physical loss or damage insured by this Policy to any property situated on the described locations and if such loss or damage, without the intervention of any other independent cause, results in a sequence of events which causes physical loss or damage to other property insured by this Policy, then this Policy will cover such resulting loss or damage. Nothing in this clause shall be deemed to extend this insurance to property which is otherwise specifically excluded from coverages by the terms and conditions of this Policy.

The liability of the Company includes only the physical loss or damage incurred during such period as would be required with the exercise of due diligence under normal conditions to repair or replace the lost or damaged property, and does not include any liability resulting from inability of the Insured to make repairs or replacements because of strikes or labour disputes.

7. REQUIREMENTS IN CASE OF LOSS

The Insured shall give immediate written notice to the Company of any loss, protect the property and the business operations from further loss or damage, forthwith separate the damaged and undamaged personal property, put it in the best possible order, furnish a complete inventory of the lost, destroyed, damaged and undamaged property, showing in detail quantities, costs, actual cash value, replacement cost and amount of loss claimed; and within one hundred and eighty (180) days after the loss, unless such time is extended in writing by the Company, the Insured shall render to the Company a proof of loss, signed and sworn to by the Insured, stating the knowledge and belief of the Insured as to the following:

the time and origin of the loss, the interest of the Insured and of all others in the property, the actual cash value of each item thereof, the amount of loss thereto, the replacement cost, all encumbrances thereon, all other contracts of insurance, whether valid or not, covering any of said property, any changes in the title, use, occupation, location, possession or exposures of said property since the issuing of this Policy, by whom and for what purpose any building herein described and the several parts thereof were occupied at the time of loss whether or not it then stood on leased ground, and shall furnish a copy of all the descriptions and schedules in all Policies and, if required, verified plans and specifications of any building, fixtures or machinery destroyed or damaged.

The Insured, as often as may be reasonably required shall exhibit to any person designated by the Company all that remains of any property herein described, and submit to examinations under oath by any person named by the Company, and subscribe the same; and, as often as may be reasonably required, shall produce for examination at the request of the Company all books of account, business records, bills, invoices and other vouchers, or certified copies thereof if
originals be lost, at such reasonable time and place as may be designated by the Company or its representative, and shall permit extracts and copies thereof to be made.

The Insured shall be obligated to keep for the "Period of Insurance" and for the "Period of Calculation" to hold complete records of the "business insured", including without limitation inventories, production and balance sheets for the three preceding years. All records shall be held in safe keeping and, as a precaution against their being simultaneously destroyed, the Insured shall keep separate sets of such records.

The Insured shall at his own expense produce and furnish to the Company such books of account and other business books or other evidence as may reasonable be required by the Company for the purpose of investigating or verifying the claim together with, if required, a statutory declaration of the truth of the claim and of any matters connected therewith like the proof of the loss.

The Company and the Company's agents shall have unlimited access to the premises where a loss or damage has occurred for the purpose of establishing the possible cause and extent of the loss or damage, its effect on the interest insured, to examine the possibilities for minimising the interruption of or interference with the "business insured", and if necessary to make reasonably recommendations for the avoidance or minimisation of such interruption or interference.

If the Insured or anyone acting on his behalf intentionally or out of gross negligence hinders or obstructs the Company in any way or does not comply with any recommendations the Company may make pursuant, the indemnification on his behalf may be reduced with consideration given to what is reasonable in light of his or hers personal circumstances and other conditions. The aforesaid shall apply where the Insured otherwise must be deemed to have acted or failed to act with knowledge that such act or omission entailed a significant risk that damage would occur or otherwise acted recklessly.

Where an Insured or anyone acting on his behalf is entitled to indemnification and has failed to comply with the terms and conditions of this Policy regarding the obligation to report an insured event to the Company within the time specified in this Section and such failure has caused loss to the Company, such indemnification which otherwise would have been paid to the Insured may be reduced in accordance with what is reasonable under the circumstances.

Unless otherwise agreed, loss will be adjusted and payable to the Insured. However loss or damage indemnifiable under the DIC/DIL/MASTER coverage (see Operation of This Policy) of this Policy shall be payable to the Policyholder.

In a case where a mortgagee has a right to an indemnity, no indemnity will be paid to the Insured until demonstrated by the Insured that the property is free of mortgages, or that the mortgagees have given their consent that the indemnity be paid to the Insured.
The Company shall not be obliged to pay an indemnity unless the party entitled to the indemnity reports his claim within 6 months from the date on which the party making the claim acquired knowledge of his claim.

8. CURRENCY CLAUSE

Unless otherwise agreed and specified in the Schedule, all amounts used herein are in SEK. Premiums and losses shall be payable in SEK and losses shall be adjusted with and payable to the Insured calculated at the official rate of exchange quoted by the European Central Bank and prevailing at the applicable time and place of loss.

9. COMPANY OPTION

It shall be optional with the Company to take all, or any part of the property at the agreed value, or to repair, rebuild or replace the property physically lost or damaged with other of similar kind and quality, within a reasonable time, on giving notice of its intention so to do within sixty (60) days after receipt of the proof of loss herein required.

10. BRANDS AND LABELS

If branded or labelled merchandise covered by this Policy is physically damaged and the Company elects to take all or any part of such merchandise at the value established by the terms and conditions of this Policy, the Insured may, at their own expense, stamp salvage on the merchandise or its containers, or may remove or obliterate the brands or labels, if such stamp, removal or obliteration will not physically damage the merchandise, but the Insured must re-label the merchandise or containers in compliance with the requirements of law.

11. ABANDONMENT

There can be no abandonment to the Company of any property.

12. SETTLEMENT OF CLAIMS

The amount of loss for which the Company may be liable shall be payable sixty (60) days after proof of loss, as herein provided, is received by the Company and ascertainment of the amount of loss is made either by agreement between the Insured and the Company expressed in writing or by the filing with the Company of an award as herein provided.

13. SUBROGATION

The Company may require from the Insured an assignment of all right of recovery against any party for loss to the extent that payment there for is made by the Company. Any recovery as a result of subrogation proceedings arising out of a loss occurrence, after expenses incurred in such subrogation proceedings are deducted, shall accrue to the Insured in the proportion that the deductible amount and/or any provable uninsured loss amount bears to the entire provable loss amount.
14. REDUCTION BY LOSS

Any loss hereunder shall not reduce the amount of this Policy.

15. OVER-INSURANCE

If the Sum Insured exceeds the insurable value, the Company will only pay an indemnity based on the insurable value of the insurable interest.

16. MISREPRESENTATION AND FRAUD

Where, in conjunction with fulfilment of the obligation to provide information which may be material to the decision to issue, extend or renew the insurance, the Policyholder has acted fraudulently or in contravention of good faith, this Policy is invalid pursuant to the provisions of the Swedish Contracts Act (1915:218) and other provisions of property law, and the Company is released from obligation for insured events which occur thereafter.

Where the Policyholder has otherwise intentionally or negligently disregarded the obligation to inform and the Company can show that it would not have issued this Policy had the obligation to inform been fulfilled, the Company shall be released from obligation for any insured event which occurs. Where the Company can show that this Policy would have been issued for a higher premium or would have otherwise been on other terms and conditions than those contracted to, its obligation shall be limited to the amount reflected by the premium and other terms and conditions agreed to. Where the Company has not acquired reinsurance which otherwise would have been acquired, its obligations shall be adjusted accordingly.

The Company’s obligation shall not be excused or limited pursuant this Section 16, where the Company knew or should have known at the time that the obligation to inform was disregarded that the information provided was incorrect or incomplete. The aforesaid shall apply where the incorrect or incomplete information lacked significance or subsequently ceased to be of significance to the contents of the agreement.

Where the Policyholder seeking indemnification from the Company following an insured event intentionally or recklessly incorrectly provides or keeps secret or conceals something of significance for the assessment of the right to insurance indemnification, the indemnification which otherwise would have been paid to him may be reduced in accordance with what is reasonable under the circumstances.

17. CONTENTS OF THE INSURANCE CONTRACT

Any information provided in marketing, advertising or prospectus are not made a part of this Policy unless expressly endorsed herein.

18. PERIOD OF COVER

This Policy covers all losses as herein defined occurring during the "Period of Insurance" specified in the schedule. The "Period of Insurance" incepts at 00.00
hours Local Standard Time on the first day of the period and ends at 24.00
hours Local Standard Time on the last day of the period.

19. POLICY MODIFICATIONS

Notice to any agent or knowledge possessed by any agent or by any other person
shall not effect a waiver or change in any part of this Policy or stop the Company
from asserting any right under the terms and conditions of this Policy, nor shall
the terms and conditions of this Policy be waived or changed, except by en-
dorsement issued to form a part of this Policy.

20. INCREASE IN RISK

The Insured shall give notice to the Company of any alteration which may
increase the risk of loss or damage. Where the risk of an insured event has
increased due to a change of a circumstance set forth in this Policy or which
the Policyholder has provided to the Company in conjunction with the
execution of this Policy, and the Insured has taken or consented to the
measure which contributed to the increased risk, the Company shall, in whole
or in part, be released from obligation. If the Company can show that the
insurance would have been issued for a higher premium or would have
otherwise been on other terms and conditions than those contracted to, the
Company’s obligation shall be limited to the amount reflected by the premium
and other terms and conditions agreed to.

21. DIVISIBLE CONTRACT

If the locations described in this Policy include two or more buildings or the
contents of two or more buildings, the breach of any condition of this Policy in
respect of any one or more of the buildings insured or containing the property
insured shall not prejudice the right to recover for physical loss or damage
occurring in any building insured or containing the property insured where, at
the time of such loss or damage, a breach of condition does not exist.

22. INSPECTION

The Company, at all reasonable times during this "Period of Insurance", shall be
permitted but not obligated to inspect the property insured by this Policy.
Neither the Company's right to make inspections nor the making thereof nor
any report thereon shall constitute any undertaking, on behalf of or for the
benefit of the Insured or others, to determine or warrant that such property is
safe or healthful.

23. REASONABLE PRECAUTIONS

The Insured shall take reasonable precautions to prevent damage. The
instructions and/or guidelines concerning loss prevention and limitation, will
be provided in writing by the Company or by the Local Company(s). Should the
Insured follow said instructions and/or guidelines, this may subsequently lead
to a pre-determined partial return of premium. However, if the Insured fails to
comply with the said instructions or guidelines, the Company may not reduce or
refuse a legitimate claim for indemnity.
24. COLLECTION FROM OTHERS

No loss or part of a loss shall be paid or made good hereunder to the extent the Insured has collected such loss from others.

25. OTHER INSURANCE

The Company shall not be liable for loss or damage under this Policy if at the time of such loss or damage there is any other insurance which would attach if this insurance had not been effected, except that this insurance shall apply only as excess and in no event as contributory insurance, and then only after all other insurance has been exhausted.

26. STATUTE OF LIMITATIONS

The Company shall not be obliged to pay an indemnity unless the party entitled to the indemnity reports his claim within 6 months from the date on which the party making the claim acquired knowledge of his claim or when the claim is time barred by statutory limitation. [See also Clause 7, last paragraph].

27. THE COMPANY'S RIGHT TO DEDUCT AMOUNTS DUE FROM THE INSURED

The Company reserves the right to deduct from an indemnity any unpaid premium or a portion thereof or any other payment due from the Insured. This right shall not be diminished by the Insured's bankruptcy if this Policy is still valid.

28. PREMIUM

The premium is due for payment on the due date.

Premium paid past a due date is subject, for the overdue period, to interest as stipulated by the Swedish Interest Act.

The collection of premium taxes and/or charges imposed by the authorities shall be based on the relevant valid tax rate and/or orders issued by the authorities.

The Insured shall provide information required by the Company to calculate the premium. If the Insured fails to do so, the Company shall have the right to charge a premium it considers reasonable.

If this Policy expires before the end of the "Period of Insurance", the Company shall have the right to retain a pro-rata premium pertaining to the expired portion of the period. The Company reserves the right to retain 10 percent of the total premium for expenses. There shall be no refunds on amounts less than SEK 1000 (one thousand SEK).

If the Company pays an indemnity to someone not entitled to it, the Company's obligations shall be considered to have been fulfilled if the Company has exercised due care when paying the indemnity.
The Policyholder is entitled to give notice terminating the insurance with immediate effect if the need for insurance completely or to a fundamental extent lapses.

The Company may terminate this Policy prior to the end of its term only where:
1. the Policyholder or the Insured has committed a material breach of its obligations to the Company; or
2. a circumstance significant to the risk and referred to in the terms and conditions of this Policy has changed in a manner that the Company cannot be deemed to have taken into consideration.

The termination shall be made in writing with fourteen days notice thereof, calculated from the day on which the Company transmitted the termination. After the Company has received knowledge of the fact upon which it bases such termination, the termination shall take place without unreasonable delay. The Company shall otherwise forfeit the right to terminate this Policy based on such fact unless the Policyholder or the Insured has acted fraudulently or in contravention of good faith.

The Company shall have the right to cancel this Policy for non-payment of premium, unless the delay is of minor significance. The cancellation, which must be in writing, shall become effective 30 days after being sent.

In cases referred to in 1 and 2 above, the Company may instead amend the terms and conditions of this Policy during the policy term. The provisions regarding termination shall apply to such amendment.

The Policyholder shall have the right to cancel this Policy within 30 days from receipt of the notice of refused indemnity. The Policy shall expire on the date on which the notice of cancellation was delivered or sent.

This Policy shall be considered to have expired on any part of property or business transferred to a new owner on the date on which the transfer took place.

The Policy shall nevertheless remain in force for seven days after the transfer of the risk where it applies to the benefit of a natural person who has acquired real property primarily for non-commercial purposes, to the extent that any damage sustained is not covered by another insurance policy relating to the real property. However, where termination of the Policy was due to a reason other than transfer, the termination is valid with respect to the new owner.
30. ARBITRATION

All disputes arising in connection with the contract shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The arbitration proceedings shall be held in the English language. Any arbitration under this clause shall be held in Stockholm in the Monarchy of Sweden.

31. JURISDICTION

Unless otherwise agreed in writing, this Policy shall be subject to Swedish Law.

32. LOSS LIMITS

The maximum liability of the Company under this Insurance agreement shall not exceed any loss limit stated in the insurance policy or schedule.
SECTION IV DEFINITIONS

The following definitions apply to all Sections of this Policy including any endorsements attached hereto.

1. ACTUAL CASH VALUE

Actual cash value shall mean the cost to rebuild or replace the property in kind, less depreciation and obsolescence.

2. BUSINESS INSURED

The commercial operation of the property insured as specified in the Schedule.

3. CIVIL COMMOTION

A substantial disturbance of the public peace by three (3) or more persons assembled together and acting with common intent.

4. DAILY VALUE

The amount of the calendar year days (360 days) shall be used as the basis in the calculation of the average "daily value" of the loss.

5. DESCRIBED LOCATION

Location specified in the Schedule of this Policy.

6. EARTH MOVEMENT

Any natural or man-made earth movement including but not limited to earthquake, landslide, sinkhole, subsidence or volcanic eruption.

7. FINE ARTS

Paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture and silver, rare books, manuscripts, porcelains, rare glass and bric-a-brac, curios, and other similar property, all of which have the quality of rarity, historical value or artistic merit.

8. FINISHED STOCK

Stock manufactured by the Insured, which in the ordinary course of the Insured's business is ready for packing, shipment or sale.

9. FLEXA

Property damage caused by a peril of fire, lightning, explosion or falling aircraft or part thereof, not otherwise excluded by this Policy.
10. FLOOD

Flood waters, waves, tide or tidal water, release of water, rising, overflowing or breaking of boundaries of natural or man-made bodies of water, or the spray from any of the foregoing.

11. GROSS PROFIT

The amount by which the value of the turnover and the value of the closing stock exceed the value of the opening stock and the amount of the “Specified Working Expenses”. The value of the opening and closing stocks shall be calculated in accordance with the Insured’s normal accounting methods, due provisions being made for depreciation.

12. INCREASED COST OF WORKING

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Interest Insured, which but for such expenditure, would have taken place.

13. INDEMNITY PERIOD

The period during which the Interest Insured is affected as a consequence of a loss or damage, commencing with the occurrence of the loss or damage but not exceeding the "Indemnity Period" stated in the Schedule.

14. INTEREST INSURED

Either the "Gross Profit" including any "Increased Cost of Working" or the “Specified Standing Charges” including any "Increased Cost of Working”.

15. INTERNAL MACHINERY BREAKDOWN

Internal machinery breakdown shall mean loss or damage caused by or resulting from:

- Explosion in or of any of the following property owned, operated or controlled by the Insured: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes connecting any of the foregoing; or gas turbines; except that this exclusion shall not apply to explosion of accumulated gases or unconsumed fuel within the firebox or the combustion chamber of any fired vessel, other than gas turbines, or within the flues or passages which conduct the gases of combustion there from.

- Rupture, bursting, cracking, burning or bulking of any of the following property owned, operated or controlled by the Insured: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes connecting any of the foregoing; hot water boilers or other equipment for heating water; pressure vessels, including equipment attached to and forming a part thereof; or gas turbines.

- Mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force.
16. LOCAL POLICY

A policy issued for the Insured by or on behalf of the Company in conjunction with this Policy in a territory where the policy is required by the Insured or to comply with legal requirements.

17. LOSS OF MARKET SHARE

The loss of "Turnover" which is sustained as a direct result of the loss occurrence after the business activity insured has been resumed and has regained the level immediately prior to the said loss occurrence.

18. LOSS PERIOD

The period during which the loss occurrence has a direct effect on the result of the business activity insured.

19. MALICIOUS MISCHIEF AND VANDALISM

Wilful and malicious damage to or destruction of the Insured property.

20. MONEY

Currency, coins and bank notes whether or not in current use and travellers checks, registered checks and money orders held for sale to the public.

21. POLLUTANT

Any solid, liquid, gaseous or thermal irritant or contaminant including, but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals, bacteria, fungi, virus, mold, spores, vaccines, asbestos and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

22. RATE OF GROSS PROFIT

The percentage of Gross Profit earned on the "Turnover" during the "Period of Calculation" or, for the purpose of Clause H 5.1.7 of the Section II, during the financial year immediately following the cessation of the interruption of or interference with the "Business Insured".

23. RAW STOCK

Material which the Insured receives for conversion by the Insured into "Stock in Process" or "Finished Stock".
24. REAL PROPERTY

Real property shall mean building(s) and/or structure(s) in all parts, including alterations, additions and/or extensions attached thereto; and property belonging to and/or constituting a permanent part of the said building(s) and/or structure(s).

25. RIOT

A violent disturbance by three (3) or more persons assembled together which threatens the public peace.

26. SECURITIES

Negotiable and non-negotiable instruments or contracts representing either "money" or other property including tokens, tickets, revenue and other stamps in current use and evidences of debt issued in connection with credit or charge cards.

"Securities" do not include "Money".

27. SEPARATELY AGREED INSURED VALUE

The insured value of an insurance defined on the basis of other principles, e.g. on the basis of certain revenues or additional costs, or for a period shorter than the "Period of Calculation", shall be calculated by taking into account the principles concerned or as separately agreed.

28. SINGLE LOSS

Single Loss shall mean all individual losses occurring during any one Loss Period arising out of and directly occasioned by one event.

The words Loss Period in this context shall mean:

Continuous period of 72 hours in respect of Flood, Windstorm, Hurricane, Typhoon, Rainstorm, Hailstorm, Tornado, Earthquake, Seaquake, Tidal Wave and/or Volcanic Eruption.

29. SPECIFIED STANDING CHARGES

The fixed costs specified in the Schedule which continue to be payable in full during the "Indemnity Period".

30. SPECIFIED WORKING EXPENSES

Any costs incurred for the acquisition of goods, raw materials or auxiliaries as well as for supplies required for the maintenance of operations and any costs incurred for the packaging, carriage, freight, intermediate storage, direct taxes, licence fees and royalties, but only insofar as such costs are dependent on "Turnover".
31. STOCK IN PROCESS

"Raw Stock" which has undergone any aging, seasoning, mechanical or other process of manufacture at described locations but which has not become Finished Stock.

32. TERRORISM

Terrorism shall mean any act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence or any use of violence for the purposes of putting the public or any section of the public in fear.

33. TURNOVER

The amount of money (less discounts allowed) paid or payable to the Insured for goods, products or services sold, delivered or rendered in the course of the "Business Insured".

34. VALUABLE PAPERS AND RECORDS

Written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, but valuable papers and records does not mean money or securities nor does it mean media for or programming records pertaining to electronic or electromechanical data processing or electronically controlled equipment, including data thereon.

35. SPECIFIED PERILS

Fire, Lightning, Explosion, Aircraft or other aerial devices or articles dropped from them, Riot Civil Commotion, Strikers, Locked-out Workers, Persons taking part in Labour Disturbances, Malicious Persons other than thieves, Earthquake, Storm, Flood, Escape of Water from any tank apparatus or pipe or Impact by any road vehicle or animal.

36. WAITING PERIOD

The Company shall not be liable in any loss occurrence, for the business insurance loss sustained during the waiting period stated in the Master Policy wording
MONEY AND SECURITIES ENDORSEMENT

By deleting the exclusion for "money" and "securities" in Section I, Part B. Property Excluded, the Company agrees that if during the Period of Insurance the Insured suffers loss of or damage to Money under any Item for which a Limit of Liability is shown in the Schedule the Company will indemnify the Insured up to the Limit of Liability shown. The Company will also pay for loss or damage sustained as a direct result of theft or attempted theft of Money of or to:

1. any safe or strongroom or any bag or other container used by the Insured for the carrying of Money
2. clothing and personal effects belonging to the Insured or any employee of the Insured following assault or violence or threat thereof for an amount not exceeding SEK 5000 (five thousand SEK) for any one employee.

EXCLUSIONS

This Section does not cover:

1. any loss arising from lack of integrity of the Insured's employees not discovered within 15 working days of the occurrence
2. shortage due to error or omission
3. losses due to theft of or from any vehicle left unattended
4. losses from or damage to vending, amusement, gaming or other coin operated machines
5. consequential loss of any kind or description
6. any loss from any safe or strongroom unless the key or keys thereof are removed from the Premises, or if the person responsible for their safe custody lives on the Premises, removed to that part of the Premises in which the person actually lives.

CONDITIONS

1. The Insured shall exercise due care in selecting employees to be entrusted with Money.
2. If any claim under this Section is also covered in whole or in part by any other insurance effected by or on the behalf of the Insured the Company's liability shall be limited to its rateable proportion of such claim.
3. The Insured shall keep a proper written record of all Money insured by this Section and shall allow the Company to inspect this record at all reasonable times.
4. In respect of any one transit of Negotiable Money by own employees, the minimum number of able-bodied adults who shall carry the Money equally divided between them shall be as follows:

<table>
<thead>
<tr>
<th>Amount of Money</th>
<th>No. of Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to SEK 25,000</td>
<td>One</td>
</tr>
<tr>
<td>SEK 25,001 – SEK 50,000</td>
<td>Two</td>
</tr>
<tr>
<td>SEK 50,001 – SEK 100,000</td>
<td>Three</td>
</tr>
<tr>
<td>Transits in excess of SEK 100,000 (one hundred thousand SEK) shall be by security company</td>
<td></td>
</tr>
</tbody>
</table>

5. The insurance provided by this Section shall be avoided in respect of any item where there is any alteration after the commencement of this insurance which increases the risk of loss destruction or damage unless agreed by the Company in writing.
FINE ARTS ENDORSEMENT

By deleting the exclusion for "fine arts" in Section I, Part B. Property Excluded, this Policy is extended to cover "fine arts" as described in the Schedule of "Fine Arts" whilst in the Insured locations specified in the Schedule.

ADDITIONAL EXCLUSIONS

This Endorsement does not cover:

1. loss or damage from any repairing, restoration or retouching process;

2. loss or damage to property on exhibition at fair grounds or at locations of national or international expositions unless the locations are specifically described in this Policy.

VALUATION

The total liability under this Endorsement shall not exceed the lesser of:

1. the cost to repair or restore the article to the condition that existed immediately prior to the loss; or

2. the cost to replace the article; or

3. the value designated for the article on the Schedule of "Fine Arts".

In the event that a scheduled article is part of a pair or set, and a physically damaged article cannot be repaired or restored to the condition that existed immediately prior to the loss or replaced, the Company shall be liable for the full amount of the value of such pair or set as designated on the Schedule of "Fine Arts" and the Insured shall agree to surrender the remaining article(s) of the pair or set to the Company.

Subject to the sub-limit stated in the Schedule.
VALUABLE PAPERS AND RECORDS ENDORSEMENT

By deleting the exclusion for valuable papers and records in Section I, Part B. Property Excluded, this Policy is extended to cover "valuable papers and records" whilst in the Insured locations specified in the Schedule.

LIMITS OF LIABILITY

In the event of loss or damage covered under this Endorsement the total liability of the Company shall not exceed the lesser of the following:

1. the cost to repair or restore the valuable paper or record to the condition that existed immediately prior to the loss;

2. the cost to replace the "valuable paper or record"; or

3. the limit stated in the Schedule.

ADDITIONAL EXCLUSIONS

This Endorsement does not cover loss or damage to:

1. currency, "money" or "securities";

2. data stored on electronic, electromechanical, electromagnetic data processing or production equipment;

3. property not specifically declared and described, if such property cannot be replaced with other of similar kind and quality;

4. property held as samples or for sale or for delivery after sale.

Subject to the sub-limit stated in the Schedule.
COST OF CLEAN-UP ENDORSEMENT

This Policy is extended to cover the costs of decontamination or removal of the insured property and/or water, soil or any other substance on or under the insured premises made necessary as a result of such direct physical loss or damage not excluded by this Policy, if such costs are incurred as a result of an order issued by a government agency, court or other fully recognized authority pertaining to the insured property and/or water, soil or any other substance on or under the insured premises, arise from and are limited to:

1. carrying out a survey and, when necessary, cleaning or replacing the soil;

2. treatment at a hazardous waste processing plant, or transport to the nearest suitable refuse dump or storage site, including the cost of storage;

3. restoring the water, soil or any other substance on or under the insured premises to the state which existed before the loss, destruction or damage.

The insurance does not cover costs for carrying through of the measurements demanded by the authorities or could have been demanded before the insurance event took place.

It is a condition precedent to recovery under this endorsement that the Company shall have paid or agreed to pay for direct physical loss or damage to the Property Insured hereunder unless such payment is precluded solely by the operation of any excess and that the Insured shall give notice to the Company of intent to claim for cost of clean up or cost of decontamination NO LATER THAN 12 MONTHS AFTER THE DATE OF SUCH PHYSICAL LOSS OR DAMAGE.

This Policy does not cover fines or penalties incurred or sustained by the Insured or imposed on the Insured at the order of a government agency, court or other authority, in connection with any kind or description of environmental impairment, including seepage or pollution or contamination from any cause.

