



UNITED RELIANCE INTERNATIONAL, LTD.

4th February 2008

ADVICE OF INSURANCE

In accordance with your instructions we have effected the undermentioned Insurance.

POLICY NO : **COLL50059**
THE INSURERS: **As per Schedule Attached**
THE INSURED: **THE SANDS LTD ET AL AS PER SCHEDULE ATTACHED.**
THE PROPERTY INSURED: **As detailed in the specification hereunder which is declared to be incorporated in and to form part of the schedule.**
TOTAL SUM INSURED PROPERTY: **\$37,688,600 as per schedules attached.**
TOTAL BUSINESS INTERRUPTION SUM INSURED: **\$650,000 (Gross Profit) Period of Indemnity-18 Months** **X Premium**
TOTAL SUM INSURED: **\$38,328,600.00** **INTERUPTION**
OCCUPATION OF BUILDINGS: **Condominium Apartments** **OCEANSIDE**
PERIOD OF INSURANCE: **From: 31st January 2008**
To: 31st January 2009
At four o'clock in the afternoon.
ADDRESS OF PROPERTY AT WHICH THE INSURANCE APPLIES: **Grace Bay Road**
Grace Bay
Providenciales
COVER **ALL RISKS WITH CONDITIONS & EXCLUSIONS AS PER POLICY**

*for business
CHARGED TO
MARKETING*

<u>DEDUCTIBLES</u>	Deductible
(1) Damage by Hurricane, Cyclone, Tidal Wave, Tornado Windstorm, Earthquake, Volcanic Eruption including flood following those perils	5% of Sum Insured Per item on the attached schedules Minimum \$1000
(2) All other loss or damage	\$1000 any one claim
(3) Business Interruption	2 day waiting period



UNITED RELIANCE INTERNATIONAL, LTD.

4th February 2008**SPECIAL CONDITIONS:**

1. Architects, Surveyors, Consultants and Legal Fees Clause.
2. Removal Of Debris Clause
3. Capital Additions Clause
4. Agreed Value Clause applicable to items 1-20
5. The cover for Business Interruption applies only to The Sands Ltd, The Sands Resort Ltd & Oceanside Marketing Ltd

Coverage is subject to all terms, conditions and exclusions of the Policy. The Renewal Certificate is being prepared and will be forwarded to you in the near future.

Premium:
\$325,878.00


 United Reliance International
 On behalf of the participating Insurers

REGISTRATION

Ref: The Sandpit AL - 2008

SCHEDULE OF INSURERS

NAME OF INSURER	PERCENTAGE PARTICIPATION	SUM INSURED	PREMIUM
Island Heritage Insurance Co. Ltd	20%	\$ 7,667,720	\$65,175.60
<hr/>			
General Agents J.S. Johnson and Company (Turks & Caicos) Ltd			
United Insurance Company Ltd.	15%	\$ 5,750,790.00	\$48,881.70
<hr/>			
General Agents N.W. Hamilton & Co.			
NEM (West Indies) Insurance Ltd.	20%	\$ 7,667,720	\$65,175.60
<hr/>			
General Agents United Reliance International Ltd			
Jamaica International Insurance Company Ltd.	15%	\$ 5,750,790.00	\$48,881.70
<hr/>			
General Agents United Reliance International Ltd			
NEM (West Indies) Insurance Ltd.	15%	\$ 5,750,790.00	\$48,881.70
<hr/>			
General Agents Fidelity Insurance (Cayman) Ltd.			
Gulf Insurance Ltd.	10%	\$ 3,833,860.00	\$32,587.80
Security & General Ins. Co. Ltd	5%	\$1,916,930.00	\$16,293.90
<hr/>			
General Agents The Insurance Centre			
Total		\$ 28,338,600.00	\$325,878.00

Collective Policy No. 50059

SPECIFICATION
SCHEDULE OF INSUREDS

Insured:

The Sands Ltd. / The Sands Resort Ltd./ The Proprietors Strata Plan #25/ Ocean Side Marketing Ltd/ Owners of Individual Condominium Apartments for their respective rights and interest.

Location of Property: Grace Bay
Providenciales
Turks & Caicos Islands



UNITED RELIANCE INTERNATIONAL, LTD.

4th February 2008

ADVICE OF INSURANCE

In accordance with your instructions we have effected the undermentioned Insurance.

TYPE OF COVER : Public, Products and Pollution Liability Insurance Schedule

INSURED : THE SANDS LTD, The Proprietors of Strata Plan No. 25, Ocean Side Marketing Ltd / Owners of individual Condominium apartments for their respective rights and interests and as otherwise provided for herein.

Address:

The Sands at Grace Bay
P.O. Box 681, Providenciales
Turks & Caicos Islands
British West Indies

CERTIFICATE NO. : B05760MGL037

BUSINESS : Villa Owners / Operators and operations connected therewith.