Nothing in this Endorsement shall override any radioactive contamination exclusion in the Policy to which this Endorsement is attached.

Subject to the sub-limit stated in the Schedule.
NATURAL PHENOMENON ENDORSEMENT

By deleting the exclusion no. 15 in Section I, Part D. Perils Excluded, this Policy is extended to cover physical loss or damage caused by or resulting from avalanche, windstorm, hurricane, typhoon or tornado.

Losses due to a cause covered by this Endorsement that have been incurred within a continuous 72 hour period shall be deemed to be a single loss.

LIMITS OF LIABILITY

The Company shall not be liable under the terms of this Endorsement for more than the limits of liability specified elsewhere in this Policy for each occurrence and during any policy year. If this Policy includes Business Interruption Coverage, the foregoing limits shall be the maximum amount collectible under this Endorsement.

ADDITIONAL EXCLUSIONS

1. This Endorsement does not apply to property insured under a State or Government scheme.

2. This Endorsement does not apply to property in transit.

3. This Endorsement does not apply to any property insured under the Automatic Coverage Clause, Unscheduled Locations Clause, Public Utilities Clause or Errors and Omissions Clause (if applicable)

Subject to the sub-limit stated in the Schedule.
FLOOD ENDORSEMENT

By deleting the exclusion no. 16 in Section I, Part D. Perils Excluded, this Policy is extended to cover physical loss or damage caused by or resulting from "flood".

Losses due to a cause covered by this Endorsement that have been incurred within continuous period of 72 hours shall be deemed to be a single loss.

LIMITS OF LIABILITY

The Company shall not be liable under the terms of this Endorsement for more than the "flood" limits of liability specified elsewhere in this Policy for each occurrence and during any policy year. If this Policy includes Business Interruption Coverage, the foregoing limits shall be the maximum amount collectible under this Endorsement.

ADDITIONAL EXCLUSIONS

1. This Endorsement does not apply to property in the Netherlands if the loss is a result of breakage or overflowing of dams or dikes.

2. This Endorsement does not apply to property insured under a State or Government scheme.

3. This Endorsement does not apply to property in transit.

4. This Endorsement does not apply to any property insured under the Automatic Coverage Clause, Unscheduled Locations Clause, Public Utilities Clause or Errors and Omissions Clause (if applicable)

Subject to the sub-limit stated in the Schedule.
EARTH MOVEMENT ENDORSEMENT

By deleting the exclusion no. 17 in Section I, Part D. Perils Excluded, this Policy is extended to cover physical loss or damage caused by or resulting from "earth movement".

Wherever used in this Endorsement, the term single "earth movement" includes all earth movements occurring within a continuous 72 hour period.

LIMITS OF LIABILITY

The Company shall not be liable under the terms of this Endorsement for more than the earth movement limits of liability specified in the Schedule for each single "earth movement" and during any policy year. If this Policy includes Loss of Profits Coverage, the foregoing limits shall be the maximum amount collectible under this Endorsement.

ADDITIONAL EXCLUSIONS

1. This Endorsement does not apply to property insured under a State or Government scheme.

2. This Endorsement does not insure against loss or damage caused by or resulting from "flood" regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

3. This Endorsement does not apply to any property insured under the Automatic Coverage Clause, Unscheduled Locations Clause, Public Utilities Clause or Errors and Omissions Clause (if applicable)

Subject to the sub-limit stated in the Schedule.
STRIKE, RIOT AND CIVIL COMMOTION ENDORSEMENT

By deleting the exclusion no. 18 in Section I, Part D. Perils Excluded this Policy is extended to cover physical loss or damage caused by or resulting from "riot", "civil commotion", "malicious mischief", "vandalism", strikers, locked-out workers or persons taking part in labour disturbances.

ADDITIONAL EXCLUSIONS

There shall be no liability under this clause for:

1. loss or damage caused by theft or any attempt thereat;

2. loss or damage when the premises are left vacant or disused;

3. loss or damage resulting from cessation of work;

4. loss or damage occasioned by or happening through confiscation or destruction or requisition by order of the government or any other public authority;

This Endorsement does not apply to any property insured under Automatic Coverage Clause, Unscheduled Locations Clause or Errors and Omissions Clause (if applicable).

In any action, suit or other proceedings where the Company alleges that by reason of the provisions of this condition any loss or damage is not covered by the Policy the burden of proving that such loss or damage is covered shall be upon the Insured.

Subject to the sub-limit stated in the Schedule.
INTERNAL MACHINERY BREAKDOWN ENDORSEMENT

By deleting the exclusion no. 20 in Section I, Part D. Perils Excluded this Policy is extended to cover physical loss or damage caused by or resulting from the "internal machinery breakdown".

ADDITIONAL EXCLUSIONS

There shall be no liability under this clause for:

1. "Internal machinery breakdown" of wires, felts, moulds, jigs and fixtures, dies, small tools or patterns unless physical damage not otherwise excluded by this Policy results, in which event, this Policy shall cover only such resulting damage.

Subject to the sub-limit stated in the Schedule.
ERRORS AND OMISSIONS ENDORSEMENT

In the event of physical loss or damage to property of the Insured located in the country in which the locations herein insured are situated and such loss or damage is not payable under this Policy solely because of:

1) any error or unintentional omission in the description or location of property insured under this Policy, which error or omission existed at the inception date of this Policy; or

2) any error or unintentional omission in the description or location of property insured under this Policy, in any subsequent amendments to this Policy; or

3) failure through error or unintentional omission to include

   3.1 any location owned or occupied by the Insured at the inception date of this Policy, or

   3.2 any location newly acquired or occupied during the term of this Policy and not reported within sixty (60) days; or

   3.3 any error or unintentional omission which results in cancellation of property insured under this Policy,

such loss or damage shall be insured by this Policy only to the extent this Policy would have provided coverage had the error or unintentional omission not been made, up to the sub-limit specified in the Schedule.

It is a condition of this coverage that such error or unintentional omission shall be reported and corrected when discovered.

However, loss or damage caused by or resulting from "flood", "earth movement", "riot", "civil commotion", "malicious mischief", "vandalism", strikers, lock-out workers or persons taking part in labour disturbances or "acts of terrorism" or secret acts of foreign enemy or agent of any government is excluded in respect of property insured under this clause.

Subject to the sublimit stated in the Schedule
EXTRA EXPENSE ENDORSEMENT

This Policy is extended to cover the Extra Expense incurred by the Insured during the "Indemnity Period" in order to continue as nearly as practicable the normal operations of the Insured’s business following a covered physical loss or damage of the type insured against by this Policy, to property not otherwise excluded by this Policy, utilised by the Insured and located as described elsewhere in this Policy.

For the purposes of this Endorsement, the Extra Expense is defined as the excess (if any) of the total cost incurred during the "Indemnity Period" chargeable to the operation of the Insured’s business, over and above the total cost that would normally have been incurred to conduct the business during the same period had no loss or damage occurred. Any salvage value of property obtained for temporary use during the "Indemnity Period", which remains after the resumption of normal operation, shall be taken into consideration in the adjustment of any loss hereunder.

SPECIAL CONDITIONS

There shall be no liability under this clause for:

1. loss of income;

2. the cost of repairing or replacing any real or personal property, or the cost of research or other expense necessary to replace or restore books of account, abstracts, drawings, card index systems or other records (including film, tape, disc, drum, cell or other magnetic recording or storage media for electronic data processing) that have been lost or damaged by peril(s) insured against by this Policy, except cost in excess of the normal cost of such repair, replacement or restoration necessarily incurred for the purpose of reducing loss under this Policy. In no event shall such excess cost exceed the amount by which the total Extra Expense loss otherwise payable under this Policy is hereby reduced; or

3. any other consequential or remote loss; or

4. any expenses covered under other coverage parts or endorsements to this Policy.

Subject to the sub-limit stated in the Schedule.
ACCOUNTS RECEIVABLE ENDORSEMENT

This policy is extended to cover:

1. All sums due to the Insured from customers, provided the Insured is unable to effect collection thereof as the direct result of loss of or damage to records of accounts receivable,

2. Interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible by such loss or damage,

3. Collection expense in excess of normal collection cost and made necessary because of such loss or damage to the extent that such extra costs reduces the loss hereunder.

In the event it is possible to reconstruct the Insured’s Accounts Receivable Records after they have been physically lost or damaged, the Company shall be liable only for the costs of material and time required to re-establish and/or reconstruct such Accounts Receivable Records, but only so far as not covered by any other form of insurance.

When there is proof that a loss covered by this policy has occurred but the Insured cannot more accurately establish the total amount of accounts receivable outstanding as of the date of loss, such amount shall be computed as follows:

1. The monthly average of accounts receivable during the last available twelve months, together with collection expenses in excess of normal collection costs and made necessary because of such loss or damage, and reasonable expenses incurred in re-establishing records of accounts receivable following such loss or damage, shall be adjusted in accordance with the percentage increase or decrease in the twelve months average of monthly gross revenues which may have occurred in the interim.

2. The monthly amount of account receivable established shall be further adjusted in accordance with any demonstrable variance from that average for the particular month in which the loss occurred, due consideration also being given to the normal fluctuations in the amount receivable within the fiscal month involved.

There shall be deducted from the total amount of accounts receivable, however established, the amount of such accounts evidenced by records not lost or damaged or otherwise established or collected by the Insured and an amount to allow for probable bad debts which would have been uncollectible by the Insured.

Subject to the sub-limit stated in the Schedule.
FIXED PROPERTY AND BUILDINGS IN WHICH THE INSURED HAS AN INSURABLE INTEREST.

For the purposes of this insurance contract real estate and buildings shall also include all constructions and equipment which are located within the insured premises, being electrical equipment, water tanks, apparatus or pipes, heating equipment, drains and sewers and sprinklers.

The cover provided by this insurance on buildings also includes the underneath of the basement floor. If a building has a cellar or basement floor then cover shall also include any possible supporting girders onto which the cellar or basement floors have been built, underground service pipes, electrical systems and other such property which maybe located beneath these floors including foundations and pile works.

Subject to the sub-limit stated in the Schedule.
1. Electronic Data Exclusion

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:-

a) This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting there from, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. Computer Virus includes but is not limited to “trojan horses”, “worms” and “time or logic bombs”.

b) However, in the event that a peril listed below results from any of the matters described in paragraph a) above, this Policy, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Policy period to property insured by this Policy directly caused by such listed peril.

Listed Perils
Fire
Explosion

2. Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:-

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

NMA 2915 (25.1.01)
Form approved by Lloyd’s Underwriters’ Non-Marine Association Limited
MOULD & FUNGI ENDORSEMENT

A. This Policy only insures physical loss or damages to property insured by mould, mildew, fungus or spores, when directly caused by property insured during the policy period by one of the following listed perils:

Fire; Earthquake; Explosion; Lightning; Windstorm; Hail; Flood or water damage; Direct impact of a vehicle; Aircraft or vessel; Riot or civil commotion; Vandalism or malicious mischief; or Accidental discharge of fire protection equipment.

The coverage is subject to all limitations of the Policy and, in addition, to each of the following specific limitations:

1. The said property must be insured for physical loss or damage by a listed peril
2. The Insured must report to the Company the existence and cost of the physical loss or damage by mould, mildew, fungus, or spores as soon as practically possible, but no later than six (6) months after the listed peril first caused any physical loss or damage to such insured property during the policy period. This Policy does not insure any physical loss or damage by mould, mildew, fungus or spores first reported to the Company after that six (6) month period.

B. Except as set forth in the foregoing section A, this Policy does not insure any loss, damage, claim, cost, expense, or other sum directly or indirectly arising out of or relating to mould, mildew, fungus, spores of any type, nature or description.

Subject to the sub-limit stated in the Schedule.
LEAKAGE OF OIL AND OTHER LIQUIDS ENDORSEMENT

This Policy is extended to cover loss of or damage to real and personal property or on third party property occasioned by sudden and unforeseen leakage of oil or other liquids from any fixed oil tank, pipes or apparatus in so far as this loss or damage is for the Insured's account.

This Policy further covers the costs incurred in order to locate the rupture or the defect, including the necessary structural disturbance and repair of the walls, floors and other parts of the building.

Leakage shall also mean overflowing.

Subject to the sub-limit stated in the Schedule.
TENANTS AND NEIGHBOURS LIABILITY ENDORSEMENT

This Policy extends to indemnify the Insured against the Liability, which the Insured incurs:

- as tenant under the articles of any civil or commercial code, because of damage to real or personal property by a peril insured against,

- under the articles of any civil or commercial code for damage to real or personal property from a peril insured against spreading from the Insured’s premises to the premises of neighbours and co-tenants,

- as landlord under articles of any civil or commercial code for damage to the personal property of tenants by a peril insured against as a result of constructional defects or lack of maintenance.

This extension applies only to liabilities incurred in France, Belgium and Italy and only in case where the Insured has not been able to obtain an indemnity from any insurance effected by the landlord.

Subject to the sub-limit stated in the Schedule.
RESEARCH AND DEVELOPMENTS COST ENDORSEMENT

This Policy covers loss or damage to research projects including the value of extra time spent on research projects, and the extra expenses incurred in order to resume projects or otherwise minimise the time lost, resulting from or caused by a peril not otherwise excluded.

In the event of loss, damage or destruction to property as covered according to Section I, which result in an interruption of research and developments activities, this Policy shall cover the actual loss sustained of continuing fixed charges and expenses, directly attributable to such research and development activities.

From any claims allowable under above shall be deducted such of the charges and expenses of the business as may cease or reduced in consequence of the loss, destruction or damage during the Indemnity Period.

Subject to the sub limit stated in the schedule
GOODS IN TRANSIT EXTENSION ENDORSEMENT

It is understood and agreed that Section 1 – Property Damage of this Policy is extended to cover the Property Insured in the event of Damage whilst In Transit within the Territorial Limits during the Period of Insurance.

The Company will pay to the Insured the value of the Property Insured at the time of it having sustained Damage or at the option of the Company the amount of the Damage or at the option of the Company reinstate or replace such Property Insured or any part thereof.

Provided that the liability of the Company under this Endorsement (including Extensions hereto) for any one event shall not exceed the sublimit stated in section 1 – Property Damage

Definitions

For the purpose of this Endorsement

Property Insured means machinery belonging to the Insured or for which the Insured are responsible and connected with the Business, only to the extent that the owner is not entitled to compensation for loss under any other insurance.

In Transit means being carried to its destination by rail and/or road and/or postal conveyances including loading and unloading and whilst temporarily housed in the course of being carried to its destination.

Territorial means Sweden, or such territorial limit that is agreed on in the schedule of limits this Policy, including transit directly between such territories.

Extensions

The insurance provided by this Endorsement includes

Additional Expenses additional costs and expenses reasonably and necessarily incurred by the Insured in transferring the Property Insured to another vehicle, or reloading on the original vehicle for onward delivery or return to the Premises and removal of debris due to fire, explosion, collision or overturning of the carrying vehicle, subject to a limit of SEK 10 000 any one event

Employees’ Effects in so far as the same are not otherwise insured Damage to employees’ personal property due to fire, explosion, collision or overturning of the carrying vehicle, subject to a limit of SEK3000 any one employee any one event

Ropes/Sheets Damage ropes, sheets, tarpaulins, trolleys and the like whilst In Transit, subject to a limit of SEK 10 000 any one event
Special Condition

In addition to General Condition 7 – Requirements in case of loss of this Policy, it is a condition precedent to any liability of the Company that on the happening of any event which may give rise to a claim under this Endorsement the Insured:

a) in the case of Property Insured carried by sea and/or air and/or rail and/or road and/or postal carrier takes all practicable steps to notify the carrier concerned in writing of the Damage within the time limits notification of claims stipulated in the applicable conditions of carriage or contract.

b) in the case of Damage to a package or consignment retain the Property Insured and packaging in the same state as delivered for inspection by the Company.
NOTIFIABLE DISEASE

Damage is extended to include loss resulting from:

1. (a) any occurrence of a Notifiable Disease (as defined below) at the Premises or a Notifiable Disease attributable to food or drink supplied from the Premises,

   (b) any discovery of an organism at the Premises likely to result in the occurrence of a Notifiable Disease,

2. the discovery of vermin or pests at the Premises,

3. any accident causing defects in the drains or other sanitary arrangements at the Premises,

   which causes restrictions on the use of the Premises on the order or advice of the competent local authority,

4. any occurrence of murder or suicide at the Premises.

Special Provisions

(a) Notifiable Disease shall mean illness sustained by any person resulting from

   (1) food or drink poisoning, or

   (2) an occurrence of a human infectious or human contagious disease which the competent local authority has stipulated shall be notified to them with the exception of any occurrence, whether directly or indirectly, of;

   (i) Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition

   (ii) Severe Acute Respiratory Syndrome (SARS) corona virus

   (iii) Influenza A virus

   or any virus and/or conditions derived from the above including, but not limited to, H1N1, H7N7 and H5N1.

(b) For the purpose of this Extension

   Indemnity Period shall mean the period during which the results of the Business shall be affected in consequence of the Damage, beginning with the date from which the restrictions on the Premises are applied (or in the case of 4. above, with the date of the occurrence) and ending not later than the Maximum Indemnity Period thereafter.

   Maximum Indemnity Period shall mean 3 months.

Premises shall mean only those locations stated in the Premises definition; in the event that the Material Damage or Business Interruption Sections include an extension which deems Damage at other locations to be Damage at the Premises such extension shall not apply to this Extension.

(c) The Insurer shall not be liable under this Extension for any costs incurred in the cleaning, repair, replacement, recall or checking of property.

(d) The Insurer shall only be liable for loss arising at those Premises which are directly subject to the Damage.

(e) The liability of the Insurer shall not exceed the Inner Limit of Liability stated in the Policy.

(f) Notwithstanding Special Provision (c), the insurance by this Extension
extends to include the costs and expenses necessarily incurred with the consent of the Insurer in
(1) cleaning and decontamination of property used by the Insured for the purpose of the Business (other than stock in trade),
(2) removal and disposal of contaminated stock in trade, at or from the Premises, the use of which has been restricted on the order or advice of the competent local authority solely in consequence of the Damage as defined above.
TERRORISM INSURANCE

Property Damage Wording

Insuring Clause

Subject to the exclusions, limits and conditions hereinafter contained, this Insurance insures buildings and contents against physical loss or physical damage by an Act of Terrorism, as herein defined, occurring during the period of this Policy as stated in the Schedule attaching to and forming part hereof, (hereinafter referred to as the “Schedule”).

For the purpose of this Insurance, an act of terrorism means an act, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

LOSSES EXCLUDED

This Policy DOES NOT INSURE AGAINST:-

1. Loss or damage arising directly or indirectly from nuclear detonation, reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, reaction, nuclear radiation or radioactive contamination may have been caused.

2. Loss or damage occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or government entities, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power or martial law or confiscation by order of any Government or public authority.

3. Loss by seizure or illegal occupation.

4. Loss or damage caused by confiscation, requisition, detention, legal or illegal occupation, embargo, quarantine, or any result of any order of public or government authority which deprives the Assured of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.

5. Loss or damage directly or indirectly arising from or in consequence of the discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant of toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

6. Loss or damage by chemical or biological release or exposure of any kind.

7. Loss or damage by attacks by electronic means including computer hacking or the introduction of any form of computer virus.

8. Loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, riots or civil commotion unless physical loss or damage is caused directly by an Act of Terrorism.
9. Loss or increased cost occasioned by any Public or Civil Authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder.

10. Any consequential loss or damage caused by any other ensuing cause.

11. Loss of use, delay or loss of markets, however caused or arising, and despite any preceding loss insured hereunder.

12. Loss or damage caused by cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications of any type or service.

13. Loss or increased cost as a result of threat or hoax, in the absence of physical damage due to an act of terrorism.

14. Loss or damage caused by or arising out of burglary, house-breaking, theft or larceny or caused by any person taking part therein.

PROPERTY EXCLUDED

THIS POLICY DOES NOT COVER:

1. Land or Land Values.

2. Power Transmission or feeder lines not on the Assured's premises.

3. Any building or structure, or property contained therein, while such building or structure is vacant or unoccupied or inoperative for more than thirty days.

4. Aircraft or any other Aerial device, or watercraft.

5. Any land conveyance, including vehicles, locomotives or rolling stock, unless such land conveyance is declare hereon and solely whilst located at the property insured herein at the time of its damage.

6. Animals, plants and living things of all types.

7. Property in Transit not on the Assured's premises.

ONUS OF PROOF

In any claim and/or action, suit or proceeding to enforce a claim for loss under this policy, the burden of proving that the loss is recoverable under this Policy and that no limitation or exclusion of this policy applies and the quantum of loss shall fall upon the Assured.

OTHER INSURANCE

This Policy does not cover any loss or damage, which at the time of the happening of such loss or damage is insured by, or would, but for the existence of this Policy, be insured by any other insurance policy or policies either primary or excess.
TERRITORIAL LIMITS

This Policy insures property owned by the Assured and located as described in the Schedule.

SUM INSURED

The Underwriters hereon shall not be liable for more than the sum insured stated in the Schedule in respect of each occurrence and in the annual aggregate.

DEDUCTIBLE

Each occurrence shall be adjusted separately and from the amount of each such adjusted loss; the sum stated in the Schedule shall be deducted.

OCCURRENCE

The term “Occurrence” shall mean any one loss and/or series of losses arising out of and directly occasioned by one Act or series of Acts of Terrorism for the same purpose or cause. The duration and extent of any one “Occurrence” shall be limited to all losses sustained by the Assured at the property insured herein during any period of 72 consecutive hours arising out of the same purpose or cause. However no such period of 72 consecutive hours may extend beyond the expiration of this policy unless the Assured shall first sustain direct physical damage by an Act of Terrorism prior to expiration and within said period of 72 consecutive hours nor shall any period of 72 consecutive hours commence prior to the attachment of this Policy.

DEBRIS REMOVAL

This Policy also covers, within the sum insured, expenses incurred in the removal of debris of property covered hereunder which may be directly destroyed or damaged by an Act of Terrorism.

The cost of removal of debris shall not be considered in determination of the valuation of the property covered.

CONDITIONS

1. DUE DILIGENCE

The Assured (or any agent, sub or co-contractor of the Assured) shall at all times and at his own expense use due diligence and do (and concur in doing and permit to be done) all things reasonably practicable (including but not limited to precautions to protect or remove the property and interests insured herein) to avoid or diminish any loss herein insured.

2. PROTECTION MAINTENANCE

It is agreed that any protection provided for the safety of the insured property shall be maintained in good order throughout the currency of this Policy and shall be in use at all
relevant times, and that such protection shall not be withdrawn or varied to the detriment of the interests of the Underwriters without their consent.

3. **VALUATION**

It is understood that, in the event of damage, settlement shall be based upon the cost of repairing, replacing or reinstating (whichever is the least) on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:

(a) The repairs, replacement or reinstatement (all hereinafter referred to as “replacement”) must be executed with due diligence and dispatch;

(b) Until replacement has been effected the amount of liability under this policy in respect of loss shall be limited to the actual cash value at the time of loss;

(c) If replacement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, any increased cost of replacement due thereto shall not be covered by this Policy.

The Underwriters’ liability for loss under this Policy including this endorsement shall not exceed the smallest of the following amounts:

(i) The amount of the Policy applicable to the destroyed or damaged property,

(ii) The replacement cost of the property or any part thereof identical with such property and intended for the same occupancy and use,

(iii) The amount actually and necessarily expended in replacing said property or any part thereof.

4. **INCORRECT DECLARATION PENALTY**

If the values declared as stated in the Schedule are less than the correct insured values as determined above, then any recovery otherwise due hereunder shall be reduced in the same proportion that the values declared bear to the values that should have been declared, and the Assured shall co-insure for the balance.

5. **NOTIFICATION OF CLAIMS**

The Assured, upon knowledge of any occurrence likely to give rise to a claim hereunder, shall give immediate written advice thereof to the Underwriters and or the Broker, named for that purpose in the Schedule, who is to advise Underwriters within 72 hours of such knowledge of any occurrence.

6. **PROOF OF LOSS**

The Assured shall render a signed and sworn proof of loss within sixty (60) days after the occurrence of a loss (unless such period be extended by the written agreement of Underwriters) stating the time, place and cause of loss, the interest of the Assured and all others in the property, the sound value thereof and the amount of loss or damage thereto.

If Underwriters have not received such proof of loss within two years of the expiry date of this policy, they shall be discharged from all liability hereunder.
7. SUBROGATION

If the Underwriters become liable for any payment under this Policy in respect of loss or damage the Underwriters shall be subrogated, to the extent of such payment, to all the rights and remedies of the Assured against any party in respect of such loss or damage and shall be entitled at their own expense to sue in the name of the Assured. The Assured shall give to the Underwriters all such assistance in his power as the Underwriters may require to secure their rights and remedies and, at Underwriters’ request shall execute all documents necessary to enable Underwriters effectively to bring suit in the name of the Assured including the execution and delivery of the customary form of loan receipt.

8. SALVAGE AND RECOVERIES

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.

9. FALSE OR FRAUDULENT CLAIMS

If the Assured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall become void and all claim hereunder shall be forfeited.

10. ABANDONMENT

There shall be no abandonment to the Underwriters of any property.

11. INSPECTION AND AUDIT

The Underwriters shall be permitted but not obligated to inspect the Assured’s property at any time. Neither the Underwriters’ right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Assured or others, to determine or warrant that such property is safe.

The Underwriters may examine and audit the Assured’s books and records at any time during the Policy period and extensions thereof and within two years after the final termination of this Policy, as far as they relate to the subject matter of this Insurance.

12. ASSIGNMENT

Assignment or transfer of this Policy shall not be valid except with the written consent of Underwriters.

13. RIGHTS OF THIRD PARTIES EXCLUSION

This Policy is effected solely between the Assured and Underwriters. This Policy shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any term of this Policy. The Contract (Rights of Third Parties) Act 1999 is expressly excluded from this Policy.

This clause shall not affect the rights of the Assured.

14. NON-CANCELLATION

Policy non-cancellable by either Underwriters (other than for non-payment of premium) or the assured.
JURISDICTION

United States of America Federal Law (or state law as applicable) will govern this Policy. Any disputes arising hereunder will be exclusively subject to United States of America Federal jurisdiction (or state jurisdiction as applicable).

ARBITRATION

If the Assured and Underwriters fail to agree in whole or in part regarding any aspect of this Policy, each party shall, within ten (10) days after the demand in writing by either party, appoint a competent and disinterested arbitrator and the two chosen shall before commencing the arbitration select a competent and disinterested umpire. The arbitrators together shall determine such matters in which the Assured and Underwriters shall so fail to agree and shall make an award thereon, and if they fail to agree, they will submit their differences to the umpire and the award in writing of any two, duly verified, shall determine the same.

The parties to such arbitration shall pay the arbitrators respectively appointed by them and bear equally the expenses of the arbitration and the charges of the umpire.

SERVICE OF SUIT (USA)

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Assured will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States district Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon Mendes & Mount and/or nominees as stated in the Schedule and, that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorised and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Assured to give a written undertaking to the Assured that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision thereof, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Assured or any beneficiary hereunder arising out of this contract of insurance and hereby designate the above-named as the person to whom the said officer is authorised to mail such process or a true copy thereof.

SEVERAL LIABILITY

The Underwriters' obligations under this Policy are several and not joint and are limited solely to their individual subscriptions. The Underwriters are not responsible for the subscription of any co-subscribing Underwriter who for any reason does not satisfy all or part of its obligations.
TERRORISM INSURANCE

Business Interruption Extension Wording

In consideration of the premium paid, and subject to the EXCLUSIONS, CONDITIONS AND LIMITATIONS of the Policy to which this Extension is attached, and also to the FOLLOWING ADDITIONAL CONDITIONS, EXCLUSIONS AND LIMITATIONS, this Policy is extended to cover loss resulting from necessary Interruption of Business, relating only to the premises affected by the Act of Terrorism, caused by Direct Physical Loss or Damage by an Act of Terrorism, as covered by the Policy to which this Extension is attached, to property insured by this Policy.

In the event of such Direct Physical Loss or Damage, Underwriters shall be liable for the Actual Loss Sustained by the Assured resulting directly from such necessary Interruption of Business, but not exceeding the reduction in Gross Earnings, as defined hereafter, less charges and expenses which are not necessary during the Interruption of Business, for a period not to exceed the lesser of:-

a) such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the property as has been destroyed or damaged,

or

b) EIGHTEEN (18) calendar months,

commencing with the date of such Direct Physical Loss or Damage and not limited by the expiration of this Policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent necessary to resume operations of the Assured with the same operational capability as existed immediately before the loss.

CONDITIONS

1. DIRECT DAMAGE

No claim shall be payable under this Extension unless and until a claim has been paid, or liability admitted, in respect of Direct Physical Loss or Damage by an Act of Terrorism to property insured under the Policy to which this Extension is attached and which gave rise to Interruption of Business.

This Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a deductible in said Policy which excludes liability for losses below a specified amount.

2. RESUMPTION OF OPERATIONS

If the Assured could reduce the loss resulting from the Interruption of Business,

a) by complete or partial resumption of operation of the property,

and/or

b) by making use of merchandise, stock (raw, in process or finished), or any other property at the Assured’s locations or elsewhere,

and/or
c) by using or increasing operations elsewhere,

then such possible reduction shall be taken into account in arriving at the amount of loss hereunder.

3. EXPENSES TO REDUCE LOSS

This Extension also covers such expenses as are necessarily incurred for the purpose of reducing loss under this Extension (except expenses incurred to extinguish a fire), and, in respect of Manufacturing Risks, such expense, in excess of normal, as would necessarily be incurred in replacing any finished stock used by the Assured to reduce loss under this Extension; but in no event to exceed the amount by which loss under this Extension is thereby reduced. Such expenses shall not be subject to the application of any contribution clause.

4. VALUATION

All amounts and accounting details to be calculated using the Assured's usual Generally Accepted Accounting Standards.

EXCLUSIONS

THIS EXTENSION DOES NOT INSURE AGAINST:-

1. Increase in loss resulting from interference at the insured premises, by strikers or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation.

2. Increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured Interruption of Business, and then Underwriters shall be liable for only such loss as affects the Assured's earnings during, and limited to, the period of indemnity covered under this Policy.

3. Increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder.

4. Loss of Market or any other consequential loss except as specifically insured herein.

5. Loss as a result of physical or mental or bodily injury to any person.

LIMITATIONS

1. Underwriters shall not be liable for more than the smaller of either:-
   a) Any Specific Business Interruption Sum Insured stated in the Schedule,
   or
   b) The Sum Insured stated in the Schedule, where such includes Business Interruption, if such is a combined limit,

   in respect of such loss, regardless of the number of locations suffering an interruption of business as a result of any one occurrence.

2. With respect to loss resulting from damage to or destruction of media for, or programming records pertaining to, electronic data processing or electronically controlled equipment,
including data thereon, by the perils insured against, the length of time for which underwriters shall be liable hereunder shall not exceed:-

a) 30 consecutive calendar days or the time required with exercise of due diligence and dispatch to reproduce the data thereon from duplicates or from originals of the previous generation, whichever is less; or,

b) the length of time that would be required to rebuild, repair or replace such other property herein described as has been damaged or destroyed, but not exceeding twelve (12) calendar months,

whichever is the greater length of time.

DEFINITIONS

1. **GROSS EARNINGS** are for the assessment of premium and for adjustment in the event of loss defined as,

   The sum of:-

   a) Total net sales value of production or sales of merchandise,

   and

   b) Other earnings derived from the operations of the business.

   LESS THE COST OF

   c) Raw stock from which production is derived,

   d) Supplies consisting of materials consumed directly in the conversion of such raw stock into finished stock, or in supplying the services sold by the Assured,

   e) Merchandise sold including packaging materials therefor,

   f) Materials and supplies consumed directly in supplying the service(s) sold by the Assured,

   g) Service(s) purchased from outsiders (not employees of the Assured) for resale which do not continue under contract,

   h) The difference between the cost of production and the net selling price of finished stock which has been sold but not delivered,

No other costs shall be deducted in determining Gross Earnings.

In determining Gross Earnings due consideration shall be given to the experience of the business before the date of loss or damage and the probable experience thereafter had loss not occurred.

2. **RAW STOCK**

   Material in the state in which the Assured receives it for conversion into finished stock.

3. **STOCK IN PROCESS**
Raw stock which has undergone any ageing, seasoning, mechanical or other process of manufacture at the Assured’s premises but which has not become finished stock.

4. FINISHED STOCK

Stock manufactured by the Assured which in the ordinary course of the Assured’s business is ready for packing, shipment or sale.

5. MERCHANDISE

Goods kept for sale by the Assured which are not the product of manufacturing operations conducted by the Assured.

6. NORMAL

The condition that would have existed had no loss occurred.
INSURANCE PLEDGE AGREEMENT

dated 19 January 2018

THE COMPANIES NAMED HEREIN
as Pledgors

and

MOUNT STREET MORTGAGE SERVICING LIMITED
as Security Agent

regarding rights under certain insurance policies
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This INSURANCE PLEDGE AGREEMENT (this “Agreement”) is dated 19 January 2018 and made between:

(1) THE COMPANIES listed in Schedule 1 (List of Pledgors) (together the “Pledgors” and each a “Pledgor”); and

(2) Mount Street Mortgage Servicing Limited, as security agent for the Secured Parties (the “Security Agent”) under the Finance Documents, on behalf of the Secured Parties.

BACKGROUND

A. Pandox Midco B.V. (as Borrower), amongst others, has entered into a facility agreement dated 13 December 2017 (the “Facility Agreement”) whereby Bank of America Merrill Lynch International Limited (as Arranger), amongst others, has agreed to make available to the Borrower term loan facilities for the purpose of the acquisition of Vesway DAC and, indirectly, 21 hotels located in the United Kingdom and Ireland (the “Transaction”).

B. Each Pledgor and the Security Agent (acting on behalf of the Secured Parties) are entering into this Agreement for the purpose of securing the various obligations and liabilities under the Finance Documents.

C. This Agreement is entered into subject to the terms of the Facility Agreement.

I. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

“Acceleration Event” means an Event of Default is continuing and the Agent has given notice, in accordance with clause 24.18 (Acceleration) of the Facility Agreement, to the relevant Pledgor or the Obligors’ Agent that it is taking any of the steps set out in paragraphs (a) and (b) of clause 24.18 (Acceleration) of the Facility Agreement.

“Business Day” means a day (other than a Saturday or Sunday) on which banks are open for general business in London, Dublin and Amsterdam and which is a TARGET Day.

“Excluded Payments” means any payments made in respect of the properties listed in Schedule 2 (Excluded assets) under the Insurances and any leases of office space not located at a property listed in Part IV (Property) of Schedule 1 (Original Parties and Property) of the Facility Agreement.

“Finance Documents” shall have the meaning ascribed thereto in the Facility Agreement.

“Insurance” means (i) the insurance(s) held by the Pledgors and issued by the Insurer in favour of the Pledgors as specified in Schedule 3 (List of Insurances), as renewed and amended from time to time in accordance with this Agreement and (ii) any New Insurance in force from time to time, in each case save for Insurances in respect of properties which do not form part of the Transaction.

“Insurer” means each company listed in Schedule 3 as “Insurer” or any insurer under a New Insurance.
“New Insurance” means any insurance in favour of the Pledgor which replaces an insurance and which complies with the requirements set out in Clause 8.3.

“Permitted Payments” means any payments or proceeds under the Insurances that are permitted in accordance with clauses 23.10(i)(ii)–(iv) of the Facility Agreement applied in accordance with clause 23.10(i).

“Pledge” means the Security created pursuant to this Agreement.

“Secured Liabilities” means all present and future obligations and liabilities (whether actual or contingent, whether owed jointly or severally or in any other capacity whatsoever and whether originally incurred by an Obligor or another Transaction Obligor or by some other person) of each Obligor to any Secured Party under each Finance Document.

“Secured Parties” means the Security Agent, the Agent, the Hedge Counterparty, each Lender and the Arranger from time to time party to the Facility Agreement and any Receiver or Delegate.

“Security” means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

“Security Assets” means all of each Pledgor’s title to, and rights under or pursuant to, the Insurances, other than the Third Party Payments and Excluded Payments.

“Security Period” means the period beginning on the date of this Agreement and ending on the date when all Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and each commitment of the Secured Parties under the Finance Documents has been cancelled or terminated.

“Third Party Payments” means any payments under the Insurances to which a third party, other than a member of the Group, has a legal right against the Insurer.

1.2 Construction

1.2.1 Unless otherwise defined in this Agreement, terms defined in the Facility Agreement shall have the same meanings when used in this Agreement and the rules of construction set out in clause 1.2 of the Facility Agreement shall apply also to this Agreement.

1.2.2 A reference in this Agreement to the Security Agent is always a reference to the Security Agent acting on behalf of the Secured Parties (unless expressly stated otherwise).

1.2.3 No failure to exercise, nor any delay in exercising, on the part of the Security Agent and the Secured Parties, any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy.

1.2.4 The Lenders may from time to time appoint a successor to the Security Agent in accordance with the terms of the Facility Agreement. With regards to the replacement of the Security Agent, each Pledgor shall at the request of the Lenders or the Security Agent take all actions necessary to preserve the Pledge.
2. **GRANT OF PLEDGE**

As continuing security for the due and punctual fulfilment of the Secured Liabilities, each Pledgor hereby irrevocably and unconditionally pledges to the Secured Parties, represented by the Security Agent, all its title, right and interest in, to and under the Security Assets.

3. **PERFECTION OF PLEDGE**

3.1 On the date hereof, each Pledgor shall notify the Insurers of the Pledge created over the Security Assets in the form set out in Schedule 4 (Form of notice of Pledge) and each Pledgor shall use its reasonable endeavours to procure that the Insurers acknowledge receipt of such notice substantially in the form set out in Schedule 4 (Form of notice of Pledge).

3.2 Whenever a New Insurance is entered into, each Pledgor shall promptly notify the New Insurer of the Pledge created over the Security Assets and each Pledgor shall use its reasonable endeavours to procure that the Insurer acknowledges receipt of such notice substantially in the form set out in Schedule 4 (Form of notice of Pledge).

4. **CONTINUING SECURITY**

4.1 The Pledge shall be a continuing Security, and shall extend to the ultimate balance of the Secured Liabilities and shall continue in force notwithstanding any intermediate payment or discharge in whole or in part of the Secured Liabilities.

4.2 This Agreement is in addition to and is not in any way prejudiced by any present or future guarantee, collateral, lien or other Security held by the Secured Parties.

4.3 The Secured Parties’ rights hereunder are in addition to and not exclusive of those provided by law.

5. **PAYMENTS UNDER THE INSURANCES**

5.1 All amounts payable by an Insurer to a Pledgor under the Insurances (excluding Third Party Payments, Excluded Payments and Permitted Payments) shall be paid in accordance with Clause 23.10(i) of the Facility Agreement. Subject to clause 5.3, no Pledgor shall accept any payment (excluding Excluded Payments and Permitted Payments), discharge or set-off under the Insurances, unless instructed by the Security Agent to do so. All amounts paid to the Security Agent under the Insurances shall become part of the Pledge and may be applied towards prepayment of the Secured Liabilities in accordance with Clause 10 (Application of proceeds).

5.2 Any payments made in accordance with Clause 5.1 may be released by the Security Agent to the relevant Pledgor if the Security Agent in its sole discretion determines that such payments shall be so released.

5.3 For as long as no Acceleration Event is continuing, all Permitted Payments shall be made to the relevant Pledgor in accordance with the Facility Agreement. Following the occurrence of an Acceleration Event and for as long as it is continuing, all Permitted Payments shall be made to the Security Agent on behalf of the Secured Parties. All Permitted Payments made to the Security Agent shall become part of the Pledge and
may be applied towards prepayment of the Secured Obligations in accordance with
Clause 10 (Application of proceeds).

5.4 All Third Party Payments shall be made by the Insurers directly to the third party entitled
to such payment. To the extent a Pledgor receives any Third Party Payments, the amount
so received shall be treated as “escrow funds” (redovisningsmedel) and shall be held
separately for the account of the third party entitled to such amount. Any such amount shall
be transferred as soon as possible to the relevant third party.

6. POWERS OF THE SECURITY AGENT AND DELEGATION

6.1 For the purpose of (i) establishing, maintaining, preserving, protecting and perfecting the
Pledge, (ii) exercising the rights hereunder, and (iii) enforcing the Pledge pursuant to
Clause 9 (Enforcement of Pledge), each Pledgor irrevocably authorises and empowers the
Security Agent and any nominee or agent designated by the Security Agent, after the
occurrence of an Event of Default which is continuing, to act in its own name or in the
name of such Pledgor and, on behalf of such Pledgor, to do all acts and take any steps it
deems necessary in respect of the Security Assets or otherwise. In exercising these powers,
the Security Agent shall not be obliged to obtain the further consent of the relevant
Pledgor, but shall, if it is practically possible in the reasonable opinion of the Security
Agent, notify the relevant Pledgor of any actions taken by it pursuant to such powers
granted to it under this Clause 6.1. The power of attorney set out in this Clause 6 is
irrevocable and shall be valid until the expiry of the Security Period.

6.2 The Security Agent may at any time delegate to any person(s) all or any of its rights,
powers and discretions under this Agreement on such terms (including power to sub-
delegate) as the Security Agent sees fit and employ agents, managers, employees, advisers
and others on such terms as the Security Agent sees fit for any of the purposes set out in
this Agreement. The Security Agent shall not be bound to supervise or in any way be liable
or responsible to any Pledgor or any person for any losses, liabilities or expenses arising
from any act, default, omission or misconduct on the part of such delegate or sub-delegate.

7. REPRESENTATIONS

7.1 Each Pledgor makes the following representations, in respect of the Insurances, to each of
the Secured Parties:

(a) The copies of the insurance policies attached as Schedule 6 (Insurance policies)
and each copy of an insurance policy in respect of a New Insurance delivered by
the Pledgor to the Security Agent pursuant to Clause 8.4 are a true, complete and
up-to-date copy of the respective insurance policy for the Insurances, as in effect
on the date hereof or the date of delivery, as the case may be.

(b) The Insurances are in full force and effect (other than to the extent any Insurance
has been replaced by a New Insurance).

(c) The Pledgor is the sole owner of the Security Assets and there is no claim by any
person in respect of the ownership of the Security Assets outstanding against the
Pledgor.

(d) No member of the Group or other party related to the Pledgor has a right to any
payment under the Insurances.
(e) There are no restrictions applicable to the Pledgor or the Insurances, preventing the Pledgor from pledging the Security Assets.

7.2 The representation set out in Clause 7.1 are made by each Pledgor from the date of this Agreement and are deemed to be repeated by each Pledgor on each other date during the Security Period on which any of the Repeating Representations are repeated under the Facility Agreement, by reference to the facts and circumstances then existing.

8. COVENANTS OF THE PLEDGORS

8.1 No Pledgor shall sell, transfer or dispose or agree or attempt to sell, transfer or dispose of the Security Assets, or any part thereof, or permit the same to occur.

8.2 No Pledgor shall create or agree or attempt to create any Security or third party right in the Security Assets or any interest therein, or permit the same to exist, other than the Pledge.

8.3 Each Pledgor shall maintain and renew the Insurances in accordance with the terms of the Facility Agreement.

8.4 Each Pledgor shall, prior to the expiration (or termination) of an Insurance, provide the Security Agent with evidence that the Insurance (i) has been renewed, or (ii) has been replaced with a New Insurance in accordance with Clause 8.3 and that the relevant Insurer has been notified of the Pledge in accordance with Clause 3.2.

8.5 Each Pledgor must promptly notify the Security Agent and the Agent of any claim, and any actual or threatened refusal of any claim, under any of the Insurances in each case where the amount of such claim (together with any connected claims) exceeds the SEK equivalent of GBP75,000 or EUR75,000.

8.6 Unless instructed otherwise by the Security Agent, each Pledgor shall make and enforce any and all claims and rights it is entitled to make under the Insurances if it is commercially reasonable to do so. If a Pledgor determines that it is not commercially reasonable to make and enforce a claim under the Insurances, such Pledgor must as soon as possible inform the Security Agent of such determination and provide the Security Agent with reasonably detailed explanation of the same. No Pledgor shall release the relevant Insurer from any of its obligations under an Insurance, or otherwise do, omit to do, or permit to be done, any act, matter, or thing which may prejudice the rights of the Secured Parties in and to the Security Assets. Notwithstanding the foregoing, all payments by the relevant Insurer under an Insurance shall be made in accordance with Clause 5 above.

9. ENFORCEMENT OF PLEDGE

9.1 Upon the occurrence of an Acceleration Event and for as long as it is continuing, the Security Agent shall be entitled to enforce the Pledge or any part thereof by:

(a) requesting immediate payment of any amounts due under the Insurances and exercising any other rights of the Pledgors thereunder in accordance with the terms of the Insurances;

(b) selling the Security Assets by private or public sale or auction or in such manner and on such terms as the Security Agent in its sole discretion deems appropriate.
Where reasonably practicable and not detrimental to the interests of the Secured Parties, the Security Agent shall give notice of such intended or actual action to the relevant Pledgor five (5) Business Days before the exercise of any right under this Clause 9.1.

9.2 The Secured Parties are entitled to decide in their own discretion which Security shall be applied towards the satisfaction of the Secured Liabilities and in what order.

9.3 Any subsequent remedy of an Acceleration Event shall not in any way prejudice the enforcement of the Pledge which had been initiated whilst such default was continuing.

9.4 Chapter 10 Section 2 of the Swedish Commercial Code (*Handelsbalken*) shall not apply to this Agreement or any enforcement hereunder.

10. APPLICATION OF PROCEEDS

Subject to the terms of the Finance Documents, all moneys (or other consideration) obtained by the Security Agent or its designee by virtue of operation of law or through the exercise of the rights, powers and remedies under this Agreement, shall be applied by the Security Agent towards the discharge of the Secured Liabilities in the manner, order and priority determined by the Security Agent. When all the Secured Liabilities have been fully and irrevocably discharged, the surplus (if any) shall be paid to the relevant Pledgor.

11. FURTHER ASSURANCE

Each Pledgor shall, from time to time and at its own expense, upon the request of the Security Agent, promptly take all actions and duly execute and deliver any and all such transfers, powers of attorney, notifications, confirmations and other documents as the Security Agent deems necessary for the purpose of perfecting, preserving, protecting and enforcing the Pledge and for the Secured Parties to obtain the full benefit of this Agreement and the rights and powers granted under it.

12. WAIVER OF DEFENCES

The Pledge shall not be affected in any way by any variation, extension, waiver, compromise or partial release of the Secured Liabilities, the Finance Documents or of any Security from time to time granted in respect thereof; or by any change in the laws, rules or regulations of any jurisdiction or by any present or future action of any governmental authority or court amending, varying, reducing or otherwise affecting, or purporting to amend, vary, reduce or otherwise affect, any of the Secured Liabilities or the Finance Documents.

13. NON-COMPETITION AND WAIVER OF SUBROGATION

13.1 Each Pledgor irrevocably waives any claim against any relevant member of the Group arising by way of subrogation or otherwise as a result of the enforcement of the Pledge and agrees that it will not by virtue of any Security enforced or moneys received by the Secured Parties, for or on account of the Secured Liabilities:
(a) be subrogated to or have the benefit of any rights of, Security or moneys held, received or receivable by, the Secured Parties or be entitled to any right of contribution or indemnity; or

(b) claim, rank, prove or vote as a creditor in the bankruptcy, liquidation, re-organisation or dissolution of any party, or exercise any right of set-off or recourse against any party, in competition with any Secured Party.

13.2 To the extent a Pledgor receives any payment, distribution or benefit of security in violation of the terms of this Agreement, the amount or benefit so received shall be treated as “escrow funds” (redovisningsmedel) and shall be held separately for the account of the Secured Parties. Any such amount or benefit shall be transferred immediately to the Security Agent.

14. COSTS AND EXPENSES

14.1 Each Pledgor shall, promptly on demand (and in any event within three Business Days of demand), pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with the enforcement (or attempted enforcement) of, or the preservation (or attempted preservations) of any rights under, any Secured Document or the Transaction Security and with any proceedings instituted by or against the Security Agent or that Secured Party as a consequence of it entering into a Finance Document, taking or holding the Transaction Security, or enforcing those rights.

15. RELEASE OF SECURITY

15.1 Upon the expiry of the Security Period, the Security Agent shall, at the request and cost of the Pledgors, release to the Pledgors all rights and interest of the Secured Parties in or to the Security Assets, or part thereof, as the case may be, and give such instructions and directions, and deliver such documents, as the relevant Pledgor reasonably may require in order to effect such release. The Security Agent shall notify the relevant Insurer when the Pledge has been released in form and substance substantially similar to that notice set out in Schedule 5 (Notice of release), such notice to be sent to the address provided to the Security Agent by the relevant Pledgor.

15.2 Where an amount has been received by the Security Agent under the Finance Documents or this Agreement, but the Security Agent determines that there is a reasonable risk that such payment will be avoided or otherwise set aside in the course of bankruptcy proceedings or other similar proceedings, such amount shall not be considered to have been irrevocably paid for the purposes of this Agreement.

16. ASSIGNMENT

16.1 The Security Agent and each Secured Party may at any time assign its rights and/or obligations under this Agreement, provided such assignment is permitted under the Facility Agreement and, with respect to any assignment by a Secured Party other than the Security Agent, provided the Secured Party’s participation in the Facility Agreement is assigned simultaneously to the same assignee. With regards to any such assignment, each Pledgor shall at the request of the Security Agent take all action necessary to preserve the Pledge.

16.2 No Pledgor may assign any of its rights and/or obligations under this Agreement.
17. **NOTICES**

Clause 34 (Notices) in the Facility Agreement shall apply also to this Agreement.

18. **FORCE MAJEURE AND LIMITATION OF LIABILITY**

18.1 Neither the Security Agent nor any of the Secured Parties shall be held responsible for any damage arising out of any Swedish or foreign legal enactment, or any measure undertaken by a Swedish or foreign public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance. The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Security Agent or a Secured Party takes such measures, or is subject to such measures.

18.2 Any damage that may arise in other cases, including in connection with the enforcement of the Pledge, shall not be indemnified by the Security Agent or a Secured Party. The Security Agent or any Secured Party shall not in any case be held responsible for any indirect, special, punitive or consequential damage and/or loss of profit, reputation, goodwill or anticipated saving. Should there be an obstacle as described above for the Security Agent or a Secured Party to take any action in compliance with this Agreement, such action may be postponed until the obstacle has been removed.

19. **SECURITY AGENT PROVISIONS**

19.1 The Security Agent executes this Agreement as security agent in the exercise of the rights, powers and authority conferred and vested in it under the Facility Agreement and any other Finance Documents, for and on behalf of the Secured Parties for whom it acts. It will exercise its powers, rights, duties and authority under this Agreement in the manner provided for in the Facility Agreement and any other Finance Document and, in so acting, the Security Agent will have the protections, immunities, rights, powers, authorisations, indemnities, limitations of liability and benefits conferred on it under any of the Facility Agreement and the other Finance Documents.

19.2 The Security Agent shall not owe any fiduciary duties to any party to this Agreement or any of their directors, employees, agents or affiliates.

19.3 Notwithstanding any other provision of this Agreement, in acting under and in accordance with this Agreement, the Security Agent is entitled to seek instructions from the relevant Lenders in accordance with the provisions of the Facility Agreement and other Finance Document and at any time, and where it so acts or refrains from acting on the instructions of the relevant Lenders entitled to give it instructions, the Security Agent shall not incur any liability to any person for so acting or refraining from so acting.

20. **GOVERNING LAW AND JURISDICTION**

20.1 This Agreement and any non-contractual obligations arising out of or in connection with it are governed by Swedish law.