GEOGRAPHICAL LIMITS : Worldwide excluding operations owned, operated and managed in the United States of America.

PERIOD OF INSURANCE : From : 1st February 2008
To : 1st February 2009

Both days at 00:07 a.m. local standard time at the Insured's Address as above.

INDEMNITY LIMITS : Section A : USD 10,000,000
Section B : USD 10,000,000
Section C : USD 10,000,000

Subject always to the applicable sub-limits stated in various Endorsements of this Certificate. Such sub-limits are within and not in addition to the above Indemnity Limits.

EXCESSES : USD 5,000 other than as specified below

USD 7,500 in respect of claims brought within any jurisdiction other than Turks & Caicos Islands, the United States of America or Canada.

USD 20,000 in respect of claims brought within the jurisdiction of the United States of America and / or Canada.

Other amounts as specified in Endorsements 8, 10 and 14 herein.
All Excesses are inclusive of Defence Costs.



UNITED RELIANCE INTERNATIONAL, LTD.

4th February 2008

CHOICE OF LAW AND

JURISDICTION : **Choice of Law** : **Turks & Caicos Islands**
Jurisdiction : **Turks & Caicos Islands**

ANNUAL PREMIUM : **USD 54,150.00**

LINES CLAUSE

This Insurance, being signed for 100% insures only that proportion of any loss, whether total or partial, including but not limited to that proportion of associated expenses, if any, to the extent and in the manner provided in this insurance.

The percentages signed in the Table are percentages of 100% of the amount(s) of Insurance stated herein.

SEVERAL LIABILITY CLAUSE

The Insurers named hereon bind themselves each for their own part and not one for another. Each Insurer's liability under this certificate shall not exceed that percentage or amount of the risk shown against that Insurer's name.

EFFECTIVE WITH:

Lloyd's Underwriters:

Syndicate 386 (DAC) at Lloyd's, London, England	33.31%
Syndicate 1886 (QRE) at Lloyd's, London, England	33.33%
Syndicate (SJC) at Lloyd's, London, England	33.33%

Premium
\$54,150.00

U

United Reliance International Ltd.

Public, Products and Pollution Liability Insurance

1. Operative Clause

The Underwriters will indemnify the Insured against their liability to pay damages (including claimants' costs, fees and expenses) in accordance with the law of any country but not in respect of any judgement, award, payment, or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award, payment or settlement either in whole or in part) unless the Insured has requested that there shall be no such limitation and has accepted the terms offered by Underwriters in granting such cover, which offer and acceptance must be signified by specific memorandum to this Policy.

This indemnity applies only to such liability as defined by each insured Section of this Policy arising out of the Business specified in the Schedule in respect of its operations within the Geographical Limits, subject always to the terms, Conditions and Exclusions of such Section and of the Policy as a whole.

2. Definitions

For the purpose of determining the indemnity granted:-

2.1 "Advertising Injury" means injury arising out of:

- a) libel, slander or defamation; or
- b) any infringement of copyright or passing-off of title or slogan; or
- c) unfair competition, piracy, misappropriation of advertising ideas or style of doing business; or
- d) invasion of privacy

committed or alleged to have been committed during the Period of Insurance in any advertisement, publicity article, broadcast or telecast or by the use of any Internet website and caused by or arising out of the Insured's advertising activities.

2.2 "Business" means:

the insured's Business as described in the Schedule and, where applicable, as further described in any more specific underwriting information provided to the Underwriters at the time when this insurance was negotiated, and shall include:

- a) the ownership and/or tenancy of premises by the Insured;
- b) the staging of exhibitions or trade stands or the attendance at convocations or seminars and the like;

SM 2/13

c) the provision of sports, social and welfare organisations and file, first aid and medical facilities;

d) private work undertaken by the Insured's employees for any director, partner, officer or executive of the Insured;

e) the ownership or operation of lifts, elevators, escalators or hoists, but only in so far as this liability is not otherwise insured.

2.3 "Damage" means:

- physical loss, destruction of or damage to tangible property, including the loss of use thereof at any time resulting therefrom; and/or
- "loss-of" use of tangible property which has not been physically lost, damaged or destroyed, provided such loss of use is caused by physical damage to or destruction of other tangible property which first happened during the Period of Insurance; all such loss of use shall be deemed to occur at the time of the physical damage or destruction that caused it.

2.4 "Injury" means:

- body injury, death, sickness, disease, disability, shock, fright, mental anguish and/or mental injury ("Bodily Injury");
- false arrest, false imprisonment, wrongful detention, malicious prosecution or humiliation;
- wrongful entry or wrongful eviction or other invasion of privacy;
- libel, slander or defamation of character, unless arising out of Advertising Injury;
- assault and battery not committed by or at the direction of the Insured unless committed for the purpose of eliminating danger to persons or property.