20.2 Subject to Clause 20.3, the courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement). The City Court of Stockholm (Stockholms tingsrätt) shall be court of first instance.
20.3 Clause 20.2 is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings in any other courts with jurisdiction over each Pledgor or any of its assets. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.
SIGNED and DELIVERED for and on behalf of
JURYS CORK CP DESIGNATED ACTIVITY
COMPANY by its lawfully appointed attorney

in the presence of:

Witness Signature: ____________________________
Witness Name: ________________________________
Witness Address: ______________________________

Witness Occupation: ____________________________

SIGNED and DELIVERED for and on behalf of
JURYS INNS GROUP DESIGNATED ACTIVITY
COMPANY by its lawfully appointed attorney

in the presence of:

Witness Signature: ____________________________
Witness Name: ________________________________
Witness Address: ______________________________

Witness Occupation: ____________________________
JYRUS BRIGHTON B.V.
as Pledgor

Authorised signatory
Name:

JYRUS SHEFFIELD B.V.
as Pledgor

Authorised signatory
Name:

JYRUS SWINDON B.V.
as Pledgor

Authorised signatory
Name:

JYRUS SWINDON CP B.V.
as Pledgor

Authorised signatory
Name:

JYRUS BRADFORD B.V.
as Pledgor

Authorised signatory
Name:
<table>
<thead>
<tr>
<th>Company</th>
<th>Authorised signatory</th>
<th>Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>JYRUS CARDIFF B.V.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>as Pledgor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorised signatory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JYRUS INVERNESS B.V.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>as Pledgor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorised signatory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JYRUS CHELTENHAM B.V.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>as Pledgor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorised signatory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JYRUS MIDDLESBROUGH B.V.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>as Pledgor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorised signatory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JYRUS EAST MIDLANDS B.V.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>as Pledgor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorised signatory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
JURYS HOTEL MANAGEMENT (UK) LIMITED
as Pledgor

Signed by as
attorney for Jurys Hotel
Management (UK) Limited Signature

CHAMBERLAIN HOTELS LIMITED
as Pledgor

Signed by as
attorney for Chamberlain Hotels Limited

HOTEL COLLECTION HOTEL NO. 1 LIMITED
as Pledgor

Signed by as
attorney for Hotel Collection
Hotel No. 1 Limited

HOTEL COLLECTION HOTEL NO. 4 LIMITED
as Pledgor

Signed by as
attorney for Hotel Collection
Hotel No. 4 Limited

MOUNT STREET MORTGAGE SERVICING LIMITED
as Security Agent, acting for itself and on behalf of the Secured Parties

Stephen Northage
Signed by Authorised Signatory as
attorney for Mount Street
Mortgage Servicing Limited
## SCHEDULE 1

**LIST OF PLEDGORS**

<table>
<thead>
<tr>
<th>Company</th>
<th>Registered number</th>
<th>Jurisdiction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jurys Cork CP DAC</td>
<td>Ireland</td>
<td>575998</td>
</tr>
<tr>
<td>Jurys Inns Group DAC</td>
<td>Ireland</td>
<td>418679</td>
</tr>
<tr>
<td>Jyrys Cardiff B.V.</td>
<td>The Netherlands</td>
<td>65189450</td>
</tr>
<tr>
<td>Jyrys Inverness B.V.</td>
<td>The Netherlands</td>
<td>65189493</td>
</tr>
<tr>
<td>Jyrys Cheltenham B.V.</td>
<td>The Netherlands</td>
<td>65189795</td>
</tr>
<tr>
<td>Jyrys Middlesbrough B.V.</td>
<td>The Netherlands</td>
<td>65189841</td>
</tr>
<tr>
<td>Jyrys East Midlands B.V.</td>
<td>The Netherlands</td>
<td>65189531</td>
</tr>
<tr>
<td>Jyrys Brighton B.V.</td>
<td>The Netherlands</td>
<td>65189787</td>
</tr>
<tr>
<td>Jyrys Sheffield B.V.</td>
<td>The Netherlands</td>
<td>60170719</td>
</tr>
<tr>
<td>Jyrys Swindon B.V.</td>
<td>The Netherlands</td>
<td>60170905</td>
</tr>
<tr>
<td>Jyrys Swindon CP B.V.</td>
<td>The Netherlands</td>
<td>60170921</td>
</tr>
<tr>
<td>Jyrys Bradford B.V.</td>
<td>The Netherlands</td>
<td>60170948</td>
</tr>
<tr>
<td>Jurys Hotel Management (UK) Limited</td>
<td>England and Wales</td>
<td>3447849</td>
</tr>
<tr>
<td>Chamberlain Hotels Limited</td>
<td>England and Wales</td>
<td>02307261</td>
</tr>
<tr>
<td>Hotel Collection Hotel No. 1 Limited</td>
<td>England and Wales</td>
<td>09173742</td>
</tr>
<tr>
<td>Hotel Collection Hotel No. 4 Limited</td>
<td>England and Wales</td>
<td>09174106</td>
</tr>
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</table>
SCHEDULE 2

EXCLUDED ASSETS

Short term leases

<table>
<thead>
<tr>
<th>Property</th>
<th>Tenure</th>
<th>Owner</th>
<th>Address</th>
<th>Title Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Jurys Inn Aberdeen</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>The part of the Union Square, Guild Street, Aberdeen retail and leisure development (the &quot;Centre&quot;) comprising ground floor lobby, eight upper floors and plant room on Centre roof (the &quot;Plant Room&quot;)</td>
<td>ABN1033 97</td>
</tr>
<tr>
<td>2. Jurys Inn Aberdeen Airport</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Jurys Inn Hotel Aberdeen Airport, Argyll Road, Dyce, Aberdeen</td>
<td>ABN6558 7</td>
</tr>
<tr>
<td>3. Jurys Inn Brighton</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Jurys Inn Brighton, 101 Stroudley Road, Brighton BN1 4DJ</td>
<td>ESX3527 47</td>
</tr>
<tr>
<td>4. Jurys Inn Derby</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>The Hotel, King</td>
<td>DY19760 2</td>
</tr>
<tr>
<td>Property</td>
<td>Tenure</td>
<td>Owner</td>
<td>Address</td>
<td>Title Number</td>
</tr>
<tr>
<td>------------------</td>
<td>----------------</td>
<td>--------------------------------------</td>
<td>----------------------------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jury EDI Limited</td>
<td>43 Jeffrey Street, Edinburgh EH1 1DH</td>
<td>MID188529</td>
</tr>
<tr>
<td>Edinburgh</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jury Hotel Management (UK) Limited</td>
<td>The Hotel, Carnegie House, Russell Street, Exeter EX1 2AE</td>
<td>DN593661</td>
</tr>
<tr>
<td>Exeter</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jury Hotel Management (UK) Limited</td>
<td>Jurys Inn, South Shore Road, Gateshead; two canopy areas included only at first floor</td>
<td>TY498921</td>
</tr>
<tr>
<td>Gateshead</td>
<td></td>
<td></td>
<td></td>
<td>TY533119 (Car Park)</td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jury Hotel Management (UK) Limited</td>
<td>Hotel at Kings Waterfront, Liverpool</td>
<td>MS570128</td>
</tr>
<tr>
<td>Liverpool</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jury Hotel Management (UK) Limited</td>
<td>308 Midsummer Boulevard</td>
<td>BM328172</td>
</tr>
<tr>
<td>Milton Keynes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jury Hotel Management (UK) Limited</td>
<td>Jurys Inn Hotel, St James Gate, Newcastle Upon Tyne</td>
<td>TY397835</td>
</tr>
<tr>
<td>Newcastle</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jurys Inn</td>
<td>Short Leasehold</td>
<td>Jury Hotel Management (UK) Limited</td>
<td>Hotel on the west side of London Road,</td>
<td>NT425233</td>
</tr>
<tr>
<td>Nottingham</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Property</td>
<td>Tenure</td>
<td>Owner</td>
<td>Address</td>
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<td>----------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>12.</td>
<td>Jurys Inn Parnell</td>
<td>Short Leasehold</td>
<td>Jurys Inns Group DAC</td>
<td>Basement (part), Ground (part), Second, Third, Fourth and Fifth Floors of Moore Street Plaza, Parnell Street Dublin</td>
</tr>
<tr>
<td>13.</td>
<td>Jurys Inn Plymouth</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>The Hotel, Exeter Street, Plymouth PL4 0AZ</td>
</tr>
<tr>
<td>14.</td>
<td>Jurys Inn Southampton</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Jurys Inn Hotel, Charlotte Place, Southampton SO14 0TB above ground level only</td>
</tr>
<tr>
<td>15.</td>
<td>Jurys Inn Watford</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>31-35 Clarendon Road, Watford</td>
</tr>
<tr>
<td>16.</td>
<td>Jurys Inn Middlesbrough (car park)</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Land adjoining Gurney House, Gurney Street, Middlesbrough.</td>
</tr>
</tbody>
</table>
## Existing operating leases

<table>
<thead>
<tr>
<th></th>
<th>Property</th>
<th>Tenure</th>
<th>Owner</th>
<th>Address</th>
<th>Title Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Jurys Inn Cardiff</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Park Hotel, Park Place, Cardiff CF10 2BG</td>
<td>CYM349408</td>
</tr>
<tr>
<td>2</td>
<td>Jurys Inn Cheltenham</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Thistle Hotel, Gloucester Road, Cheltenham GL51 0TS</td>
<td>GR306239</td>
</tr>
<tr>
<td>3</td>
<td>Jurys Inn Brighton Waterfront</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Thistle Hotel, Kings Road, Brighton BN1 2GS</td>
<td>ESX305709</td>
</tr>
<tr>
<td>4</td>
<td>Jurys Inn Bradford</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>2 Thornton Road, Bradford BD1 2DH</td>
<td>WYK928259</td>
</tr>
<tr>
<td>5</td>
<td>Jurys Inn East Midlands</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Thistle Hotel, East Midlands Airport, Castle Donington, Derby DE74 2SH</td>
<td>LT398971</td>
</tr>
<tr>
<td>6</td>
<td>Jurys Inn Middlesbrough</td>
<td>Short Leasehold</td>
<td>Jurys Hotel Management (UK) Limited</td>
<td>Thistle Hotel, Fry Street, Middlesbrough TS1 1JH</td>
<td>CE196115</td>
</tr>
</tbody>
</table>
### Intra-group franchising agreements

<table>
<thead>
<tr>
<th>Agreement date</th>
<th>Franchisee</th>
<th>Franchisor</th>
<th>Properties affected</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 April 2007 (as amended by an Extension and Amendment Agreement dated 18 September 2012)</td>
<td>Chamberlain Hotels Limited</td>
<td>Jurys Inns Group DAC (formerly Rickwood Limited)</td>
<td>Jurys Inn Birmingham</td>
</tr>
<tr>
<td>14 April 2007 (as amended by an Extension and Amendment Agreement dated 18 September 2012 and further amended by an Amendment and Restatement Agreement dated 6 December 2017)</td>
<td>Jurys Hotel Management (UK) Limited (formerly Jurys Doyle Hotel Group (UK) Limited)</td>
<td>Jurys Inns Group DAC (formerly Rickwood Limited)</td>
<td>Jurys Inn Manchester; Jurys Inn Croydon; Jurys Inn Glasgow; Jurys Inn Brighton; Jurys Inn Plymouth; Jurys Inn Liverpool Hotel; Jurys Inn Leeds; Jurys Inn Newcastle; Jurys Inn Southampton; Jurys Inn Nottingham; Jurys Inn Milton Keynes;</td>
</tr>
<tr>
<td>Date</td>
<td>Original franchisee</td>
<td>Current franchisee: Jurys Hotel Management (UK) Limited (novated by way of a deed of amendment dated 1 August 2016)</td>
<td>Jurys Inns Group DAC</td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------------</td>
<td>---------------------------------------------------------------------------------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>1 November 2015</td>
<td>Curzon Hotels (Operator) Limited</td>
<td>Jurys Inns Group DAC</td>
<td>The Parc Hotel Cardiff; Thistle Inverness; Thistle Cheltenham; Thistle Middlesbrough; Thistle East Midlands Airport; Thistle Brighton; Thistle Aberdeen Airport</td>
</tr>
<tr>
<td>1 November 2015</td>
<td>Hotel Collection No. 1 Limited</td>
<td></td>
<td>Hinckley Island Hotel</td>
</tr>
<tr>
<td>1 November 2015</td>
<td>Hotel Collection No. 4 Limited</td>
<td></td>
<td>The Oxford Hotel</td>
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</table>
SCHEDULE 3
LIST OF INSURANCES

<table>
<thead>
<tr>
<th>Type of insurance</th>
<th>Insurer</th>
<th>Policy number</th>
<th>Governing law</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Damage &amp; Business Interruption (Master)</td>
<td>AIG Europe Ltd, Sweden Branch</td>
<td>106-9533</td>
<td>Swedish</td>
</tr>
</tbody>
</table>
SCHEDULE 4

FORM OF NOTICE OF PLEDGE

To: [Insurer]

Date: [Date]

This is to notify you that:

1. We have entered into the following insurance contract with you (the “Insurance”):

   Policy number: [ ]

2. Pursuant to a pledge agreement dated 19 January 2018 between the Pledgors and Mount Street Mortgage Servicing Limited as security agent (the “Security Agent”) (the “Pledge Agreement”), a copy of which is enclosed to this notice, the Pledgors have pledged to the Secured Parties, represented by the Security Agent, all of each Pledgor’s title, right and interest in, to and under the Insurance, other than Excluded Payments and Third Party Payments.

3. Terms not defined herein shall have the meanings given to them in the Pledge Agreement.

4. No payments under the Insurance (other than Permitted Payments and Excluded Payments) may, as long as the pledge created under the Pledge Agreement remains in force (whereby it should be noted that the Security Agent will inform you when the pledge has been released), be demanded by or directed to a Pledgor, but shall instead be made to such address or bank account (as applicable) as the Security Agent may direct in writing. All Excluded Payments and, subject to paragraph 5 below, all Permitted Payments shall be made by you to the relevant Pledgor entitled to such payments. All Third Party Payments shall be paid by you directly to the third party entitled to such payments.

5. Following an instruction by the Security Agent including a statement that an Acceleration Event has occurred under the Facility Agreement, all Permitted Payments shall also be made to the address or bank account (as applicable) instructed by the Security Agent.

6. Each Pledgor will continue to send and receive notices and claims, and exercise other rights, under the Insurance, but only in its capacity as agent for the Secured Parties and provided that all payments under the Insurance are made in accordance with paragraphs 4 and 5 above. The Security Agent is entitled to terminate the appointment of any Pledgor as agent for the Secured Parties at any time.

7. The Insurance may not be amended or varied, and any rights thereunder may not be waived by any Pledgor, without the prior written consent of the Security Agent.

8. Following an instruction by the Security Agent, including a statement that an Acceleration Event has occurred under the Facility Agreement, the Security Agent has the right to act in the name and on behalf of each Pledgor in relation to Insurance.

9. The Security Agent may from time to time appoint a successor as representative of the Secured Parties in accordance with the terms of the Facility Agreement.
10. We hereby further instruct you to provide, whenever requested by the Security Agent, and in form and substance satisfactory to the Security Agent (acting reasonably), such information about the Insurance as deemed necessary or appropriate by the Security Agent.

These instructions may not be varied or revoked except with the prior written consent of the Security Agent.

We kindly request you to confirm your receipt and acknowledgement of the above by returning signed copies of the confirmation below to each of the Pledgor and the Security Agent.
SIGNED and DELIVERED for and on behalf of JURYS CORK CP DESIGNATED ACTIVITY COMPANY by its lawfully appointed attorney

in the presence of:

Witness Signature: ____________________________

Witness Name: ________________________________

Witness Address: ______________________________

Witness Occupation: ____________________________

SIGNED and DELIVERED for and on behalf of JURYS INNS GROUP DESIGNATED ACTIVITY COMPANY by its lawfully appointed attorney

in the presence of:

Witness Signature: ____________________________

Witness Name: ________________________________

Witness Address: ______________________________

Witness Occupation: ____________________________
JYRUS CARDIFF B.V.
as Pledgor

Authorized signatory
Name:

JYRUS INVERNESS B.V.
as Pledgor

Authorized signatory
Name:

JYRUS CHELTENHAM B.V.
as Pledgor

Authorized signatory
Name:

JYRUS MIDDLESBROUGH B.V.
as Pledgor

Authorized signatory
Name:

JYRUS EAST MIDLANDS B.V.
as Pledgor

Authorized signatory
Name:
<table>
<thead>
<tr>
<th>Company</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>JYRUS BRIGHTON B.V.</td>
<td>as Pledgor</td>
</tr>
<tr>
<td>Authorised signatory</td>
<td>Name:</td>
</tr>
<tr>
<td>Authorised signatory</td>
<td>Name:</td>
</tr>
<tr>
<td>JYRUS SHEFFIELD B.V.</td>
<td>as Pledgor</td>
</tr>
<tr>
<td>Authorised signatory</td>
<td>Name:</td>
</tr>
<tr>
<td>Authorised signatory</td>
<td>Name:</td>
</tr>
<tr>
<td>JYRUS SWINDON B.V.</td>
<td>as Pledgor</td>
</tr>
<tr>
<td>Authorised signatory</td>
<td>Name:</td>
</tr>
<tr>
<td>Authorised signatory</td>
<td>Name:</td>
</tr>
<tr>
<td>JYRUS SWINDON CP B.V.</td>
<td>as Pledgor</td>
</tr>
<tr>
<td>Authorised signatory</td>
<td>Name:</td>
</tr>
<tr>
<td>Authorised signatory</td>
<td>Name:</td>
</tr>
<tr>
<td>JYRUS BRADFORD B.V.</td>
<td>as Pledgor</td>
</tr>
<tr>
<td>Authorised signatory</td>
<td>Name:</td>
</tr>
<tr>
<td>Authorised signatory</td>
<td>Name:</td>
</tr>
</tbody>
</table>
JURYS HOTEL MANAGEMENT (UK) LIMITED
as Pledgor

Signed by as
attorney for Jurys Hotel Management (UK) Limited Signature

CHAMBERLAIN HOTELS LIMITED
as Pledgor

Signed by as
attorney for Chamberlain Hotels Limited

HOTEL COLLECTION HOTEL NO. 1 LIMITED
as Pledgor

Signed by as
attorney for Hotel Collection Hotel No. 1 Limited

HOTEL COLLECTION HOTEL NO. 4 LIMITED
as Pledgor

Signed by as
attorney for Hotel Collection Hotel No. 4 Limited
We hereby acknowledge receipt of the above letter and a copy of the Pledge Agreement and confirm that we agree to the terms thereof. We further confirm that we, prior to the date hereof, have not been notified of any pledge or other security interest over the Insurance which is still in force. We further confirm that we will observe and follow all instructions given in the above letter and pay all moneys from time to time payable by us under the Insurance in accordance therewith.

We undertake to inform the Security Agent immediately if any premiums due under the Insurance are not paid to us by their due date and not to exercise our right of cancellation without giving the Security Agent fourteen (14) days’ notice in writing. Notwithstanding anything to the contrary contained in the terms for the Insurance, if such defaulted premiums are paid within such fourteen (14) day period, all damages or losses occurring during the period from the due date of premiums to the time of payment thereof shall be covered as if such premiums were actually paid on the due date.

In case we are liable to make any payment under the Insurance to the Secured Parties, but not to the Pledgor, we shall not exercise any right of subrogation against the Pledgor unless and until the Secured Liabilities have been irrevocably paid and discharged in full.

We also undertake to notify the Security Agent of any circumstances or events whereby the Insurance may become invalid, voidable or otherwise unenforceable.

Date:

[INSURER]

Name: Name:
SCHEDULE 5
NOTICE OF RELEASE

To:       [Insurer]
Date:     [Date]

NOTICE OF RELEASE

We hereby notify you that the security granted over all the rights and interest to the insurance with policy number [policy number], pursuant to the insurance pledge agreement dated 19 January 2018, as amended from time to time, between certain subsidiaries of Pandox Midco B.V (as listed therein, the "Pledgors") and Mount Street Mortgage Servicing Limited (the "Security Agent"), has been irrevocably released.

MOUNT STREET MORTGAGE SERVICING LIMITED
as Security Agent
By:
SCHEDULE 6

INSURANCE POLICIES

[to be appended separately]
ALL RISKS MASTER POLICY

Pandox AB

April 01 2017 – March 31 2018 (bdi)

Policy nr 106-9533
PREAMBLE

AIG Europe Limited (herein called the Company) and the Insured agree:

The proposal or any information supplied by the Insured shall be incorporated in the contract.

The Company will provide the insurance described in this Policy subject to the terms and conditions for the period shown in the Schedule and any subsequent period for which the Insured shall pay and the Company shall agree to accept the premium.

Any word or expression to which a specific meaning has been attached shall bear such meaning wherever it appears.

Provided that this Policy shall not be in force unless it has been formally approved in writing by an authorised official of the Company.

Västra Järnvägsgatan 7
103 69 Stockholm, Sweden
Telephone: +46 8 506 920 00
Fax: +46 8 506 920 90
PREMIUM PAYMENT CONDITION

The Insured undertakes that premium shall be paid in full to the Company within 30 days of the Company sending the premium invoice (or, in respect of instalment premiums, when due) and shall have the burden of establishing that such payment has been made.

If the premium due under this policy has not been so paid to the Company by the 31st day from the inception of this policy (and, in respect of instalment premiums, by the date they are due) the Company shall have the right to cancel this policy by notifying the Insured in writing direct or via the broker or agent as appropriate. In the event of cancellation, premium is due to the Company on a pro rata basis for the period that the Company is on risk but the full policy premium shall be payable to the Company in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this policy.

It is agreed that the Company shall give not less than 30 days prior notice of cancellation to the Insured via the broker. If premium due is paid in full to the Company before the notice period expires, notice of cancellation shall automatically be revoked. If premium not paid in time, the policy shall automatically terminate and be of no effect at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect. If this clause becomes fully or partially invalid or unenforceable the statutory provisions governing the issue regulated by this clause shall apply instead of the elements of the clause that have been deemed invalid or unenforceable.
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SPECIFICATION II

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B. PROPERTY EXCLUDED
C. PERILS INSURED
D. PERILS EXCLUDED
E. ADDITIONAL COVERAGE
F. VALUATION

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B. BUSINESS INSURED
C. SUM INSURED
D. PERIOD OF CALCULATION
E. PERIOD OF INSURANCE
F. TIME EXCESS
G. EXCLUSIONS
H. BASIS OF LOSS SETTLEMENT
I. ADDITIONAL COVERAGE
SECTION III: GENERAL TERMS AND CONDITIONS

SECTION IV: DEFINITIONS

ENDORSEMENTS

IMPORTANT NOTICE:

WORDS AND PHRASES WHICH APPEAR IN QUOTATION MARKS (" ") HAVE SPECIAL MEANING. PLEASE REFER TO SECTION IV. DEFINITIONS.
AIG Europe Limited., Swedish Branch and AIG member companies will issue insurance policies. AIG in Sweden will be the primary contact for all queries with regard to this insurance program.

**POLICY NUMBER** 106-9533

**POLICYHOLDER** Pandox AB

**COMPANY REGISTRATION NUMBER** 556030-7885

**INTERMEDIARY** AON Sweden AB

**BUSINESS INSURED** All business of the policyholder and subsidiaries

**TERRITORIAL LIMITS** Worldwide, but excluding any territory with trading sanctions by the United States or the United Nations or the European Union

**INSURED** The Policyholder and all associated, affiliated and/or subsidiary companies, including Pandox Holding AB, declared to and accepted by the Company.

**LOSS PAYEE** Mount Street Mortgage Servicing Limited (Jurys Hotel)

**CO-INSURED** Mount Street Mortgage Servicing Limited (Jurys Hotel)

**COMPANY’S SHARE** 100%

**PERIOD OF INSURANCE** 1st April 2017 to 31st March 2018 (both days included).

**PROPERTY INSURED** According to Specification II

**BUSINESS INTERRUPTION** According to Specification II

**DEDUCTIBLES** SEK 400,000 for each and every occurrence

EUR 5,000 (Queens Moat Houses) for each and every occurrence

**NATURAL HAZARD DEDUCTIBLES** 2% of the insured value, with a minimum of SEK 750,000

**TIME EXCESS** Option 1: BI: 24 hours

Interruption in the supply of Utilities: 72 hours

**INDEMNITY PERIOD** 36 months

48 months for 21 hotels in Ireland and UK (Jurys Hotel)

Notifiable Disease 3 months

**INSURED LOCATIONS** Locations owned, used, leased and/or rented by the Insured which have been declared to and accepted by the Company and detailed in the presentation in Specification II attached here to.

**POLICY LOSS LIMIT** None

**TOTAL SUMS INSURED**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>PD:</td>
<td>SEK 51,497,540,359</td>
</tr>
<tr>
<td>BI/Extra Expense:</td>
<td>SEK 9,868,560,500</td>
</tr>
</tbody>
</table>

**NET PREMIUM**

Total Annual Premium

0.14875 o/o @ TSI equals to: SEK 9,128,208

**TOTAL SUMS INSURED**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>PD:</td>
<td>SEK 6,568,386,573</td>
</tr>
<tr>
<td>BI/Extra Expense:</td>
<td>SEK 785,973,000</td>
</tr>
</tbody>
</table>

**NET PREMIUM**

Total Annual Premium

0.1992734 o/o @ TSI equals to: SEK 1,465,528

All premiums and rates exclude brokerage, taxes, charges for state schemes, pools, statutory payments and other fees.
**OTHER DEDUCTIONS FROM PREMIUM**

**SEK 138,409** is payable by AIG in respect of the value of risk management / engineering / survey report(s) undertaken, or to be undertaken, and relevant by AON. Agreed minimum of 10 risk engineering site visits per year.

**PROGRAM**

Master cover issued in Sweden
Local Policy issued for Canada, Switzerland, Denmark, Norway, Finland, Germany, Belgium, The Netherlands, UK and Austria.

**ENDORSEMENTS**

- Money and Securities
- Fine Arts
- Valuable Papers and Records
- Cost of Clean-up
- Natural Phenomenon
- Flood
- Earth Movement
- Strike, Riot and Civil Commotion
- Errors and Omissions
- Extra Expense
- Accounts Receivable
- Fixed property and buildings with Insurable Interest
- Electronic Data Endorsement NMA 2915
- Mould & Fungi
- Leakage of oil and other liquids
- Tenants and neighbours liability
- Goods in transit
- Non-Admitted Increases Tax Liability
- Notifiable Disease
- AIG T3 Wording

**POLICY OPERATION**

Local policies are issued using the Master Policy Wording. When the Master Policy wording is not possible to use in the local policy, the local underlying policies shall be as close as possible to the scope of coverage as stipulated in the Master Policy.

**TERMS AND CONDITIONS**

This Schedule and Master Policy Wording enclosed shall apply to the Insurance Contract.

If the Terms and Conditions applied to the Insurance Contract are mutually contradictory then they shall apply in the following order to the extent permitted by local mandatory legislation or other mandatory rules:

1. The Policy of Insurance
2. The Schedule and Endorsements attached to the All Risks Master Policy wording
3. The All Risk Master Policy Wording
4. The Local Policy

Other documents as included in the submission package are not to be considered as part of the insurance contract.

**SPECIFICATIONS**

I: Sub-limits of Liability
II: Described locations and Sums Insured
**SPECIFICATION I**

Sub-limits of Liability for each and every loss (no annual aggregate unless stated) are as follows:

<table>
<thead>
<tr>
<th>SUBLIMTS FOR SECTION I PROPERTY DAMAGE</th>
<th>SEK each and every occurrence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Floating Cover</td>
<td>50 000 000</td>
</tr>
<tr>
<td>Full value guarantee clause for buildings</td>
<td>included</td>
</tr>
<tr>
<td>Losses as a consequence of pressure from snow shall be included</td>
<td>Included</td>
</tr>
<tr>
<td>Culverts included up to 300 meter from the building</td>
<td>Included</td>
</tr>
<tr>
<td>Pipes outside of building included if owned or liable for by the policy holder up to 300 meter from the building</td>
<td>Included</td>
</tr>
<tr>
<td>Reconstruction in other building site</td>
<td>Included</td>
</tr>
<tr>
<td>New-/rebuilding at other location within the same country</td>
<td>Included</td>
</tr>
<tr>
<td>Damage by cloudburst shall be included without amount limit</td>
<td>Included</td>
</tr>
<tr>
<td>Stroke of lightning and windstorm, within 24 h, is considered an event of insurance, regardless of insurance location</td>
<td>Included</td>
</tr>
</tbody>
</table>

The insurance applies for all reconstructions and renovations, without obligation to report.

No obligation to report increase of risk.

Client provides to the insurer an investment plan per hotel for planned investments annually. Based on investment plan the insurer can eventually request further information of the planned projects. Investments/projects in existing buildings are included within the limits of the full value insurance.

- Automatic coverage/newly acquired property (Section I, clause E. 7) 50 000 000
- New premises, subject to 90 days reporting (property damage only) FLEXA cover 100 000 000
- Building Laws – increased cost of construction or demolition cost 25 000 000
- Building foundation extensions 5 000 000
- Building inventories incl. motorized cleaning equipment/tools 1 000 000
- Claims Preparation Costs 2 000 000
- Construction work at Property owned by the insured.
- Geographical scope: Worldwide. Outside the Nordic counties – Munich Re CPI wording
  - Works 10 000 000
  The insurance is only applicable if engaged contractor has not fulfilled his obligation to sign requested insurance according to the contract for the construction work.
  - Property in course of construction or erection or demolition at the insured property (clause A. 5) 10 000 000
  - “Damage” or “Business Interruption Loss” caused by or consisting of; construction, erection or demolition work 10 000 000
- Notifiable disease, indemnity period 3 months 5 000 000 per occurrence and annual aggregate 25 000 000 (combined PD & BI)
- Errors & Omissions 25 000 000
- Fine Arts (see endorsement) 3 000 000
- Garden, fences, railway tracks and track yards, asphalt, glass and signs. Carvings are included if causing obvious inconvenience to the property owner 2 000 000
<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods including wine, liquor and tobacco</td>
<td>1 000 000</td>
</tr>
<tr>
<td>Index and investment clause (clause E. 6)</td>
<td>30% of total sum insured at insured locations, however with a maximum of 25 000 000</td>
</tr>
<tr>
<td>Professional fees (clause E. 5)</td>
<td>3 000 000</td>
</tr>
<tr>
<td>Loss distortion or corruption of data information</td>
<td>Not covered</td>
</tr>
<tr>
<td>Money, cheques, stamps, bonds, credit cards, securities (see endorsement)</td>
<td>2 000 000</td>
</tr>
<tr>
<td>Natural Hazards outside High Hazard areas</td>
<td></td>
</tr>
<tr>
<td>Flood each and every occurrence and in the annual aggregate</td>
<td>3 000 000 000</td>
</tr>
<tr>
<td>Earthquake &amp; Volcanic Eruption each and every occurrence and in the annual aggregate</td>
<td>3 000 000 000</td>
</tr>
<tr>
<td>Storm each and every occurrence and in the annual aggregate</td>
<td>3 000 000 000</td>
</tr>
<tr>
<td>Storm surge, Park Hotel Amsterdam, Stadhoudersstraat Hobbemastraat</td>
<td>3 000 000 000</td>
</tr>
<tr>
<td>Natural Hazards in High Hazard areas</td>
<td></td>
</tr>
<tr>
<td>Flood each and every occurrence and in the annual aggregate</td>
<td>200 000 000</td>
</tr>
<tr>
<td>Earthquake &amp; Volcanic Eruption each and every occurrence and in the annual aggregate</td>
<td>200 000 000</td>
</tr>
<tr>
<td>Storm each and every occurrence and in the annual aggregate</td>
<td>200 000 000</td>
</tr>
<tr>
<td>Earthquake in Montreal – Canada each and every occurrence and in the annual aggregate</td>
<td>300 000 000</td>
</tr>
<tr>
<td>Necessary change of lock systems (loss of key due to burglary or robbery)</td>
<td>1 000 000</td>
</tr>
<tr>
<td>Property at unnamed locations, FLEXA cover (clause E. 8)</td>
<td>5 000 000</td>
</tr>
<tr>
<td>Property belonging to customers/suppliers (clause A. 4)</td>
<td>1 000 000</td>
</tr>
<tr>
<td>Property belonging to employees (clause A. 3)</td>
<td>1 000 000</td>
</tr>
<tr>
<td>Property in transit</td>
<td>1 000 000</td>
</tr>
<tr>
<td>Reconstruction/transcription cost of drawings, records and media for data processing and of valuable papers (see endorsement)</td>
<td>10 000 000</td>
</tr>
<tr>
<td>Debris Removal (clause A. 1) and Cost of Clean-up (see endorsement), limit is combined PD&amp;BI</td>
<td>50 000 000 or 20% of the amount of physical loss, whichever is less</td>
</tr>
<tr>
<td>Loss due to robbery or assault</td>
<td>1 000 000</td>
</tr>
<tr>
<td>Strike Riot &amp; Civil Commotion, Vandalism, Malicious mischief, Sabotage (see endorsement)</td>
<td>25 000 000 (combined PD &amp; BI)</td>
</tr>
<tr>
<td>Tax Clause</td>
<td>2 000 000</td>
</tr>
<tr>
<td>Temporary hired/leased equipment</td>
<td>2 000 000</td>
</tr>
<tr>
<td>Tenant’s, Neighbour’s and Landlord’s Liability</td>
<td>10 000 000</td>
</tr>
<tr>
<td>Terrorism cover in Denmark, Sweden, Norway, Finland (Terrorism Policy - T3 Wording)</td>
<td>300 000 000 per occurrence and 600 000 000 in the annual aggregate</td>
</tr>
<tr>
<td>Terrorism cover in the UK according to Pool Re (Terrorism Policy - T3 Wording)</td>
<td>Included</td>
</tr>
<tr>
<td>Underinsurance Protection/coinsurance deficiency</td>
<td>100 000 000</td>
</tr>
<tr>
<td>Machinery Breakdown</td>
<td>included</td>
</tr>
<tr>
<td>Leakage of oil and other (damage covered only to own property)</td>
<td>5 000 000</td>
</tr>
<tr>
<td>Loss Adjusters fees</td>
<td>5 000 000</td>
</tr>
<tr>
<td>72 hour Clause</td>
<td>Included</td>
</tr>
</tbody>
</table>

1 Park Hotel Amsterdam: Blue Hotels Property B.V. is considered to be outside High Hazard areas.
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Authorities (clause E. 2)</td>
<td>Included</td>
</tr>
<tr>
<td>Temporary Removal (clause E. 3)</td>
<td>Included</td>
</tr>
<tr>
<td>Excess cost due to distinctive character of a building</td>
<td>50 000 000</td>
</tr>
</tbody>
</table>

**Business Interruption Loss**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Interruption caused by denial of access to Insured premises by a Local or a Governmental Authority. Waiting period 24 hours (see endorsement clause I. 4)</td>
<td>5 000 000</td>
</tr>
<tr>
<td>Business Interruption caused by denial of access to Insured premises due to sabotage, bomb threats and leakage of gas. Act of Terrorism is excluded. Waiting period 24 hours</td>
<td>5 000 000</td>
</tr>
<tr>
<td>Extra Expenses (see endorsement)</td>
<td>20 000 000</td>
</tr>
<tr>
<td>Interruption in the supply of Water, Gas, Electricity, Fuel or Telecommunication (Failure of Public Utilities) (clause I. 1) (up to 1.5 km from the Insured’s premises)</td>
<td>10 000 000</td>
</tr>
<tr>
<td>Unnamed Suppliers’/Customers’ extension (clause I. 2)</td>
<td>5 000 000</td>
</tr>
<tr>
<td>Off premises power</td>
<td>10 000 000</td>
</tr>
<tr>
<td>Rental Value (clause I. 5)</td>
<td>According to specification II</td>
</tr>
</tbody>
</table>

**ALL OTHER EARTHQUAKE TERRITORIES**

<table>
<thead>
<tr>
<th>Country</th>
<th>Country</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Algeria</td>
<td>Fiji</td>
<td>Nicaragua</td>
</tr>
<tr>
<td>American Samoa</td>
<td>Greece</td>
<td>Pakistan</td>
</tr>
<tr>
<td>Antigua</td>
<td>Grenada</td>
<td>Panama</td>
</tr>
<tr>
<td>Argentina</td>
<td>Guam</td>
<td>Papua New Guinea</td>
</tr>
<tr>
<td>Australia</td>
<td>Guatemala</td>
<td>Peru</td>
</tr>
<tr>
<td>Barbados</td>
<td>Honduras</td>
<td>Philippines</td>
</tr>
<tr>
<td>Bhutan</td>
<td>Iceland</td>
<td>Portugal</td>
</tr>
<tr>
<td>Canada</td>
<td>Indonesia</td>
<td>Puerto Rico</td>
</tr>
<tr>
<td>Chile</td>
<td>Italy</td>
<td>Rwanda</td>
</tr>
<tr>
<td>China</td>
<td>Jamaica</td>
<td>Soloman Islands</td>
</tr>
<tr>
<td>Christmas Islands</td>
<td>Jordan</td>
<td>South Africa (Cape Province, only)</td>
</tr>
<tr>
<td>Cocos (Keeling Islands)</td>
<td>Kenya</td>
<td>Karoo, Langkloof, Port Elizabeth</td>
</tr>
<tr>
<td>Colombia</td>
<td>Malta</td>
<td></td>
</tr>
<tr>
<td>Costa Rica</td>
<td>Mongolia</td>
<td>St Kitts</td>
</tr>
<tr>
<td>Cyprus</td>
<td>Montserrat</td>
<td>St Lucia</td>
</tr>
<tr>
<td>Djibouti</td>
<td>Nepal</td>
<td>St Vincent</td>
</tr>
<tr>
<td>Dominica</td>
<td>Nevis</td>
<td>Taiwan</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>New Zealand</td>
<td>Trinidad &amp; Tobago</td>
</tr>
<tr>
<td>Ecuador</td>
<td></td>
<td>Turkey</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Venezuela</td>
</tr>
</tbody>
</table>
CARIBBEAN REGION

For the purposes of this Limit and of the Deductible, the Caribbean shall mean Antigua, Netherlands Antilles, Aruba, Bahamas, Cayman Islands, Curacao, Dominica, Dominican Republic, Grenada, Grenadines/St Vincent, Guadeloupe, Jamaica, Martinique, St Martin/St Maarten, St Lucia, Trinidad & Tobago, British Virgin Islands and any location in the Caribbean Sea not specifically mentioned

ALL OTHER STORM TERRITORIES

For the purposes of this Limit and of the Deductible, the Caribbean shall mean Antigua, Netherlands Antilles, Aruba, Bahamas, Cayman Islands, Curacao, Dominica, Dominican Republic, Grenada, Grenadines/St Vincent, Guadeloupe, Jamaica, Martinique, St Martin/St Maarten, St Lucia, Trinidad & Tobago, British Virgin Islands and any location in the Caribbean Sea not specifically mentioned

All locations within 50 miles of salt water in the following territories:

| Australia (Queensland and Northern Territory only) | Hong Kong | India | Panama |
| Bangladesh | Japan | Kampuchea | Papua New Guinea |
| Barbados | Korea | Madagascar | Paraguay |
| Belize | Malaysia | Puerto Rico | Philippines |
| Brazil | Marshall Islands | Poland | Poland |
| China | Mexico | Reunion | Poland |
| Colombia | Micronesia | South Africa | Poland |
| Costa Rica | Mozambique | Sweden | Poland |
| Denmark | New Zealand | Sri Lanka | Poland |
| Fiji | Nicaragua | Taiwan | Taiwan |
| France | Norway | Thailand | Taiwan |
| French Polynesia | Oman | Uruguay | Taiwan |
| Guam | Pakistan | Venezuela | Taiwan |
| Guatamela | | | Taiwan |
| Honduras | | | Taiwan |
NATURAL PERILS DEDUCTIBLES

Definition: that part of each and every Occurrence required to be borne by the Insured.

SECTIONS 1 AND 2 COMBINED:

Earthquake
2% of the Property Damage and Business Interruption total insured values as declared to the Company at each Premises subject to a minimum of : SEK 750,000

Storm
2% of the Property Damage and Business Interruption total insured values as declared to the Company at each Premises subject to a minimum of : SEK 750,000

Flood
2% of the Property Damage and Business Interruption total insured values as declared to the Company at each Premises subject to a minimum of : SEK 750,000

This Policy does not cover the amount of the deductibles stated above in respect of each and every loss as ascertained after the application of all other terms and conditions of this Policy including any Condition of Average (Underinsurance).

It is warranted that the Insured shall not effect insurance in respect of the amount of the deductible.
# SPECIFICATION II

## Summary by country 2017-04-01 – 2018-03-31

<table>
<thead>
<tr>
<th>Country</th>
<th>Sum of PD Building (SEK)</th>
<th>Sum of PD Machinery (SEK)</th>
<th>Sum of PD Stock (SEK)</th>
<th>Sum of PD Total (SEK)</th>
<th>Sum of BI Total (SEK)</th>
<th>Sum of PDBI Total (SEK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>6 840 438 138</td>
<td>488 540 000</td>
<td>5 250 000</td>
<td>6 344 228 138</td>
<td>1 528 372 000</td>
<td>7 872 600 138</td>
</tr>
<tr>
<td>Canada</td>
<td>1 473 114 572</td>
<td>127 050 000</td>
<td>700 000</td>
<td>1 600 864 572</td>
<td>460 183 000</td>
<td>2 061 047 572</td>
</tr>
<tr>
<td>Denmark</td>
<td>3 058 041 614</td>
<td>133 560 000</td>
<td>500 000</td>
<td>3 222 481 614</td>
<td>620 292 920</td>
<td>3 842 784 534</td>
</tr>
<tr>
<td>Finland</td>
<td>6 318 583 052</td>
<td>32 225 450</td>
<td>300 000</td>
<td>6 351 088 502</td>
<td>707 053 000</td>
<td>7 058 141 502</td>
</tr>
<tr>
<td>Germany</td>
<td>11 393 514 160</td>
<td>269 640 000</td>
<td>1 900 000</td>
<td>11 665 054 160</td>
<td>1 802 046 000</td>
<td>13 467 100 160</td>
</tr>
<tr>
<td>Norway</td>
<td>4 815 184 030</td>
<td>180 166 000</td>
<td>3 400 000</td>
<td>4 998 750 030</td>
<td>1 028 458 100</td>
<td>6 027 208 130</td>
</tr>
<tr>
<td>Sweden</td>
<td>14 739 099 356</td>
<td>125 725 000</td>
<td>500 000</td>
<td>14 885 324 356</td>
<td>2 465 966 000</td>
<td>17 351 290 356</td>
</tr>
<tr>
<td>Switzerland</td>
<td>593 943 593</td>
<td>0</td>
<td>0</td>
<td>593 943 593</td>
<td>110 166 000</td>
<td>704 109 993</td>
</tr>
<tr>
<td>Austria</td>
<td>917 877 042</td>
<td>0</td>
<td>0</td>
<td>917 877 042</td>
<td>227 892 000</td>
<td>1 145 769 042</td>
</tr>
<tr>
<td>Holland</td>
<td>328 204 107</td>
<td>24 066 000</td>
<td>0</td>
<td>352 270 107</td>
<td>155 678 000</td>
<td>507 948 107</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>6 572 489 408</td>
<td>6 572 489 408</td>
<td>1 280 643 480</td>
<td>7 853 082 888</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ireland</td>
<td>581 595 000</td>
<td>581 595 000</td>
<td>267 782 000</td>
<td>849 377 000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td>56 662 014 473</td>
<td>1 391 362 450</td>
<td>12 550 000</td>
<td>59 055 926 923</td>
<td>10 664 533 500</td>
<td>68 720 460 423</td>
</tr>
</tbody>
</table>

Additional Hotels in United Kingdom and Ireland from 2017-12-15 – 2018-03-31.
Please see schedule of values on next page. Local policy in UK, Ireland under Freedom of Service.
UK law applied for both United Kingdom and Ireland.

Premium for the period
SEK 290 805 UK
SEK 37 038 Ireland
## SPECIFICATION II

### Schedule of values

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Value (£)</th>
<th>Owner</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Contract</td>
<td>10,000</td>
<td>Company</td>
<td>Jan 1</td>
</tr>
<tr>
<td>2</td>
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<td>Plumbing</td>
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### Hotels Jurys UK and Ireland (Indemnity Period 48 months)

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<td>Hotel E</td>
<td>110,000</td>
<td>Company</td>
<td>May 1</td>
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</table>
OPERATION OF THIS POLICY

In respect of "Local Policy", this Policy shall apply as provided under the following clauses:

1. DIFFERENCE IN CONDITIONS (DIC)

   Subject to its terms and conditions, this policy shall apply only when the perils and/or definitions and/or conditions set forth in this policy are broader in meaning or scope than the corresponding perils and/or definitions and/or conditions respectively set out in any "Local Policy".

   Notwithstanding the foregoing, this Policy does not apply in respect of

   1.1 any government or locally imposed self-insurance,

   1.2 any loss in excess of a sub-limit or first loss cover under a "Local Policy",

   1.3 losses arising from a shortfall of cover under "Local Policies" brought about by the operation of an average or similar under-insurance condition,

   1.4 that part of any loss which under a "Local Policy" is required to be borne by the Insured,

   1.5 non-recovery due to violation of "Local Policy" conditions.

2. DIFFERENCE IN LIMITS (DIL)

   Subject to its terms and conditions this policy shall apply in excess of any sub-limits provided under the "Local Policies".

3. MASTER INSURANCE

   This Policy applies as a MASTER INSURANCE as follows:

   3.1 When there is no "Local Policy" in force, this Policy provides cover for the property insured as specified in the Schedule up to the limit stated in the Specifications.

   3.2 When there is no local cover in force because there is no local cover available, this Policy provides cover for the property insured as specified in the Schedule up to the limit stated in the Specifications.
SECTION I PROPERTY DAMAGE INSURANCE

A. PROPERTY INSURED

Unless otherwise excluded, this Policy covers the following property whilst on the described locations as specified in the Schedule:

1. "real property" in which the Insured has an insurable interest.

2. personal property owned by the Insured, including improvements and betterments in which the Insured has an insurable interest.

3. personal property, other than motor vehicles, of directors, officials and employees of the Insured.

Subject to the sub-limit stated in the Schedule.

4. personal property of others in the care, custody or control of the Insured, which the Insured is under an obligation to keep insured for physical loss or damage of the type insured against under this Policy.

Subject to the sub-limit stated in the Schedule.

5. property, structures and machinery owned by the Insured in course of construction, erection or installation on the described locations as specified in the Schedule and materials and supplies of the Insured in connection with such construction or erection work, whether stored on or off site of the insured’s location. Coverage attaches when the Insured has insurable interest in the property.

Subject to the sub-limit stated in the Schedule.
B. PROPERTY EXCLUDED

This Policy does not cover, unless specifically endorsed and specified in the Schedule, loss or damage to:

1. "money", "securities" or "valuable papers and records".

2. "fine arts", furs, jewellery, precious stones or precious metals, historical or cultural monuments.

3. land including water or any substance in or on land, roads, pavements, piers, jetties, bridges, culverts or excavations.

4. property located in or on water

5. livestock, animals, crops or trees.

6. motor vehicles licensed for road use, railway locomotives and/or rolling stocks, watercraft or aircraft.

7. property sold by the Insured under conditional sale, trust agreement, instalment plan or other deferred payment plan, after delivery to customers.

8. property in transit outside of Insured locations.

9. underground mines, caverns, tunnels and any property contained therein.

10. dams, dikes or reservoirs.

11. transmission and/or distribution lines, including but not limited to wires, cables, poles, pylons, standards, towers or other supporting structures which may be attendant to the transmission and/or distribution of electrical power and/or telephone communications. This exclusion shall not apply to such property which is located on the insured premises.

12. constructions and foundations including but not limited to pilework below ground level or below the basement floor.

13. Property or structure in the course of construction, erection or demolition or materials or supplies in connection therewith, or undergoing alteration, testing, installation, removal or resisting (including dismantling and re-erection), unless such operations or work consist of normal maintenance of the property at the insured locations.
C. PERILS INSURED

This Policy covers sudden and unforeseen physical loss or damage to the insured property described in the Schedule, except as hereinafter excluded.

D. PERILS EXCLUDED

GROUP I: GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THIS POLICY INCLUDING ANY ENDORSEMENTS ATTACHED HERETO.

This Policy does not cover:

1. loss or damage caused directly or indirectly by or resulting from war, invasion, act of foreign enemy, hostilities or warlike operations (whether war has been declared or not), civil war, mutiny, rebellion, revolution, insurrection or military or usurped power; all regardless of any other cause or event contributing concurrently or in any sequence to the loss or damage.

2. loss or damage caused directly or indirectly by or resulting from nuclear reaction, nuclear radiation or radioactive contamination from any cause, whether direct or indirect, proximate or remote regardless of any other cause or event contributing concurrently or in any sequence to the loss or damage; however if fire not otherwise excluded results, the Company shall be liable for direct physical loss or damage by such resulting fire.

3. loss or damage caused directly or indirectly by or resulting from detention, confiscation, nationalisation, seizure or destruction by order of any government or public authority; all regardless of any other cause or event contributing concurrently or in any sequence to the loss or damage.

4. loss, destruction or damage subject to coverage by a monopoly or a government or a natural catastrophe insurance scheme for the maximum coverage and limits collectible thereunder including but not limited to the following:

   - Denmark; Stormflood as declared by the Danish Storm council;
   - Norway; Norsk Naturskadepool;
   - France; Catastrophes Naturelles;
   - Spain; Calamidad Nacional Perils covered by the Consorcio;
   - Germany; Stormsurge as declared by the German Federal Office for Maritime shipping and Hydrographics.

5. expenses, fines, penalties or costs incurred or sustained by or imposed upon the Insured at the order of any government agency, court or other authority in connection with any environmental impairment including but not limited to seepage, pollution or contamination.

6. loss or damage caused by or resulting from acts or omissions which has been caused wilfully or through gross negligence by the Insured.

7. loss or damage caused directly or indirectly by or resulting from asbestos, PCB (Polychlorinated Biphenyls) or formaldehyde whether direct or indirect, proximate or remote regardless of any other cause or event contributing concurrently or in any sequence to the loss or damage; however if fire not
otherwise excluded results, the Company shall be liable for direct physical loss or damage by such resulting fire.

GROUP II: EXCLUSIONS APPLICABLE TO SECTION I OF THIS POLICY.

This Policy does not cover loss or damage caused by or resulting from:

1. indirect or remote loss or damage, delay or loss of market.

2. any risk covered by any other insurance.

3. disappearance, unexplained or inventory shortage, misfiling or misplacing of information.

4. theft or attempted theft not involving entry to or exit from the premises by forcible and violent means or by violence or the threat of violence to the Insured or any employee of the Insured.

5. acts of fraud or dishonesty by the Insured or any employee of the Insured whether acting alone or in collusion with others. If loss or damage occurred as a result of a violation of a security provision contained in this Policy, only acts of an employee with the obligation to ensure compliance with the provision is equated with the Insured.

6. theft or disappearance of data or malicious damage to data and/or software through unauthorised access to a data system, software manipulation, computer virus or other destructive programme or malfunction, incompatibility or overloading of any data and/or software; unless physical damage not otherwise excluded by this Policy results, in which case, this Policy shall cover only such resulting damage.

7. the cost of repairing, replacing or rectifying insured property which is faulty or defective in material, workmanship, construction or design. If physical loss or damage occurred as a result of any fault or defect excluded herewith the The Company shall nevertheless be liable for repair costs which are additional to the costs for rectifying such fault or defect had the damage not occurred.

8. loss attributable to manufacturing or processing operations which results in damage to stock or materials while such stock or materials are being processed, manufactured, tested or otherwise being worked upon; unless physical damage not otherwise excluded by this Policy results, in which case, this Policy shall cover only such resulting damage.

9. deterioration, depletion, rust, corrosion, erosion, wear and tear, inherent vice or latent defect; unless physical damage not otherwise excluded by this Policy results, in which case, this Policy shall cover only such resulting damage.

10. dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, change in colour, flavour, texture or finish; unless physical damage not otherwise excluded by this Policy results, in which case, this Policy shall cover only such resulting damage.
11. settling, cracking, shrinking, bulging, or expansion of pavements, foundations, walls, floors, or ceilings; unless physical damage not otherwise excluded by this Policy results, in which case, this Policy shall cover only such resulting damage.

12. extremes or changes of temperature damage (except damage to equipment) or changes in relative humidity damage, all whether atmospheric or not; unless physical damage, not otherwise excluded by this Policy results, in which case, this Policy shall cover only such resulting damage.

13. wind, rain, hail, sleet, snow, flood or dust in respect of fences and gates or movable property in the open.

14. pollution or contamination; unless such damage to the property insured directly results from physical damage not otherwise excluded by this Policy.

15. hurricane, typhoon or tornado.

16. "flood"

17. "earth movement"

18. "riot", "civil commotion", "malicious mischief" "vandalism", strikers, locked-out workers or persons taking part in labour disturbances.

In any action, suit or other proceedings where the Company alleges that by reasons of the provisions of this exclusion any loss or damage is not covered by the Policy the burden of proving that such loss or damage is covered shall be upon the Insured.

19. acts of "terrorism".

In any action, suit or other proceedings where the Company alleges that by reasons of the provisions of this exclusion any loss or damage is not covered by the Policy the burden of proving that such loss or damage is covered shall be upon the Insured.

20. "Internal machinery breakdown".

Internal machinery breakdown shall mean loss or damage caused by or resulting from:

- Explosion in or of any of the following property insured: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes connecting any of the foregoing; or gas turbines; except that this exclusion shall not apply to explosion of accumulated gases or un consumed fuel within the firebox or the combustion chamber of any fired vessel, other than gas turbines, or within the flues or passages which conduct the gases of combustion therefrom.

- Rupture, bursting, cracking, burning or bulking of any of the following property insured: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes connecting any of the foregoing; hot water boilers or other equipment for
heating water; pressure vessels, including equipment attached to and forming a part thereof; or gas turbines.

- Mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force.

- Electrical injury or disturbance to electrical appliances, devices, fixtures, wiring, or other electrical or electronic equipment caused by electrical currents artificially generated.

However if direct physical loss or damage by fire or combustion explosion outside any of the property described in this exclusion results, the Company shall be liable for such resulting direct physical loss or damage.
E. ADDITIONAL COVERAGE

1. Debris Removal

This Policy is extended to cover the costs and expenses necessarily incurred by the Insured with the consent of the Company in:

a) removing debris

b) dismantling and/or demolishing

c) shoring up or propping of the portion or portions of the property insured being destroyed or damaged by perils hereby insured against.