2.5 "Insured" means:

- the Insured named in the Schedule (the "Named Insured"), which term shall include all subsidiary and/or related and/or controlled corporations (including subsidiaries thereof) of the Named Insured and/or any other organisations under the control of the Named Insured, as new existing or which may hereafter be constituted or acquired provided that any new acquisition:
 - does not represent a material change to the existing Business
 - does not represent an increase in wages or turnover of more than 10% of the existing declared wages or turnover

- b) every director, partner, proprietor, officer, executive and employee of the Named Insured (including the spouse of any such person while accompanying such person on any commercial trip or function on behalf of the Business) while such persons are acting in their capacity as such for or on behalf of the Named Insured;
- c) every person or firm to whom or to which the Named Insured is obligated by virtue of any contract or agreement to provide insurance such as is afforded by this Policy, but only to the extent required by such contract or agreement and subject always to Clauses 7.4.3 and 13.3;
- d) every officer, member, employee or voluntary helper of the Named Insured's canteen, social, sports, medical, fire fighting or welfare organisations or facilities while acting in their respective capacity as such;
- e) the personal representatives of the estate of any person indemnified by reason of this Clause 2 in respect of liability incurred by such persons.

2.6 "Pollution" means pollution or contamination of the atmosphere or of any water, land or other tangible property;

2.7 "Product" means any property after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured but shall not include food or drink supplied by or on behalf of the Insured primarily to the Insured's employees as a staff benefit.

3. Cross liabilities

Each person or party indemnified is separately indemnified in respect of claims made against any of them by any other, subject to the Underwriters' total liability not exceeding the stated Indemnity Limits.

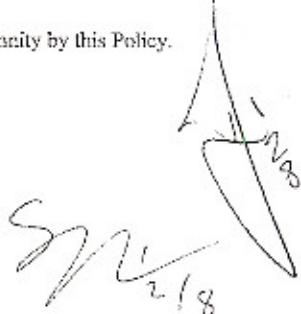
4. Defence Costs

The Underwriters will pay all costs, fees and expenses incurred by the Insured with Underwriters' prior consent ("Defence Costs")

4.1 in the investigation, defence or settlement of;

4.2 as a result of representation at any inquest, inquiry or proceedings in respect of matters which have a direct relevance to;

any occurrence which forms or could form the subject of indemnity by this Policy.



A handwritten signature consisting of stylized initials "SM" followed by the number "2/8".

2/8
NL

Underwriters' Liability to pay damages (including claimant's costs, fees and expenses) shall not exceed the sum stated in the Section entitled each Section in respect of any one occurrence or series of occurrences arising from one contiguous cause, but under Section B and Section C the liability limits represent Underwriters' liability in respect of all occurrences.

Defence Costs will be payable in addition to the liability limits unless this Policy is endorsed to the contrary.

Should liability arising from the same contiguous cause from the subject of indemnity be more than one Section of this Policy, each Section shall be subject to its own liability limit, provided always that the total amount of Underwriters' liability shall not exceed the Period of Insurance but not greater liability arising out of the Period of Insurance but not greater liability arising out of the use of any motor vehicle by or on behalf of the insured, other than liability arising out of the use of any motor vehicle or trailer caused by the use of any tool or plant forming part of or attached to the loading or unloading of any motor vehicle or trailer used in connection with any motor vehicle or trailer caused by the loading beyond the limits of any carriageway or thoroughfare caused by the weight of any bridge, weightbridge, road or anything beneath caused by the weight of any motor vehicle or trailer or the load thereof.

7.1.1 arising out of the ownership, possession or use of any motor vehicle or trailer by or on behalf of the insured, other than liability arising out of the use of any motor vehicle or trailer caused by the use of any tool or plant forming part of or attached to the loading or unloading of any motor vehicle or trailer used in connection with any motor vehicle or trailer caused by the use of any tool or plant forming part of or attached to the loading or unloading of any motor vehicle or trailer caused by the weight of any bridge, weightbridge, road or anything beneath caused by the weight of any motor vehicle or trailer or the load thereof.

7.1.2 arising beyond the limits of any carriageway or thoroughfare caused by the weight of any bridge, weightbridge, road or anything beneath caused by the weight of any motor vehicle or trailer or the load thereof.

7.1.3 for Damage to any bridge, weightbridge, road or anything beneath caused by the weight of any motor vehicle or trailer or the load thereof.

7.2 Section A - Exclusions

7.3 This Section does not cover liability:

7.3.1 arising out of the ownership, possession or use of any motor vehicle or trailer by or on behalf of the insured, other than liability arising out of the use of any motor vehicle or trailer caused by the use of any tool or plant forming part of or attached to the loading or unloading of any motor vehicle or trailer used in connection with any motor vehicle or trailer caused by the use of any tool or plant forming part of or attached to the loading or unloading of any motor vehicle or trailer caused by the weight of any bridge, weightbridge, road or anything beneath caused by the weight of any motor vehicle or trailer or the load thereof.