The Company will not pay for any costs or expenses:

1) incurred in removing debris except from the site of such property destroyed or damaged;

2) arising from pollution or contamination of property not insured by this Policy.

Subject to the sub-limit stated in the Schedule.

2. Public Authorities

This Policy is extended to cover such additional cost of reinstatement of the destroyed or damaged property as may be incurred solely by reason of the necessity to comply with building or other regulation under or framed in pursuance of any Act of Parliament or with bye-laws 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:

- in respect of destruction or damage occurring prior to the granting of this extension;

- in respect of destruction or damage not insured by the policy;

- under which notice has been served upon the Insured prior to the happening of the destruction or damage;

- in respect of undamaged property or undamaged portions of property other than foundations of that portion of the property destroyed or damaged.

b) the additional cost that would have been required to make good the property damaged or destroyed to a condition equivalent 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 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 without reasonable delay and in any case must be completed within twelve months after the destruction or damage or within such further time as the Company may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the regulations or bye-laws so necessitate) subject to the liability of the Company under this extension not being thereby increased.

3) if the liability of the Company 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 Company under this extension in respect of any such item shall be reduced in the same proportion.

4) the total amount recoverable under any item of the policy shall not exceed the sum insured thereby.

5) all the terms and conditions of the policy except insofar as they may be hereby specifically amended shall apply as if they had been incorporated herein.

Subject to the sub-limit stated in the Schedule.

3. Temporary Removal

This Policy is extended to cover the property insured (other than stock) whilst temporarily removed for cleaning, renovation, repair or similar purposes elsewhere at the same location or to any other location including whilst in inland transit, in the country in which the locations herein insured are situated.

Subject to the sub-limit stated in the Schedule.

4. Expediting Expense

This Policy is extended to cover reasonable and necessary extra costs of temporary repair of physical damage to property insured by this Policy and the extra costs of expediting the permanent repair or replacement of such damaged property resulting from physical damage insured against by this Policy.

In no event shall these Expediting Expenses include expense recoverable elsewhere in this Policy or the cost of permanent repair or replacement of the damaged property.

Subject to the sub-limit stated in the Schedule.
5. Professional Fees & Fire Brigade Expenses

This Policy is extended to cover architects' and surveyors', consultants', legal and other professional fees necessarily incurred in the reinstatement of the property insured consequent upon its damage but not for preparing any claim, it being understood that the amount payable for such fees shall not exceed those authorised under the scale of charges of the respective professional bodies at the time of such damage and that the liability for such damage and fees shall not exceed in the aggregate the limits of liability in respect of such property.

Additionally, in the event of the property insured hereby being destroyed or damaged by any perils insured against, the insurance hereunder covers fire brigade charges and other extinguishing expenses for which the Insured may be assessed.

Subject to the sub-limit stated in the Schedule.

6. Index and Investments

Notwithstanding clause 1.3 of the Definition in Conditions provision or the provision in clause 2: Difference in Limits, this Policy covers the loss sustained by the Insured resulting from the application of an average or similar under-insurance condition forming part of a "Local Policy" at each location due to increase in prices, exchange rate fluctuations and new investments during insurance period.

The following terms apply to this provision:

- The Insured shall as far as possible maintain sums insured under "Local Policies" which are commensurate with the full replacement cost or, where applicable, the indemnity value,

- The Company's liability shall not exceed the sub-limit specified in the Schedule,

- in the event of the Company being liable under this provision, an additional premium is payable calculated on the amount of the Company's liability and backdated to the last renewal date before the loss.

- The Company has a right to review or to have reviewed annually all sums insured.

Subject to the sub-limit stated in the Schedule.

7. Automatic Coverage (New acquisitions reported within 60 days)

This Policy covers property of the Insured, including any Business Interruption, at any new location rented, leased or purchased by the Insured after the inception date of this Policy for the Period of sixty (60) days from date of acquisition of such location.

No coverage is provided under this clause on property in transit, property insured elsewhere in this Policy or property at any location insured in this Policy.
However, loss or damage caused by or resulting from natural phenomenon, "flood", "earth movement", "riot", "civil commotion", "malicious mischief", "vandalism", strikers, lock-out workers or persons taking part in labour disturbances or "acts of terrorism" or secret acts of foreign enemy or agent of any government is excluded in respect of property insured under this clause.

Subject to the sub-limit stated in the Schedule.

8. **Unscheduled locations**

This Policy also covers property of the Insured at any unscheduled location subject to the Territorial limits of this policy. No coverage is provided under this clause on property in transit, property insured elsewhere in this Policy or property at any location insured in this Policy.

However, loss or damage caused by or resulting from natural phenomenon, "flood", "earth movement", "riot", "civil commotion", "malicious mischief", "vandalism", strikers, lock-out workers or persons taking part in labour disturbances or "acts of terrorism" or secret acts of foreign enemy or agent of any government is excluded in respect of property insured under this clause.

Subject to the sub-limit stated in the Schedule.
VALUATION

1. Declared Value

At the inception of each "Period of insurance" the Insured shall notify the Company the declared value of the property insured. In the absence of such declaration the last amount declared by the Insured shall be taken as the declared value for the ensuing "Period of insurance".

Declared value shall mean the Insured's assessment of the cost of reinstatement or the actual cash value of the property insured calculated in accordance with paragraph 2. below at the level of costs applicable at the inception of the "Period of insurance".

2. Calculation of the Loss Amount

In the event of the property insured being lost destroyed or damaged the basis upon which the amount payable is to be calculated shall be determined in the respective Local Policy.

With respect to the locations where no Local Policy is issued the basis upon which the amount payable is to be calculated, in the event of the property insured being lost destroyed or damaged, shall be following:

2.1 The reinstatement cost of the property lost destroyed or damaged.

Reinstatement means:

a) The rebuilding or replacement of property lost or destroyed.

The rebuilding or replacement may be carried out on the same or another site in any manner suitable to the requirements of the Insured provided that the liability of the Company is not thereby increased.

b) The repair or restoration of property damaged to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

The liability of the Company for the repair or restoration of property damaged in part only shall not exceed the amount which would have been payable had such property been wholly destroyed.

2.2 The actual cash value of the property lost destroyed or damaged

a) in the event that the property lost destroyed or damaged is not repaired rebuilt or replaced on the same or another site within two years from the date of loss;

b) if the property lost destroyed or damaged is obsolete or useless to the Insured;

c) if the actual cash value immediately prior to the loss was less than half of the replacement value.
Actual cash value shall mean the cost to rebuild or replace the property in kind, less depreciation and obsolescence.

The provisions issued on taxation (including but not limited to Value Added Tax) shall be taken into account in Calculation of the Loss Amount.

2.3 The total liability of the Company under this Policy shall not exceed the lesser of the following:

a) the cost to repair, or

b) the cost to rebuild or replace, on the same site, with new materials of equivalent size, kind and quality, or

c) the actual expenditure incurred in rebuilding, repairing or replacing the damaged or destroyed property on the same or another site, but not to exceed the size and operating capacity that existed at the time of loss,

all as of the time when, with due diligence and dispatch, rebuilding, repairing or replacement of the damaged or destroyed property could be effected.

2.4 The following property shall be valued as described below:

a) "stock in process"; the value of raw materials and labour expended plus the proper proportion of overhead charges;

b) "finished stock" or finished goods manufactured by the Insured; the regular cost selling price at the location where the loss occurs, less all discounts and charges to which the merchandise would have been subject had no loss occurred;

c) "raw stock" or raw materials, supplies and other merchandise not manufactured by the Insured; the replacement cost;

d) exposed film, records, manuscripts and drawings; the value blank plus the cost of copying information from backup or from originals of a previous generation, however this Policy does not insure any other costs, including research, engineering or other cost, connecting with restoring or recreating information lost;

e) data, programs or any other software stored on electronic, electromechanical, electromagnetic data processing or production equipment, the cost of transferring such from backup or from originals of a previous generation, however this Policy does not insure any other costs, including research, engineering or other cost, connecting with restoring or recreating information lost;

f) wire, felts, moulds, jigs and fixtures, dies, small tools, patterns, contractors' equipment, employees' personal property and personal property of third parties; the actual cash value, however not exceeding the cost to repair or replace the property with material of similar kind and quality.
3. Average Clause

If at the time of damage the declared value for the property insured is less than the cost of reinstatement then the Company’s liability for any damage hereby insured shall be limited to that proportion thereof which the declared value bears to such cost of reinstatement.

Each of the sums insured is declared to be separately subject to Average.
SECTION II BUSINESS INTERRUPTION INSURANCE

A. SCOPE OF COVER

This insurance shall cover up to the sums insured stated in the Schedule a loss of the “Interest Insured”, if at any time during the "Period of Insurance" occurs a physical loss or damage covered under the Section I Property Damage Insurance which causes an interruption of or interference in the insured business activity.

1. The indemnity for the loss of “Interest Insured” shall be in respect of:

1.1 “Gross Profit” the loss actually sustained during the “Indemnity Period” resulting from a reduction in the “turnover” including any “Increased Cost of Working” or

1.2 “Specified Standing Charges”; the amount actually not earned during the “Indemnity Period” resulting from a reduction in the “turnover” including any “Increased Cost of Working” and/or

1.3 Extra Costs or other insurable interests in accordance with that which has been stated in the Schedule, e.g. agreed income, revenue costs or additional costs.

1.4 The amount of indemnity payable shall not exceed the amount of the Sum Insured during the “Indemnity Period”.

B. BUSINESS INSURED

“Business Insured” is specified in the Schedule.

The insured business activity shall be included within the cover provided by this insurance to the extent that it was defined at the commencement of the Insurance Period.

C. SUM INSURED

The basis of the calculation of the Sum Insured for each separate insurable interest is stated in the Schedule.

Sum Insured shall mean the sum of the “Gross Profit” and/or “Specified Standing Charges” and/or Extra Costs or other insurable interests as defined in the Schedule for the "Period of Calculation".
D. PERIOD OF CALCULATION

The Period of Calculation is based on the Period of Indemnity. If the Period of Calculation is other than that of a full year duration, then the Period of Calculation shall be extended to a full year.

The Period of Calculation shall begin upon the commencement of the "Period of Insurance". Where the "Loss Period" and the “Indemnity Period” extends beyond the Period of Calculation as defined above, the Period of Calculation shall be duly amended to end at the cessation of the loss of profit, but not beyond the expiry of the "Indemnity Period".

E. PERIOD OF INSURANCE

The Period of Insurance shall be the period specified in the Schedule.

F. TIME EXCESS

The Company shall not be liable, in any single loss occurrence, for the amount obtained by multiplying the average “daily value” of the loss of the “Interest Insured” sustained during the Period, which shall begin at the occurrence of the loss or damage indemnifiable under Section I Property Damage Insurance, and shall continue until the business activity insured has been or could have been resumed, by the number of days specified in the Schedule as the Time Excess or for the amount of any Deductible which may be specified in the Schedule. The Period herein defined shall not, however, exceed the "Indemnity Period".

G. EXCLUSION APPLICATING TO THIS SECTION

The Company shall not be liable under this section for any loss of “Interest Insured” resulting from an interruption of or interference with the “Business Insured” caused by

1. loss or damage covered under the Section I Property Damage Insurance respectively, unless expressly specified as being included within the scope of cover in the Schedule;

2. an indirect loss or a loss which occurs after the date when the items lost, destroyed or damaged are in operational condition again and the "Business Insured" could have been resumed. However, this shall not mean "Loss of Market Share" during the "Indemnity Period";

3. loss or damage to finished goods;

4. The Company shall not be liable for the amount of any fines or damages for breach of contract, for late or non-completion of orders, or for penalties of whatever nature.
H. BASIS OF LOSS SETTLEMENT

In the event of an interruption of or interference with the “Business Insured” the basis of the Loss Settlement under this section shall be as follows:

1. Loss of Gross Profit

1.1 In respect of loss of “Gross Profit”, the Company shall pay the amount obtained by multiplying the “Rate of Gross Profit” with the amount by which the actual “turnover” realised during the “Indemnity Period” falls short of the “Turnover” which would have been achieved had the loss or damage not occurred.

1.2 If the Sum Insured is less than the amount obtained by multiplying the “Rate of Gross Profit” with the “Turnover” calculated for the "Period of Calculation", then the amount payable shall be reduced accordingly.

2. "Specified Standing Charges"

2.1 In respect of “Specified Standing Charges”, the Company shall pay the amount obtained by multiplying the percentage by which the actual “Turnover” realised during the “Indemnity Period” falls short of the “Turnover” which would have been achieved had the interruption of or interference with the “Business Insured” not occurred with the amount of “Specified Standing Charges” incurred during the said interruption or interference (see Clause A 1.2).

2.2 If the Sum Insured is less than the amount obtained by multiplying the “Rate of Gross Profit” with the “Turnover” calculated for the "Period of Calculation", then the amount payable shall be reduced accordingly.

3. "Increased Cost of Working"

3.1 In respect of the “Increased Cost of Working”, the Company shall pay the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in “Turnover” which, but for such expenditure would have occurred during the “Indemnity Period”.

3.2 The amount of indemnity payable shall not exceed the amount of the loss of interest thereby avoided.

4. Extra Costs and Other Insured Interests

4.1 The Loss Amount in respect of Extra Costs shall be calculated in accordance with the agreed method as specified in the Schedule.

4.2 The Loss Amount in respect of other Insured Interests shall be determined in accordance with what has been insured and specified in the Schedule (see also Clause A 1.3).

5. Calculation of the "Rate of Gross Profit" and "Turnover"

5.1 When calculating the “Rate of Gross Profit” and “Turnover”; the following shall be taken into consideration:
5.1.1 the trend of the “Business Insured”

5.1.2 any variations in or other circumstances affecting the “Business Insured” either before or after the loss or damage or which would have affected the “Business Insured” had the loss or damage not occurred;

5.1.3 any benefits from deferred inter-company or intra-group sales or from increased production and/or profits as a consequence of an interruption of or interference with the “Business Insured” within the company or group which the Insured receives during the loss or damage and during a period of six months immediately following the start-up of the insured plant and/or machinery after the said loss or damage.

5.1.4 allowance for the time spent on any overhauls, inspections or modifications carried out during the period the “Business Insured” was affected by the interruption or interference.

5.1.5 any money paid or payable in respect of goods sold or services rendered elsewhere than at the insured premises for the benefit of the “Business Insured” either by the Insured or by another party acting on behalf of the Insured.

5.1.6 any amount saved during the “Indemnity Period” in respect of any charges and expenses of the “Business Insured” payable out of the “Gross Profit” that may cease or be reduced as a consequence of the loss or damage, so that the final amounts represent as closely as may be reasonably practical the results which the Insured Business would have achieved during the “Loss Period” had the loss or damage not occurred.

5.1.7 In the event of an interruption of or interference with the “Business Insured” occurring during the first year of commercial operation of the “Business Insured”, the amount of the indemnification shall be calculated on the basis of the “Rate of Gross Profit” and “Turnover” for the 12 months following the cessation of the interruption of or interference with the “Business Insured”.

5.1.8 If the Insured Business activity is discontinued after a loss or damage, then the amount of the Business Interruption shall be calculated for the period of time that, based on experience, would have been required to resume the Insured Business activity, however this shall be limited to the “Indemnity Period”. The Insured shall be indemnified for the part of the calculated amount corresponding to the net profit and to any amount actually expended, if this amount is included in the Sum Insured.
I. ADDITIONAL COVERAGE

1. Public Utilities Extension Clause

The Company shall indemnify the Insured for any Business Interruption immediately caused by physical loss or damage insured against by this Policy, occurring during the "Period of Insurance" and within the country the site is situated in, to public utilities (power, water, gas) used by the insured for the purpose of the insured business activity, subject however to the Terms and Conditions of this Policy.

Losses caused by natural phenomenon, "flood" and "earth movement" are not covered by this extension clause.

Subject to the sub-limit stated in the Schedule.

2. Suppliers' and Customers' Extension Clause

The Company shall indemnify the Insured for any Business Interruption immediately caused by a physical loss or damage insured against by this Policy, if the said physical loss or damage occurs during the "Period of Insurance" at the premises of a supplier or customer, which is in direct business relationship with the Insured, subject however, to the terms and Conditions of this Policy.

In respect of any supplier or customer the Company shall not indemnify any Business Interruption losses resulting from a physical loss or damage caused by or resulting from natural phenomenon, "flood", "earth movement", "riot", "civil commotion", "malicious mischief", "Internal machinery breakdown", "vandalism", strikers, lock-out workers or persons taking part in labour disturbances or "acts of terrorism" or secret acts of foreign enemy or agent of any government is excluded in respect of property insured under this clause.

Subject to the sub-limit stated in the Schedule.

3. Group Interdependency Clause

The Company shall indemnify the Insured for any Business Interruption immediately caused by a physical loss or damage, insured against by this Policy, which occurs during the "Period of Insurance" at any intra-group insured location belonging to the Group as defined in the Schedule of this Policy, subject however, to the Terms and Conditions of this Policy.

Subject to the sub-limit stated in the Schedule.
4. Denial of Access Clause

The Company shall indemnify the Insured for any Business Interruption immediately caused by any compulsory orders given by competent Public Authorities on the basis of a physical loss or damage insured against by this Policy, occurring during the "Period of Insurance" to property in the vicinity of the location of property insured by this Policy, which prevents or hinders the use of the property or access thereto, irrespective of whether or not the location of the property insured by this Policy is damaged or not.

Subject to the sub-limit stated in the Policy.

5. Rental Value

This Policy shall cover the interest of the Insured in loss of rental income, or the additional rental expense as a tenant, resulting from the necessary untenantability of a building or structure caused by a physical loss or damage insured against by this Policy to such building or structure.

In determining the amount of loss sustained, due consideration shall be given to the rental experience before the date of loss and the probable experience thereafter had no loss occurred and in the case where the Insured is the lessee, consideration will be given to the excess of the rental value of such premises over the actual rent payable.

From any claim allowable under above, the charges and expenses of the business that may cease or be reduced as a consequence of the loss, destruction or damage during the indemnity period shall be deducted.

Subject to the sub-limit stated in the Schedule.
SECTION III GENERAL TERMS AND CONDITIONS

The following conditions shall apply to all Sections of this Policy including any endorsements attached hereto.

1. TITLES OF CLAUSES

   The titles of the various clauses of this Policy (and of endorsements included in this Policy) are solely for reference and shall not in any way affect the provisions to which they relate.

2. LIMITS OF LIABILITY

   The liability of the Company in respect of any Occurrence as insured by this Policy (as ascertained after the application of all terms, conditions and limitations of the Policy) shall not exceed the total value at risk combined property damage and business interruption (unless amended by a clause contained within this Policy), as declared to and noted by the Company or the Policy Limit as stated below whichever is the lower.

   Furthermore, the following Limits of Liability shall apply in respect of any one occurrence as undernoted (all as more specifically defined in the relevant sections of this policy) in respect of the following covers:

   Notes
   1) Limits shall apply in full in excess of any Policy Deductible.
   2) Limits marked with (*) are deemed to be any one occurrence and in the aggregate in any one Period of Insurance
   3) Irrespective of and notwithstanding various Items, Sums Insured or Limits of Liability which may apply in respect of any one occurrence as insured by this Policy, the maximum amount payable in any one Period of Insurance under this Policy is the Policy Limit.

3. TERRITORY

   The insurance provided by this Policy applies to scheduled locations and to other locations as described under the various extensions and endorsements to this Policy.

4. DEDUCTIBLE

   In each case of loss or damage covered by this Policy, the Company shall not be liable unless the Insured sustains loss or damage in a single occurrence greater than any applicable deductible provided elsewhere in this Policy and then only for its share of that greater amount. When this Policy covers more than one location or Insured company, the deductible shall apply against the total loss or damage covered by this Policy in any one occurrence.

   If two or more deductible amounts provided in this Policy apply to a single occurrence, the total to be deducted shall not exceed the largest deductible applicable unless otherwise provided in this Policy.
If this Policy insures against both physical damage to property and Business Interruption, the deductibles as shown in this Policy shall apply separately to each such coverage, even if both are involved in a single occurrence, unless otherwise provided in this Policy.

6. CONSEQUENTIAL DAMAGE

In the event of direct physical loss or damage insured by this Policy to any property situated on the described locations and if such loss or damage, without the intervention of any other independent cause, results in a sequence of events which causes physical loss or damage to other property insured by this Policy, then this Policy will cover such resulting loss or damage. Nothing in this clause shall be deemed to extend this insurance to property which is otherwise specifically excluded from coverages by the terms and conditions of this Policy.

The liability of the Company includes only the physical loss or damage incurred during such period as would be required with the exercise of due diligence under normal conditions to repair or replace the lost or damaged property, and does not include any liability resulting from inability of the Insured to make repairs or replacements because of strikes or labour disputes.

7. REQUIREMENTS IN CASE OF LOSS

The Insured shall give immediate written notice to the Company of any loss, protect the property and the business operations from further loss or damage, forthwith separate the damaged and undamaged personal property, put it in the best possible order, furnish a complete inventory of the lost, destroyed, damaged and undamaged property, showing in detail quantities, costs, actual cash value, replacement cost and amount of loss claimed; and within one hundred and eighty (180) days after the loss, unless such time is extended in writing by the Company, the Insured shall render to the Company a proof of loss, signed and sworn to by the Insured, stating the knowledge and belief of the Insured as to the following:

the time and origin of the loss, the interest of the Insured and of all others in the property, the actual cash value of each item thereof, the amount of loss thereto, the replacement cost, all encumbrances thereon, all other contracts of insurance, whether valid or not, covering any of said property, any changes in the title, use, occupation, location, possession or exposures of said property since the issuing of this Policy, by whom and for what purpose any building herein described and the several parts thereof were occupied at the time of loss whether or not it then stood on leased ground, and shall furnish a copy of all the descriptions and schedules in all Policies and, if required, verified plans and specifications of any building, fixtures or machinery destroyed or damaged.

The Insured, as often as may be reasonably required shall exhibit to any person designated by the Company all that remains of any property herein described, and submit to examinations under oath by any person named by the Company, and subscribe the same; and, as often as may be reasonably required, shall produce for examination at the request of the Company all books of account, business records, bills, invoices and other vouchers, or certified copies thereof if
originals be lost, at such reasonable time and place as may be designated by the Company or its representative, and shall permit extracts and copies thereof to be made.

The Insured shall be obligated to keep for the "Period of Insurance" and for the "Period of Calculation" to hold complete records of the "business insured", including without limitation inventories, production and balance sheets for the three preceding years. All records shall be held in safe keeping and, as a precaution against their being simultaneously destroyed, the Insured shall keep separate sets of such records.

The Insured shall at his own expense produce and furnish to the Company such books of account and other business books or other evidence as may reasonable be required by the Company for the purpose of investigating or verifying the claim together with, if required, a statutory declaration of the truth of the claim and of any matters connected therewith like the proof of the loss.

The Company and the Company 's agents shall have unlimited access to the premises where a loss or damage has occurred for the purpose of establishing the possible cause and extent of the loss or damage, its effect on the interest insured, to examine the possibilities for minimising the interruption of or interference with the "business insured", and if necessary to make reasonably recommendations for the avoidance or minimisation of such interruption or interference.

If the Insured or anyone acting on his behalf intentionally or out of gross negligence hinders or obstructs the Company in any way or does not comply with any recommendations the Company may make pursuant, the indemnification on his behalf may be reduced with consideration given to what is reasonable in light of his or hers personal circumstances and other conditions. The aforesaid shall apply where the Insured otherwise must be deemed to have acted or failed to act with knowledge that such act or omission entailed a significant risk that damage would occur or otherwise acted recklessly

Where an Insured or anyone acting on his behalf is entitled to indemnification and has failed to comply with the terms and conditions of this Policy regarding the obligation to report an insured event to the Company within the time specified in this Section and such failure has caused loss to the Company, such indemnification which otherwise would have been paid to the Insured may be reduced in accordance with what is reasonable under the circumstances.

Unless otherwise agreed, loss will be adjusted and payable to the Insured. However loss or damage indemnifiable under the DIC/DIL/MASTER coverage (see Operation of This Policy) of this Policy shall be payable to the Policyholder.

In a case where a mortgagee has a right to an indemnity, no indemnity will be paid to the Insured until demonstrated by the Insured that the property is free of mortgages, or that the mortgagees have given their consent that the indemnity be paid to the Insured.
The Company shall not be obliged to pay an indemnity unless the party entitled to the indemnity reports his claim within 6 months from the date on which the party making the claim acquired knowledge of his claim.

8. CURRENCY CLAUSE

Unless otherwise agreed and specified in the Schedule, all amounts used herein are in SEK. Premiums and losses shall be payable in SEK and losses shall be adjusted with and payable to the Insured calculated at the official rate of exchange quoted by the European Central Bank and prevailing at the applicable time and place of loss.

9. COMPANY OPTION

It shall be optional with the Company to take all, or any part of the property at the agreed value, or to repair, rebuild or replace the property physically lost or damaged with other of similar kind and quality, within a reasonable time, on giving notice of its intention so to do within sixty (60) days after receipt of the proof of loss herein required.

10. BRANDS AND LABELS

If branded or labelled merchandise covered by this Policy is physically damaged and the Company elects to take all or any part of such merchandise at the value established by the terms and conditions of this Policy, the Insured may, at their own expense, stamp salvage on the merchandise or its containers, or may remove or obliterate the brands or labels, if such stamp, removal or obliteration will not physically damage the merchandise, but the Insured must re-label the merchandise or containers in compliance with the requirements of law.

11. ABANDONMENT

There can be no abandonment to the Company of any property.

12. SETTLEMENT OF CLAIMS

The amount of loss for which the Company may be liable shall be payable sixty (60) days after proof of loss, as herein provided, is received by the Company and ascertainment of the amount of loss is made either by agreement between the Insured and the Company expressed in writing or by the filing with the Company of an award as herein provided.

13. SUBROGATION

The Company may require from the Insured an assignment of all right of recovery against any party for loss to the extent that payment there for is made by the Company. Any recovery as a result of subrogation proceedings arising out of a loss occurrence, after expenses incurred in such subrogation proceedings are deducted, shall accrue to the Insured in the proportion that the deductible amount and/or any provable uninsured loss amount bears to the entire provable loss amount.
14. REDUCTION BY LOSS

Any loss hereunder shall not reduce the amount of this Policy.

15. OVER-INSURANCE

If the Sum Insured exceeds the insurable value, the Company will only pay an indemnity based on the insurable value of the insurable interest.

16. MISREPRESENTATION AND FRAUD

Where, in conjunction with fulfilment of the obligation to provide information which may be material to the decision to issue, extend or renew the insurance, the Policyholder has acted fraudulently or in contravention of good faith, this Policy is invalid pursuant to the provisions of the Swedish Contracts Act (1915:218) and other provisions of property law, and the Company is released from obligation for insured events which occur thereafter.

Where the Policyholder has otherwise intentionally or negligently disregarded the obligation to inform and the Company can show that it would not have issued this Policy had the obligation to inform been fulfilled, the Company shall be released from obligation for any insured event which occurs. Where the Company can show that this Policy would have been issued for a higher premium or would have otherwise been on other terms and conditions than those contracted to, its obligation shall be limited to the amount reflected by the premium and other terms and conditions agreed to. Where the Company has not acquired reinsurance which otherwise would have been acquired, its obligations shall be adjusted accordingly.

The Company’s obligation shall not be excused or limited pursuant this Section 16, where the Company knew or should have known at the time that the obligation to inform was disregarded that the information provided was incorrect or incomplete. The aforesaid shall apply where the incorrect or incomplete information lacked significance or subsequently ceased to be of significance to the contents of the agreement.

Where the Policyholder seeking indemnification from the Company following an insured event intentionally or recklessly incorrectly provides or keeps secret or conceals something of significance for the assessment of the right to insurance indemnification, the indemnification which otherwise would have been paid to him may be reduced in accordance with what is reasonable under the circumstances.

17. CONTENTS OF THE INSURANCE CONTRACT

Any information provided in marketing, advertising or prospectus are not made a part of this Policy unless expressly endorsed herein.

18. PERIOD OF COVER

This Policy covers all losses as herein defined occurring during the "Period of Insurance" specified in the schedule. The "Period of Insurance" incepts at 00.00
hours Local Standard Time on the first day of the period and ends at 24.00
hours Local Standard Time on the last day of the period.

19. POLICY MODIFICATIONS

Notice to any agent or knowledge possessed by any agent or by any other person
shall not effect a waiver or change in any part of this Policy or stop the Company
from asserting any right under the terms and conditions of this Policy, nor shall
the terms and conditions of this Policy be waived or changed, except by en-
dorsement issued to form a part of this Policy.

20. INCREASE IN RISK

The Insured shall give notice to the Company of any alteration which may
increase the risk of loss or damage. Where the risk of an insured event has
increased due to a change of a circumstance set forth in this Policy or which
the Policyholder has provided to the Company in conjunction with the
execution of this Policy, and the Insured has taken or consented to the
measure which contributed to the increased risk, the Company shall, in whole
or in part, be released from obligation. If the Company can show that the
insurance would have been issued for a higher premium or would have
otherwise been on other terms and conditions than those contracted to, the
Companys obligation shall be limited to the amount reflected by the premium
and other terms and conditions agreed to.

21. DIVISIBLE CONTRACT

If the locations described in this Policy include two or more buildings or the
contents of two or more buildings, the breach of any condition of this Policy in
respect of any one or more of the buildings insured or containing the property
insured shall not prejudice the right to recover for physical loss or damage
occurring in any building insured or containing the property insured where, at
the time of such loss or damage, a breach of condition does not exist.

22. INSPECTION

The Company, at all reasonable times during this "Period of Insurance", shall be
permitted but not obligated to inspect the property insured by this Policy.
Neither the Company's right to make inspections nor the making thereof nor
any report thereon shall constitute any undertaking, on behalf of or for the
benefit of the Insured or others, to determine or warrant that such property is
safe or healthful.

23. REASONABLE PRECAUTIONS

The Insured shall take reasonable precautions to prevent damage. The
instructions and/or guidelines concerning loss prevention and limitation, will
be provided in writing by the Company or by the Local Company (s). Should the
Insured follow said instructions and/or guidelines, this may subsequently lead
to a pre-determined partial return of premium. However, if the Insured fails to
comply with the said instructions or guidelines, the Company may not reduce or
refuse a legitimate claim for indemnity.
24. COLLECTION FROM OTHERS

No loss or part of a loss shall be paid or made good hereunder to the extent the Insured has collected such loss from others.

25. OTHER INSURANCE

The Company shall not be liable for loss or damage under this Policy if at the time of such loss or damage there is any other insurance which would attach if this insurance had not been effected, except that this insurance shall apply only as excess and in no event as contributory insurance, and then only after all other insurance has been exhausted.

26. STATUTE OF LIMITATIONS

The Company shall not be obliged to pay an indemnity unless the party entitled to the indemnity reports his claim within 6 months from the date on which the party making the claim acquired knowledge of his claim or when the claim is time barred by statutory limitation. [See also Clause 7, last paragraph].

27. THE COMPANY'S RIGHT TO DEDUCT AMOUNTS DUE FROM THE INSURED

The Company reserves the right to deduct from an indemnity any unpaid premium or a portion thereof or any other payment due from the Insured. This right shall not be diminished by the Insured's bankruptcy if this Policy is still valid.

28. PREMIUM

The premium is due for payment on the due date.

Premium paid past a due date is subject, for the overdue period, to interest as stipulated by the Swedish Interest Act.

The collection of premium taxes and/or charges imposed by the authorities shall be based on the relevant valid tax rate and/or orders issued by the authorities.

The Insured shall provide information required by the Company to calculate the premium. If the Insured fails to do so, the Company shall have the right to charge a premium it considers reasonable.

If this Policy expires before the end of the "Period of Insurance", the Company shall have the right to retain a pro-rata premium pertaining to the expired portion of the period. The Company reserves the right to retain 10 percent of the total premium for expenses. There shall be no refunds on amounts less than SEK 1000 (one thousand SEK).

If the Company pays an indemnity to someone not entitled to it, the Company's obligations shall be considered to have been fulfilled if the Company has exercised due care when paying the indemnity.
The Policyholder is entitled to give notice terminating the insurance with immediate effect if the need for insurance completely or to a fundamental extent lapses.

The Company may terminate this Policy prior to the end of its term only where:

1. the Policyholder or the Insured has committed a material breach of its obligations to the Company; or

2. a circumstance significant to the risk and referred to in the terms and conditions of this Policy has changed in a manner that the Company cannot be deemed to have taken into consideration.

The termination shall be made in writing with fourteen days notice thereof, calculated from the day on which the Company transmitted the termination. After the Company has received knowledge of the fact upon which it bases such termination, the termination shall take place without unreasonable delay. The Company shall otherwise forfeit the right to terminate this Policy based on such fact unless the Policyholder or the Insured has acted fraudulently or in contravention of good faith.

The Company shall have the right to cancel this Policy for non-payment of premium, unless the delay is of minor significance. The cancellation, which must be in writing, shall become effective 30 days after being sent.

In cases referred to in 1 and 2 above, the Company may instead amend the terms and conditions of this Policy during the policy term. The provisions regarding termination shall apply to such amendment.

The Policyholder shall have the right to cancel this Policy within 30 days from receipt of the notice of refused indemnity. The Policy shall expire on the date on which the notice of cancellation was delivered or sent.

This Policy shall be considered to have expired on any part of property or business transferred to a new owner on the date on which the transfer took place.

The Policy shall nevertheless remain in force for seven days after the transfer of the risk where it applies to the benefit of a natural person who has acquired real property primarily for non-commercial purposes, to the extent that any damage sustained is not covered by another insurance policy relating to the real property. However, where termination of the Policy was due to a reason other than transfer, the termination is valid with respect to the new owner.
30. ARBITRATION

All disputes arising in connection with the contract shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The arbitration proceedings shall be held in the English language. Any arbitration under this clause shall be held in Stockholm in the Monarchy of Sweden.

31. JURISDICTION

Unless otherwise agreed in writing, this Policy shall be subject to Swedish Law.

32. LOSS LIMITS

The maximum liability of the Company under this Insurance agreement shall not exceed any loss limit stated in the insurance policy or schedule.
SECTION IV DEFINITIONS

The following definitions apply to all Sections of this Policy including any endorsements attached hereto.

1. ACTUAL CASH VALUE

Actual cash value shall mean the cost to rebuild or replace the property in kind, less depreciation and obsolescence.

2. BUSINESS INSURED

The commercial operation of the property insured as specified in the Schedule.

3. CIVIL COMMOTION

A substantial disturbance of the public peace by three (3) or more persons assembled together and acting with common intent.

4. DAILY VALUE

The amount of the calendar year days (360 days) shall be used as the basis in the calculation of the average "daily value" of the loss.

5. DESCRIBED LOCATION

Location specified in the Schedule of this Policy.

6. EARTH MOVEMENT

Any natural or man-made earth movement including but not limited to earthquake, landslide, sinkhole, subsidence or volcanic eruption.

7. FINE ARTS

Paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture and silver, rare books, manuscripts, porcelains, rare glass and bric-a-brac, curios, and other similar property, all of which have the quality of rarity, historical value or artistic merit.

8. FINISHED STOCK

Stock manufactured by the Insured, which in the ordinary course of the Insured's business is ready for packing, shipment or sale.

9. FLEXA

Property damage caused by a peril of fire, lightning, explosion or falling aircraft or part thereof, not otherwise excluded by this Policy.
10. FLOOD

Flood waters, waves, tide or tidal water, release of water, rising, overflowing or breaking of boundaries of natural or man-made bodies of water, or the spray from any of the foregoing.

11. GROSS PROFIT

The amount by which the value of the turnover and the value of the closing stock exceed the value of the opening stock and the amount of the "Specified Working Expenses". The value of the opening and closing stocks shall be calculated in accordance with the Insured's normal accounting methods, due provisions being made for depreciation.

12. INCREASED COST OF WORKING

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Interest Insured, which but for such expenditure, would have taken place.

13. INDEMNITY PERIOD

The period during which the Interest Insured is affected as a consequence of a loss or damage, commencing with the occurrence of the loss or damage but not exceeding the "Indemnity Period" stated in the Schedule.

14. INTEREST INSURED

Either the "Gross Profit" including any "Increased Cost of Working" or the "Specified Standing Charges" including any "Increased Cost of Working".

15. INTERNAL MACHINERY BREAKDOWN

Internal machinery breakdown shall mean loss or damage caused by or resulting from:

- Explosion in or of any of the following property owned, operated or controlled by the Insured: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes connecting any of the foregoing; or gas turbines; except that this exclusion shall not apply to explosion of accumulated gases or unconsumed fuel within the firebox or the combustion chamber of any fired vessel, other than gas turbines, or within the flues or passages which conduct the gases of combustion there from.

- Rupture, bursting, cracking, burning or bulking of any of the following property owned, operated or controlled by the Insured: steam boilers, including equipment attached to and forming a part thereof; steam turbines; steam engines; steam pipes connecting any of the foregoing; hot water boilers or other equipment for heating water; pressure vessels, including equipment attached to and forming a part thereof; or gas turbines.

- Mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force.
- Electrical injury or disturbance to electrical appliances, devices, fixtures, wiring, or other electrical or electronic equipment caused by electrical currents artificially generated.

16. LOCAL POLICY

A policy issued for the Insured by or on behalf of the Company in conjunction with this Policy in a territory where the policy is required by the Insured or to comply with legal requirements.

17. LOSS OF MARKET SHARE

The loss of "Turnover" which is sustained as a direct result of the loss occurrence after the business activity insured has been resumed and has regained the level immediately prior to the said loss occurrence.

18. LOSS PERIOD

The period during which the loss occurrence has a direct effect on the result of the business activity insured.

19. MALICIOUS MISCHIEF AND VANDALISM

Wilful and malicious damage to or destruction of the Insured property.

20. MONEY

Currency, coins and bank notes whether or not in current use and travellers checks, registered checks and money orders held for sale to the public.

21. POLLUTANT

Any solid, liquid, gaseous or thermal irritant or contaminant including, but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals, bacteria, fungi, virus, melt, spores, vaccines, asbestos and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

22. RATE OF GROSS PROFIT

The percentage of Gross Profit earned on the "Turnover" during the "Period of Calculation" or, for the purpose of Clause H 5.1.7 of the Section II, during the financial year immediately following the cessation of the interruption of or interference with the "Business Insured".

23. RAW STOCK

Material which the Insured receives for conversion by the Insured into "Stock in Process" or "Finished Stock".
24. REAL PROPERTY

Real property shall mean building(s) and/or structure(s) in all parts, including alterations, additions and/or extensions attached thereto; and property belonging to and/or constituting a permanent part of the said building(s) and/or structure(s).

25. RIOT

A violent disturbance by three (3) or more persons assembled together which threatens the public peace.

26. SECURITIES

Negotiable and non-negotiable instruments or contracts representing either "money" or other property including tokens, tickets, revenue and other stamps in current use and evidences of debt issued in connection with credit or charge cards.

"Securities" do not include "Money".

27. SEPARATELY AGREED INSURED VALUE

The insured value of an insurance defined on the basis of other principles, e.g. on the basis of certain revenues or additional costs, or for a period shorter than the "Period of Calculation", shall be calculated by taking into account the principles concerned or as separately agreed.

28. SINGLE LOSS

Single Loss shall mean all individual losses occurring during any one Loss Period arising out of and directly occasioned by one event.

The words Loss Period in this context shall mean:

Continuous period of 72 hours in respect of Flood, Windstorm, Hurricane, Typhoon, Rainstorm, Hailstorm, Tornado, Earthquake, Seaquake, Tidal Wave and/or Volcanic Eruption.

29. SPECIFIED STANDING CHARGES

The fixed costs specified in the Schedule which continue to be payable in full during the "Indemnity Period".

30. SPECIFIED WORKING EXPENSES

Any costs incurred for the acquisition of goods, raw materials or auxiliaries as well as for supplies required for the maintenance of operations and any costs incurred for the packaging, carriage, freight, intermediate storage, direct taxes, licence fees and royalties, but only insofar as such costs are dependent on "Turnover".
31. STOCK IN PROCESS

"Raw Stock" which has undergone any aging, seasoning, mechanical or other process of manufacture at described locations but which has not become Finished Stock.

32. TERRORISM

Terrorism shall mean any act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence or any use of violence for the purposes of putting the public or any section of the public in fear.

33. TURNOVER

The amount of money (less discounts allowed) paid or payable to the Insured for goods, products or services sold, delivered or rendered in the course of the "Business Insured".

34. VALUABLE PAPERS AND RECORDS

Written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, but valuable papers and records does not mean money or securities nor does it mean media for or programming records pertaining to electronic or electromechanical data processing or electronically controlled equipment, including data thereon.

35. SPECIFIED PERILS

Fire, Lightning, Explosion, Aircraft or other aerial devices or articles dropped from them, Riot Civil Commotion, Strikers, Locked-out Workers, Persons taking part in Labour Disturbances, Malicious Persons other than thieves, Earthquake, Storm, Flood, Escape of Water from any tank apparatus or pipe or Impact by any road vehicle or animal.

36. WAITING PERIOD

The Company shall not be liable in any loss occurrence, for the business insurance loss sustained during the waiting period stated in the Master Policy wording.
MONEY AND SECURITIES ENDORSEMENT

By deleting the exclusion for "money" and "securities" in Section I, Part B. Property Excluded, the Company agrees that if during the Period of Insurance the Insured suffers loss of or damage to Money under any Item for which a Limit of Liability is shown in the Schedule the Company will indemnify the Insured up to the Limit of Liability shown. The Company will also pay for loss or damage sustained as a direct result of theft or attempted theft of Money of or to:

1. any safe or strongroom or any bag or other container used by the Insured for the carrying of Money

2. clothing and personal effects belonging to the Insured or any employee of the Insured following assault or violence or threat thereof for an amount not exceeding SEK 5000 (five thousand SEK) for any one employee.

EXCLUSIONS

This Section does not cover:

1. any loss arising from lack of integrity of the Insured's employees not discovered within 15 working days of the occurrence
2. shortage due to error or omission
3. losses due to theft of or from any vehicle left unattended
4. losses from or damage to vending, amusement, gaming or other coin operated machines
5. consequential loss of any kind or description
6. any loss from any safe or strongroom unless the key or keys thereof are removed from the Premises, or if the person responsible for their safe custody lives on the Premises, removed to that part of the Premises in which the person actually lives.

CONDITIONS

1. The Insured shall exercise due care in selecting employees to be entrusted with Money.
2. If any claim under this Section is also covered in whole or in part by any other insurance effected by or on the behalf of the Insured the Company's liability shall be limited to its rateable proportion of such claim.
3. The Insured shall keep a proper written record of all Money insured by this Section and shall allow the Company to inspect this record at all reasonable times.
4. In respect of any one transit of Negotiable Money by own employees, the minimum number of able-bodied adults who shall carry the Money equally divided between them shall be as follows:
   
<table>
<thead>
<tr>
<th>Amount of Money</th>
<th>No. of Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to SEK 25,000</td>
<td>One</td>
</tr>
<tr>
<td>SEK 25001 – SEK 50,000</td>
<td>Two</td>
</tr>
<tr>
<td>SEK 50,001 – SEK 100,000</td>
<td>Three</td>
</tr>
</tbody>
</table>
   
   Transits in excess of SEK 100 000(one hundred thousand SEK) shall be by security company
5. The insurance provided by this Section shall be avoided in respect of any item where there is any alteration after the commencement of this insurance which increases the risk of loss destruction or damage unless agreed by the Company in writing.
FINE ARTS ENDORSEMENT

By deleting the exclusion for "fine arts" in Section I, Part B. Property Excluded, this Policy is extended to cover "fine arts" as described in the Schedule of "Fine Arts" whilst in the Insured locations specified in the Schedule.

ADDITIONAL EXCLUSIONS

This Endorsement does not cover:

1. loss or damage from any repairing, restoration or retouching process;

2. loss or damage to property on exhibition at fair grounds or at locations of national or international expositions unless the locations are specifically described in this Policy.

VALUATION

The total liability under this Endorsement shall not exceed the lesser of:

1. the cost to repair or restore the article to the condition that existed immediately prior to the loss; or

2. the cost to replace the article; or

3. the value designated for the article on the Schedule of "Fine Arts".

In the event that a scheduled article is part of a pair or set, and a physically damaged article cannot be repaired or restored to the condition that existed immediately prior to the loss or replaced, the Company shall be liable for the full amount of the value of such pair or set as designated on the Schedule of "Fine Arts" and the Insured shall agree to surrender the remaining article(s) of the pair or set to the Company.

Subject to the sub-limit stated in the Schedule.
VALUABLE PAPERS AND RECORDS ENDORSEMENT

By deleting the exclusion for valuable papers and records in Section I, Part B. Property Excluded, this Policy is extended to cover "valuable papers and records" whilst in the Insured locations specified in the Schedule.

LIMITS OF LIABILITY

In the event of loss or damage covered under this Endorsement the total liability of the Company shall not exceed the lesser of the following:

1. the cost to repair or restore the valuable paper or record to the condition that existed immediately prior to the loss;

2. the cost to replace the "valuable paper or record"; or

3. the limit stated in the Schedule.

ADDITIONAL EXCLUSIONS

This Endorsement does not cover loss or damage to:

1. currency, "money" or "securities";

2. data stored on electronic, electromechanical, electromagnetic data processing or production equipment;

3. property not specifically declared and described, if such property cannot be replaced with other of similar kind and quality;

4. property held as samples or for sale or for delivery after sale.

Subject to the sub-limit stated in the Schedule.
COST OF CLEAN-UP ENDORSEMENT

This Policy is extended to cover the costs of decontamination or removal of the insured property and/or water, soil or any other substance on or under the insured premises made necessary as a result of such direct physical loss or damage not excluded by this Policy, if such costs are incurred as a result of an order issued by a government agency, court or other fully recognized authority pertaining to the insured property and/or water, soil or any other substance on or under the insured premises, arise from and are limited to:

1. carrying out a survey and, when necessary, cleaning or replacing the soil;

2. treatment at a hazardous waste processing plant, or transport to the nearest suitable refuse dump or storage site, including the cost of storage;

3. restoring the water, soil or any other substance on or under the insured premises to the state which existed before the loss, destruction or damage.

The insurance does not cover costs for carrying through of the measurements demanded by the authorities or could have been demanded before the insurance event took place.

It is a condition precedent to recovery under this endorsement that the Company shall have paid or agreed to pay for direct physical loss or damage to the Property Insured hereunder unless such payment is precluded solely by the operation of any excess and that the Insured shall give notice to the Company of intent to claim for cost of clean up or cost of decontamination NO LATER THAN 12 MONTHS AFTER THE DATE OF SUCH PHYSICAL LOSS OR DAMAGE.

This Policy does not cover fines or penalties incurred or sustained by the Insured or imposed on the Insured at the order of a government agency, court or other authority, in connection with any kind or description of environmental impairment, including seepage or pollution or contamination from any cause.

Nothing in this Endorsement shall override any radioactive contamination exclusion in the Policy to which this Endorsement is attached.

Subject to the sub-limit stated in the Schedule.
NATURAL PHENOMENON ENDORSEMENT

By deleting the exclusion no. 15 in Section I, Part D. Perils Excluded, this Policy is extended to cover physical loss or damage caused by or resulting from avalanche, windstorm, hurricane, typhoon or tornado.

Losses due to a cause covered by this Endorsement that have been incurred within a continuous 72 hour period shall be deemed to be a single loss.

LIMITS OF LIABILITY

The Company shall not be liable under the terms of this Endorsement for more than the limits of liability specified elsewhere in this Policy for each occurrence and during any policy year. If this Policy includes Business Interruption Coverage, the foregoing limits shall be the maximum amount collectible under this Endorsement.

ADDITIONAL EXCLUSIONS

1. This Endorsement does not apply to property insured under a State or Government scheme.

2. This Endorsement does not apply to property in transit.

3. This Endorsement does not apply to any property insured under the Automatic Coverage Clause, Unscheduled Locations Clause, Public Utilities Clause or Errors and Omissions Clause (if applicable)

Subject to the sub-limit stated in the Schedule.
FLOOD ENDORSEMENT

By deleting the exclusion no. 16 in Section I, Part D. Perils Excluded, this Policy is extended to cover physical loss or damage caused by or resulting from "flood".

Losses due to a cause covered by this Endorsement that have been incurred within continuous period of 72 hours shall be deemed to be a single loss.

LIMITS OF LIABILITY

The Company shall not be liable under the terms of this Endorsement for more than the "flood" limits of liability specified elsewhere in this Policy for each occurrence and during any policy year. If this Policy includes Business Interruption Coverage, the foregoing limits shall be the maximum amount collectible under this Endorsement.

ADDITIONAL EXCLUSIONS

1. This Endorsement does not apply to property in the Netherlands if the loss is a result of breakage or overflowing of dams or dikes.

2. This Endorsement does not apply to property insured under a State or Government scheme.

3. This Endorsement does not apply to property in transit.

4. This Endorsement does not apply to any property insured under the Automatic Coverage Clause, Unscheduled Locations Clause, Public Utilities Clause or Errors and Omissions Clause (if applicable)

Subject to the sub-limit stated in the Schedule.
EARTH MOVEMENT ENDORSEMENT

By deleting the exclusion no. 17 in Section I, Part D. Perils Excluded, this Policy is extended to cover physical loss or damage caused by or resulting from "earth movement".

Wherever used in this Endorsement, the term single "earth movement" includes all earth movements occurring within a continuous 72 hour period.

LIMITS OF LIABILITY

The Company shall not be liable under the terms of this Endorsement for more than the earth movement limits of liability specified in the Schedule for each single "earth movement" and during any policy year. If this Policy includes Loss of Profits Coverage, the foregoing limits shall be the maximum amount collectible under this Endorsement.

ADDITIONAL EXCLUSIONS

1. This Endorsement does not apply to property insured under a State or Government scheme.

2. This Endorsement does not insure against loss or damage caused by or resulting from "flood" regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

3. This Endorsement does not apply to any property insured under the Automatic Coverage Clause, Unscheduled Locations Clause, Public Utilities Clause or Errors and Omissions Clause (if applicable)

Subject to the sub-limit stated in the Schedule.
STRIKE, RIOT AND CIVIL COMMOTION ENDORSEMENT

By deleting the exclusion no. 18 in Section I, Part D. Perils Excluded this Policy is extended to cover physical loss or damage caused by or resulting from "riot", "civil commotion", "malicious mischief", "vandalism", strikers, locked-out workers or persons taking part in labour disturbances.

ADDITIONAL EXCLUSIONS

There shall be no liability under this clause for:

1. loss or damage caused by theft or any attempt thereat;

2. loss or damage when the premises are left vacant or disused;

3. loss or damage resulting from cessation of work;

4. loss or damage occasioned by or happening through confiscation or destruction or requisition by order of the government or any other public authority;

This Endorsement does not apply to any property insured under Automatic Coverage Clause, Unscheduled Locations Clause or Errors and Omissions Clause (if applicable).

In any action, suit or other proceedings where the Company alleges that by reason of the provisions of this condition any loss or damage is not covered by the Policy the burden of proving that such loss or damage is covered shall be upon the Insured.

Subject to the sub-limit stated in the Schedule.
INTERNAL MACHINERY BREAKDOWN ENDORSEMENT

By deleting the exclusion no. 20 in Section I, Part D. Perils Excluded this Policy is extended to cover physical loss or damage caused by or resulting from the "internal machinery breakdown".

ADDITIONAL EXCLUSIONS

There shall be no liability under this clause for:

1. "Internal machinery breakdown" of wires, felts, moulds, jigs and fixtures, dies, small tools or patterns unless physical damage not otherwise excluded by this Policy results, in which event, this Policy shall cover only such resulting damage.

Subject to the sub-limit stated in the Schedule.
ERRORS AND OMISSIONS ENDORSEMENT

In the event of physical loss or damage to property of the Insured located in the country in which the locations herein insured are situated and such loss or damage is not payable under this Policy solely because of:

1) any error or unintentional omission in the description or location of property insured under this Policy, which error or omission existed at the inception date of this Policy; or

2) any error or unintentional omission in the description or location of property insured under this Policy, in any subsequent amendments to this Policy; or

3) failure through error or unintentional omission to include

3.1 any location owned or occupied by the Insured at the inception date of this Policy, or

3.2 any location newly acquired or occupied during the term of this Policy and not reported within sixty (60) days; or

3.3 any error or unintentional omission which results in cancellation of property insured under this Policy,

such loss or damage shall be insured by this Policy only to the extent this Policy would have provided coverage had the error or unintentional omission not been made, up to the sub-limit specified in the Schedule.

It is a condition of this coverage that such error or unintentional omission shall be reported and corrected when discovered.

However, loss or damage caused by or resulting from "flood", "earth movement", "riot", "civil commotion", "malicious mischief", "vandalism", strikers, lock-out workers or persons taking part in labour disturbances or "acts of terrorism" or secret acts of foreign enemy or agent of any government is excluded in respect of property insured under this clause.

Subject to the sublimit stated in the Schedule
EXTRA EXPENSE ENDORSEMENT

This Policy is extended to cover the Extra Expense incurred by the Insured during the "Indemnity Period" in order to continue as nearly as practicable the normal operations of the Insured's business following a covered physical loss or damage of the type insured against by this Policy, to property not otherwise excluded by this Policy, utilised by the Insured and located as described elsewhere in this Policy.

For the purposes of this Endorsement, the Extra Expense is defined as the excess (if any) of the total cost incurred during the "Indemnity Period" chargeable to the operation of the Insured's business, over and above the total cost that would normally have been incurred to conduct the business during the same period had no loss or damage occurred. Any salvage value of property obtained for temporary use during the "Indemnity Period", which remains after the resumption of normal operation, shall be taken into consideration in the adjustment of any loss hereunder.

SPECIAL CONDITIONS

There shall be no liability under this clause for:

1. loss of income;

2. the cost of repairing or replacing any real or personal property, or the cost of research or other expense necessary to replace or restore books of account, abstracts, drawings, card index systems or other records (including film, tape, disc, drum, cell or other magnetic recording or storage media for electronic data processing) that have been lost or damaged by peril(s) insured against by this Policy, except cost in excess of the normal cost of such repair, replacement or restoration necessarily incurred for the purpose of reducing loss under this Policy. In no event shall such excess cost exceed the amount by which the total Extra Expense loss otherwise payable under this Policy is hereby reduced; or

3. any other consequential or remote loss; or

4. any expenses covered under other coverage parts or endorsements to this Policy.

Subject to the sub-limit stated in the Schedule.
ACCOUNTS RECEIVABLE ENDORSEMENT

This policy is extended to cover:

1. All sums due to the Insured from customers, provided the Insured is unable to effect collection thereof as the direct result of loss of or damage to records of accounts receivable,

2. Interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible by such loss or damage,

3. Collection expense in excess of normal collection cost and made necessary because of such loss or damage to the extent that such extra costs reduces the loss hereunder.

In the event it is possible to reconstruct the Insured’s Accounts Receivable Records after they have been physically lost or damaged, the Company shall be liable only for the costs of material and time required to re-establish and/or reconstruct such Accounts Receivable Records, but only so far as not covered by any other form of insurance.

When there is proof that a loss covered by this policy has occurred but the Insured cannot more accurately establish the total amount of accounts receivable outstanding as of the date of loss, such amount shall be computed as follows:

1. The monthly average of accounts receivable during the last available twelve months, together with collection expenses in excess of normal collection costs and made necessary because of such loss or damage, and reasonable expenses incurred in re-establishing records of accounts receivable following such loss or damage, shall be adjusted in accordance with the percentage increase or decrease in the twelve months average of monthly gross revenues which may have occurred in the interim.

2. The monthly amount of account receivable established shall be further adjusted in accordance with any demonstrable variance from that average for the particular month in which the loss occurred, due consideration also being given to the normal fluctuations in the amount receivable within the fiscal month involved.

There shall be deducted from the total amount of accounts receivable, however established, the amount of such accounts evidenced by records not lost or damaged or otherwise established or collected by the Insured and an amount to allow for probable bad debts which would have been uncollectible by the Insured.

Subject to the sub-limit stated in the Schedule.
FIXED PROPERTY AND BUILDINGS IN WHICH THE INSURED HAS AN INSURABLE INTEREST.

For the purposes of this insurance contract real estate and buildings shall also include all constructions and equipment which are located within the insured premises, being electrical equipment, water tanks, apparatus or pipes, heating equipment, drains and sewers and sprinklers.

The cover provided by this insurance on buildings also includes the underneath of the basement floor. If a building has a cellar or basement floor then cover shall also include any possible supporting girders onto which the cellar or basement floors have been built, underground service pipes, electrical systems and other such property which maybe located beneath these floors including foundations and pile works.

Subject to the sub-limit stated in the Schedule.
ELECTRONIC DATA ENDORSEMENT NMA 2915

1. Electronic Data Exclusion

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:-

a) This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. Computer Virus includes but is not limited to "trojan horses", "worms" and "time or logic bombs".

b) However, in the event that a peril listed below results from any of the matters described in paragraph a) above, this Policy, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Policy period to property insured by this Policy directly caused by such listed peril.

Listed Perils
Fire
Explosion

2. Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:-

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

NMA 2915 (25.1.01)
Form approved by Lloyd's Underwriters' Non-Marine Association Limited
MOULD & FUNGI ENDORSEMENT

A. This Policy only insures physical loss or damages to property insured by mould, mildew, fungus or spores, when directly caused by property insured during the policy period by one of the following listed perils:

Fire; Earthquake; Explosion; Lightning; Windstorm; Hail; Flood or water damage; Direct impact of a vehicle; Aircraft or vessel; Riot or civil commotion; Vandalism or malicious mischief; or Accidental discharge of fire protection equipment.

The coverage is subject to all limitations of the Policy and, in addition, to each of the following specific limitations:

1. The said property must be insured for physical loss or damage by a listed peril
2. The Insured must report to the Company the existence and cost of the physical loss or damage by mould, mildew, fungus, or spores as soon as practicably possible, but no later than six (6) months after the listed peril first caused any physical loss or damage to such insured property during the policy period. This Policy does not insure any physical loss or damage by mould, mildew, fungus or spores first reported to the Company after that six (6) month period.

B. Except as set forth in the foregoing section A, this Policy does not insure any loss, damage, claim, cost, expense, or other sum directly or indirectly arising out of or relating to mould, mildew, fungus, spores of any type, nature or description.

Subject to the sub-limit stated in the Schedule.
LEAKAGE OF OIL AND OTHER LIQUIDS ENDORSEMENT

This Policy is extended to cover loss of or damage to real and personal property or on third party property occasioned by sudden and unforeseen leakage of oil or other liquids from any fixed oil tank, pipes or apparatus in so far as this loss or damage is for the Insured's account.

This Policy further covers the costs incurred in order to locate the rupture or the defect, including the necessary structural disturbance and repair of the walls, floors and other parts of the building.

Leakage shall also mean overflowing.

Subject to the sub-limit stated in the Schedule.
TENANTS AND NEIGHBOURS LIABILITY ENDORSEMENT

This Policy extends to indemnify the Insured against the Liability, which the Insured incurs:

- as tenant under the articles of any civil or commercial code, because of damage to real or personal property by a peril insured against,

- under the articles of any civil or commercial code for damage to real or personal property from a peril insured against spreading from the Insured's premises to the premises of neighbours and co-tenants,

- as landlord under articles of any civil or commercial code for damage to the personal property of tenants by a peril insured against as a result of constructional defects or lack of maintenance.

This extension applies only to liabilities incurred in France, Belgium and Italy and only in case where the Insured has not been able to obtain an indemnity from any insurance effected by the landlord.

Subject to the sub-limit stated in the Schedule.
RESEARCH AND DEVELOPMENTS COST ENDORSEMENT

This Policy covers loss or damage to research projects including the value of extra time spent on research projects, and the extra expenses incurred in order to resume projects or otherwise minimise the time lost, resulting from or caused by a peril not otherwise excluded.

In the event of loss, damage or destruction to property as covered according to Section I, which result in an interruption of research and developments activities, this Policy shall cover the actual loss sustained of continuing fixed charges and expenses, directly attributable to such research and development activities.

From any claims allowable under above shall be deducted such of the charges and expenses of the business as may cease or reduced in consequence of the loss, destruction or damage during the Indemnity Period.

Subject to the sub limit stated in the schedule
GOODS IN TRANSIT EXTENSION ENDORSEMENT

It is understood and agreed that Section 1 – Property Damage of this Policy is extended to cover the Property Insured in the event of Damage whilst In Transit within the Territorial Limits during the Period of Insurance.

The Company will pay to the Insured the value of the Property Insured at the time of it having sustained Damage or at the option of the Company the amount of the Damage or at the option of the Company reinstate or replace such Property Insured or any part thereof.

Provided that the liability of the Company under this Endorsement (including Extensions hereto) for any one event shall not exceed the sublimit stated in section 1 – Property Damage

Definitions

For the purpose of this Endorsement

**Property Insured**
means machinery belonging to the Insured or for which the Insured are responsible and connected with the Business, only to the extent that the owner is not entitled to compensation for loss under any other insurance.

**In Transit**
means being carried to its destination by rail and/or road and/or postal conveyances including loading and unloading and whilst temporarily housed in the course of being carried to its destination

**Territorial**
means Sweden, or such territorial limit that is agreed on in the schedule of limits this Policy, including transit directly between such territories.

Extensions

The insurance provided by this Endorsement includes

**Additional Expenses**
additional costs and expenses reasonably and necessarily incurred by the Insured in transferring the Property Insured to another vehicle, or reloading on the original vehicle for onward delivery or return to the Premises and removal of debris due to fire, explosion, collision or overturning of the carrying vehicle, subject to a limit of SEK 10 000 any one event

**Employees’ Effects**
in so far as the same are not otherwise insured Damage to employees’ personal property due to fire, explosion, collision or overturning of the carrying vehicle, subject to a limit of SEK3000 any one employee any one event

**Ropes/Sheets Damage**
ropes, sheets, tarpaulins, trolleys and the like whilst In Transit, subject to a limit of SEK 10 000 any one event
Special Condition

In addition to General Condition 7 – Requirements in case of loss of this Policy, it is a condition precedent to any liability of the Company that on the happening of any event which may give rise to a claim under this Endorsement the Insured:

a) in the case of Property Insured carried by sea and/or air and/or rail and/or road and/or postal carrier takes all practicable steps to notify the carrier concerned in writing of the Damage within the time limits notification of claims stipulated in the applicable conditions of carriage or contract.

b) in the case of Damage to a package or consignment retain the Property Insured and packaging in the same state as delivered for inspection by the Company.
NOTIFIABLE DISEASE

Damage is extended to include loss resulting from:

1. (a) any occurrence of a Notifiable Disease (as defined below) at the Premises or a Notifiable Disease attributable to food or drink supplied from the Premises,
   (b) any discovery of an organism at the Premises likely to result in the occurrence of a Notifiable Disease,

2. the discovery of vermin or pests at the Premises,
3. any accident causing defects in the drains or other sanitary arrangements at the Premises,
   which causes restrictions on the use of the Premises on the order or advice of the competent local authority,
4. any occurrence of murder or suicide at the Premises.

Special Provisions
(1) Notifiable Disease shall mean illness sustained by any person resulting from
   (1) food or drink poisoning, or
   (2) an occurrence of a human infectious or human contagious disease which the competent local authority has stipulated shall be notified to them with the exception of any occurrence, whether directly or indirectly, of;
   (i) Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition
   (ii) Severe Acute Respiratory Syndrome (SARS) corona virus
   (iii) Influenza A virus
   or any virus and/or conditions derived from the above including, but not limited to, H1N1, H7N7 and H5N1.

(b) For the purpose of this Extension
   Indemnity Period shall mean the period during which the results of the Business shall be affected in consequence of the Damage, beginning with the date from which the restrictions on the Premises are applied (or in the case of 4. above, with the date of the occurrence) and ending not later than the Maximum Indemnity Period thereafter.

Maximum Indemnity Period shall mean 3 months.

Premises shall mean only those locations stated in the Premises definition; in the event that the Material Damage or Business Interruption Sections include an extension which deems Damage at other locations to be Damage at the Premises such extension shall not apply to this Extension.

(c) The Insurer shall not be liable under this Extension for any costs incurred in the cleaning, repair, replacement, recall or checking of property.
(d) The Insurer shall only be liable for loss arising at those Premises which are directly subject to the Damage.
(e) The liability of the Insurer shall not exceed the Inner Limit of Liability stated in the Policy.
(f) Notwithstanding Special Provision (c), the insurance by this Extension
extends to include the costs and expenses necessarily incurred with the
consent of the Insurer in
(1) cleaning and decontamination of property used by the Insured for
the purpose of the Business (other than stock in trade),
(2) removal and disposal of contaminated stock in trade,
at or from the Premises, the use of which has been restricted on the order or
advice of the competent local authority solely in consequence of the Damage
as defined above.
TERRORISM INSURANCE

Property Damage Wording

Insuring Clause

Subject to the exclusions, limits and conditions hereinafter contained, this Insurance insures buildings and contents against physical loss or physical damage by an Act of Terrorism, as herein defined, occurring during the period of this Policy as stated in the Schedule attaching to and forming part hereof, (hereinafter referred to as the “Schedule”).

For the purpose of this Insurance, an act of terrorism means an act, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

LOSSES EXCLUDED

This Policy DOES NOT INSURE AGAINST:-

1. Loss or damage arising directly or indirectly from nuclear detonation, reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, reaction, nuclear radiation or radioactive contamination may have been caused.

2. Loss or damage occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or government entities, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power or martial law or confiscation by order of any Government or public authority.

3. Loss by seizure or illegal occupation.

4. Loss or damage caused by confiscation, requisition, detention, legal or illegal occupation, embargo, quarantine, or any result of any order of public or government authority which deprives the Assured of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.

5. Loss or damage directly or indirectly arising from or in consequence of the discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant of toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

6. Loss or damage by chemical or biological release or exposure of any kind.

7. Loss or damage by attacks by electronic means including computer hacking or the introduction of any form of computer virus.

8. Loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, riots or civil commotion unless physical loss or damage is caused directly by an Act of Terrorism.
9. Loss or increased cost occasioned by any Public or Civil Authority’s enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder.

10. Any consequential loss or damage caused by any other ensuing cause.

11. Loss of use, delay or loss of markets, however caused or arising, and despite any preceding loss insured hereunder.

12. Loss or damage caused by cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications of any type or service.

13. Loss or increased cost as a result of threat or hoax, in the absence of physical damage due to an act of terrorism.

14. Loss or damage caused by or arising out of burglary, house - breaking, theft or larceny or caused by any person taking part therein.

**PROPERTY EXCLUDED**

**THIS POLICY DOES NOT COVER:** -

1. Land or Land Values.

2. Power Transmission or feeder lines not on the Assured’s premises.

3. Any building or structure, or property contained therein, while such building or structure is vacant or unoccupied or inoperative for more than thirty days.

4. Aircraft or any other Aerial device, or watercraft.

5. Any land conveyance, including vehicles, locomotives or rolling stock, unless such land conveyance is declare hereon and solely whilst located at the property insured herein at the time of its damage.

6. Animals, plants and living things of all types.

7. Property in Transit not on the Assured’s premises.

**ONUS OF PROOF**

In any claim and/or action, suit or proceeding to enforce a claim for loss under this policy, the burden of proving that the loss is recoverable under this Policy and that no limitation or exclusion of this policy applies and the quantum of loss shall fall upon the Assured.

**OTHER INSURANCE**

This Policy does not cover any loss or damage, which at the time of the happening of such loss or damage is insured by, or would, but for the existence of this Policy, be insured by any other insurance policy or policies either primary or excess.
TERRITORIAL LIMITS

This Policy insures property owned by the Assured and located as described in the Schedule.

SUM INSURED

The Underwriters hereon shall not be liable for more than the sum insured stated in the Schedule in respect of each occurrence and in the annual aggregate.

DEDUCTIBLE

Each occurrence shall be adjusted separately and from the amount of each such adjusted loss; the sum stated in the Schedule shall be deducted.

OCCURRENCE

The term “Occurrence” shall mean any one loss and/or series of losses arising out of and directly occasioned by one Act or series of Acts of Terrorism for the same purpose or cause. The duration and extent of any one “Occurrence” shall be limited to all losses sustained by the Assured at the property insured herein during any period of 72 consecutive hours arising out of the same purpose or cause. However no such period of 72 consecutive hours may extend beyond the expiration of this policy unless the Assured shall first sustain direct physical damage by an Act of Terrorism prior to expiration and within said period of 72 consecutive hours nor shall any period of 72 consecutive hours commence prior to the attachment of this Policy.

DEBRIS REMOVAL

This Policy also covers, within the sum insured, expenses incurred in the removal of debris of property covered hereunder which may be directly destroyed or damaged by an Act of Terrorism.

The cost of removal of debris shall not be considered in determination of the valuation of the property covered.

CONDITIONS

1. DUE DILIGENCE

   The Assured (or any agent, sub or co-contractor of the Assured) shall at all times and at his own expense use due diligence and do (and concur in doing and permit to be done) all things reasonably practicable (including but not limited to precautions to protect or remove the property and interests insured herein) to avoid or diminish any loss herein insured.

2. PROTECTION MAINTENANCE

   It is agreed that any protection provided for the safety of the insured property shall be maintained in good order throughout the currency of this Policy and shall be in use at all
relevant times, and that such protection shall not be withdrawn or varied to the detriment of the interests of the Underwriters without their consent.

3. VALUATION

It is understood that, in the event of damage, settlement shall be based upon the cost of repairing, replacing or reinstating (whichever is the least) on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:

(a) The repairs, replacement or reinstatement (all hereinafter referred to as “replacement”) must be executed with due diligence and dispatch;

(b) Until replacement has been effected the amount of liability under this policy in respect of loss shall be limited to the actual cash value at the time of loss;

(c) If replacement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, any increased cost of replacement due thereto shall not be covered by this Policy.

The Underwriters’ liability for loss under this Policy including this endorsement shall not exceed the smallest of the following amounts:

(i) The amount of the Policy applicable to the destroyed or damaged property,

(ii) The replacement cost of the property or any part thereof identical with such property and intended for the same occupancy and use,

(iii) The amount actually and necessarily expended in replacing said property or any part thereof.

4. INCORRECT DECLARATION PENALTY

If the values declared as stated in the Schedule are less than the correct insured values as determined above, then any recovery otherwise due hereunder shall be reduced in the same proportion that the values declared bear to the values that should have been declared, and the Assured shall co-insure for the balance.

5. NOTIFICATION OF CLAIMS

The Assured, upon knowledge of any occurrence likely to give rise to a claim hereunder, shall give immediate written advice thereof to the Underwriters and or the Broker, named for that purpose in the Schedule, who is to advise Underwriters within 72 hours of such knowledge of any occurrence.

6. PROOF OF LOSS

The Assured shall render a signed and sworn proof of loss within sixty (60) days after the occurrence of a loss (unless such period be extended by the written agreement of Underwriters) stating the time, place and cause of loss, the interest of the Assured and all others in the property, the sound value thereof and the amount of loss or damage thereto.

If Underwriters have not received such proof of loss within two years of the expiry date of this policy, they shall be discharged from all liability hereunder.
7. SUBROGATION

If the Underwriters become liable for any payment under this Policy in respect of loss or damage the Underwriters shall be subrogated, to the extent of such payment, to all the rights and remedies of the Assured against any party in respect of such loss or damage and shall be entitled at their own expense to sue in the name of the Assured. The Assured shall give to the Underwriters all such assistance in his power as the Underwriters may require to secure their rights and remedies and, at Underwriters’ request shall execute all documents necessary to enable Underwriters effectively to bring suit in the name of the Assured including the execution and delivery of the customary form of loan receipt.

8. SALVAGE AND RECOVERIES

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.

9. FALSE OR FRAUDULENT CLAIMS

If the Assured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall become void and all claim hereunder shall be forfeited.

10. ABANDONMENT

There shall be no abandonment to the Underwriters of any property.

11. INSPECTION AND AUDIT

The Underwriters shall be permitted but not obligated to inspect the Assured’s property at any time. Neither the Underwriters’ right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Assured or others, to determine or warrant that such property is safe.

The Underwriters may examine and audit the Assured’s books and records at any time during the Policy period and extensions thereof and within two years after the final termination of this Policy, as far as they relate to the subject matter of this Insurance.

12. ASSIGNMENT

Assignment or transfer of this Policy shall not be valid except with the written consent of Underwriters.

13. RIGHTS OF THIRD PARTIES EXCLUSION

This Policy is effected solely between the Assured and Underwriters. This Policy shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any term of this Policy. The Contract (Rights of Third Parties) Act 1999 is expressly excluded from this Policy.

This clause shall not affect the rights of the Assured.

14. NON-CANCELLATION

Policy non-cancellable by either Underwriters (other than for non-payment of premium) or the assured.
15 JURISDICTION

United States of America Federal Law (or state law as applicable) will govern this Policy. Any disputes arising hereunder will be exclusively subject to United States of America Federal jurisdiction (or state jurisdiction as applicable).

16 ARBITRATION

If the Assured and Underwriters fail to agree in whole or in part regarding any aspect of this Policy, each party shall, within ten (10) days after the demand in writing by either party, appoint a competent and disinterested arbitrator and the two chosen shall before commencing the arbitration select a competent and disinterested umpire. The arbitrators together shall determine such matters in which the Assured and Underwriters shall so fail to agree and shall make an award thereon, and if they fail to agree, they will submit their differences to the umpire and the award in writing of any two, duly verified, shall determine the same.

The parties to such arbitration shall pay the arbitrators respectively appointed by them and bear equally the expenses of the arbitration and the charges of the umpire.

17 SERVICE OF SUIT (USA)

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Assured will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters’ rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States district Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon Mendes & Mount and/or nominees as stated in the Schedule and, that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorised and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Assured to give a written undertaking to the Assured that they will enter a general appearance upon Underwriters’ behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision thereof, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Assured or any beneficiary hereunder arising out of this contract of insurance and hereby designate the above-named as the person to whom the said officer is authorised to mail such process or a true copy thereof.

18 SEVERAL LIABILITY

The Underwriters’ obligations under this Policy are several and not joint and are limited solely to their individual subscriptions. The Underwriters are not responsible for the subscription of any co-subscribing Underwriter who for any reason does not satisfy all or part of its obligations.
TERRORISM INSURANCE

Business Interruption Extension Wording

In consideration of the premium paid, and subject to the EXCLUSIONS, CONDITIONS AND LIMITATIONS of the Policy to which this Extension is attached, and also to the FOLLOWING ADDITIONAL CONDITIONS, EXCLUSIONS AND LIMITATIONS, this Policy is extended to cover loss resulting from necessary Interruption of Business, relating only to the premises affected by the Act of Terrorism, caused by Direct Physical Loss or Damage by an Act of Terrorism, as covered by the Policy to which this Extension is attached, to property insured by this Policy.

In the event of such Direct Physical Loss or Damage, Underwriters shall be liable for the Actual Loss Sustained by the Assured resulting directly from such necessary Interruption of Business, but not exceeding the reduction in Gross Earnings, as defined hereafter, less charges and expenses which are not necessary during the Interruption of Business, for a period not to exceed the lesser of:-

a) such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the property as has been destroyed or damaged,

or

b) EIGHTEEN (18) calendar months,

commencing with the date of such Direct Physical Loss or Damage and not limited by the expiration of this Policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent necessary to resume operations of the Assured with the same operational capability as existed immediately before the loss.

CONDITIONS

1. DIRECT DAMAGE

No claim shall be payable under this Extension unless and until a claim has been paid, or liability admitted, in respect of Direct Physical Loss or Damage by an Act of Terrorism to property insured under the Policy to which this Extension is attached and which gave rise to Interruption of Business.

This Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a deductible in said Policy which excludes liability for losses below a specified amount.

2. RESUMPTION OF OPERATIONS

If the Assured could reduce the loss resulting from the Interruption of Business,

a) by complete or partial resumption of operation of the property,

and/or

b) by making use of merchandise, stock (raw, in process or finished), or any other property at the Assured's locations or elsewhere,

and/or
by using or increasing operations elsewhere,

then such possible reduction shall be taken into account in arriving at the amount of loss hereunder.

3. EXPENSES TO REDUCE LOSS

This Extension also covers such expenses as are necessarily incurred for the purpose of reducing loss under this Extension (except expenses incurred to extinguish a fire), and, in respect of Manufacturing Risks, such expense, in excess of normal, as would necessarily be incurred in replacing any finished stock used by the Assured to reduce loss under this Extension; but in no event to exceed the amount by which loss under this Extension is thereby reduced. Such expenses shall not be subject to the application of any contribution clause.

4. VALUATION

All amounts and accounting details to be calculated using the Assured’s usual Generally Accepted Accounting Standards.

EXCLUSIONS

THIS EXTENSION DOES NOT INSURE AGAINST:-

1. Increase in loss resulting from interference at the insured premises, by strikers or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation.

2. Increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured Interruption of Business, and then Underwriters shall be liable for only such loss as affects the Assured's earnings during, and limited to, the period of indemnity covered under this Policy.

3. Increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder.

4. Loss of Market or any other consequential loss except as specifically insured herein.

5. Loss as a result of physical or mental or bodily injury to any person.

LIMITATIONS

1. Underwriters shall not be liable for more than the smaller of either:-

   a) Any Specific Business Interruption Sum Insured stated in the Schedule, or

   b) The Sum Insured stated in the Schedule, where such includes Business Interruption, if such is a combined limit,

   in respect of such loss, regardless of the number of locations suffering an interruption of business as a result of any one occurrence.

2. With respect to loss resulting from damage to or destruction of media for, or programming records pertaining to, electronic data processing or electronically controlled equipment,
including data thereon, by the perils insured against, the length of time for which underwriters shall be liable hereunder shall not exceed:

a) 30 consecutive calendar days or the time required with exercise of due diligence and dispatch to reproduce the data thereon from duplicates or from originals of the previous generation, whichever is less; or,

b) the length of time that would be required to rebuild, repair or replace such other property herein described as has been damaged or destroyed, but not exceeding twelve (12) calendar months,

whichever is the greater length of time.

DEFINITIONS

1. **GROSS EARNINGS** are for the assessment of premium and for adjustment in the event of loss defined as,

   The sum of:-

   a) Total net sales value of production or sales of merchandise,

   and

   b) Other earnings derived from the operations of the business.

   LESS THE COST OF

   c) Raw stock from which production is derived,

   d) Supplies consisting of materials consumed directly in the conversion of such raw stock into finished stock, or in supplying the services sold by the Assured,

   e) Merchandise sold including packaging materials therefor,

   f) Materials and supplies consumed directly in supplying the service(s) sold by the Assured,

   g) Service(s) purchased from outsiders (not employees of the Assured) for resale which do not continue under contract,

   h) The difference between the cost of production and the net selling price of finished stock which has been sold but not delivered,

No other costs shall be deducted in determining Gross Earnings.

In determining Gross Earnings due consideration shall be given to the experience of the business before the date of loss or damage and the probable experience thereafter had loss not occurred.

2. **RAW STOCK**

   Material in the state in which the Assured receives it for conversion into finished stock.

3. **STOCK IN PROCESS**


Raw stock which has undergone any ageing, seasoning, mechanical or other process of manufacture at the Assured's premises but which has not become finished stock.

4. **FINISHED STOCK**

Stock manufactured by the Assured which in the ordinary course of the Assured's business is ready for packing, shipment or sale.

5. **MERCHANDISE**

Goods kept for sale by the Assured which are not the product of manufacturing operations conducted by the Assured.

6. **NORMAL**

The condition that would have existed had no loss occurred.