7.3.2 or in connection with any Product.

7.3.3 Pollution

7.3.4 or on behalf of the insured, other than liability arising out of the use of any motor vehicle or trailer caused by the use of any tool or plant forming part of or attached to the loading or unloading of any motor vehicle or trailer used in connection with any motor vehicle or trailer caused by the use of any tool or plant forming part of or attached to the loading or unloading of any motor vehicle or trailer caused by the weight of any bridge, weightbridge, road or anything beneath caused by the weight of any motor vehicle or trailer or the load thereof.

7.3.5 This Section does not cover liability:

Underwriters' Liability to pay damages (including claimant's costs, fees and expenses) shall not exceed the sum stated in the Section entitled each Section in respect of any one occurrence or series of occurrences arising from one contiguous cause, but under Section B and Section C the liability limits represent Underwriters' liability in respect of all occurrences.

Defence Costs will be payable in addition to the liability limits unless this Policy is endorsed to the contrary.

Should liability arising from the same contiguous cause from the subject of indemnity be more than one Section of this Policy, each Section shall be subject to its own liability limit, provided always that the total amount of Underwriters' liability shall not exceed the Period of Insurance but not greater liability arising out of the use of any motor vehicle by or on behalf of the insured, other than liability arising out of the use of any motor vehicle or trailer caused by the weight of any bridge, weightbridge, road or anything beneath caused by the weight of any motor vehicle or trailer or the load thereof.

7.1.4 arising out of any motor vehicle or trailer temporarily in the Insured's custody or control for the purpose of parking;

provided always that no indemnity is granted against liability compulsorily insurable by legislation or for which the government or other authority has accepted responsibility;

7.2 arising out of the ownership, possession or use by or on behalf of the Insured of any aircraft, but this exclusion shall not apply to unmanned inflatable balloons used for advertising or promotional purposes;

7.3 arising out of the ownership, possession or use by or on behalf of the Insured of any watercraft, provided that this exclusion shall not apply to:

7.3.1 hand-propelled or sailing craft;

7.3.2 watercraft not owned by the Insured, used by the Insured for business entertainment;

7.3.3 any watercraft less than five metres in length

and then, only when used on inland waterways or in territorial waters;

7.4 for and/or arising out of Damage to property owned leased or hired by or under hire purchase or on loan to the Insured or otherwise in the Insured's care, custody or control other than:

7.4.1 premises (or the contents thereof) temporarily occupied by the Insured for work therein (but no indemnity is granted for Damage to that part of the property on which the Insured is working and which arises out of such work);

7.4.2 the personal property, tools and effects of any director, partner, officer, executive or employee of, or the clothing and personal effects of any visitor to, the Insured;

7.4.3 premises tenanted by the Insured to the extent that the Insured would be held liable in the absence of any specific agreement;

7.4.4 any motor vehicle (including its contents and spare parts and accessories therein or thereon) not belonging to or used by or on behalf of the Insured, whilst such motor vehicle is in a car park owned or operated by the Insured, provided that the Insured, as the principle part of its business, does not operate such car park for reward.

8. Section A - Extensions

8.1 Contingent Employers' Liability

Notwithstanding General Exclusion 13.2 this Policy extends to cover liability for Bodily Injury to an employee of the Insured whilst employed arising out of and in the course of his employment or engagement by the Insured for the Business insofar as claims for such Bodily Injury are not:

- 8.1.1 payable by a workmen's compensation or any other social insurance or arising from any liability imposed by an industrial award or agreement. However, claims arising out of the failure of the Insured to contract a compulsory insurance remain excluded;
- 8.1.2 payable under local valid and collectable insurances arranged in respect of such Bodily Injury to employees or excluded due to a breach of condition of such insurances.

8.2 Contingent Motor Liability

Notwithstanding anything to the contrary herein, this Policy extends to cover liability for Bodily Injury and/or Damage arising out of the use of:

- 8.2.1 motor vehicles owned, leased or rented by the Insured (other than vehicles owned, leased or rented by the Insured and registered in the United States of America, its territories, possessions, Puerto Rico or Canada) for which compulsory insurance is required by law. Indemnity shall apply in respect of any sum in excess of such statutory limit of indemnity or standard market coverage and limits of liability;
- 8.2.2 any motor vehicle not the property of or provided by the Insured whilst being used in connection with the Business provided the Underwriters shall not be liable for:
 - (a) Injury or Damage arising while such vehicle is being driven by any person who to the knowledge of the Insured does not hold a licence to drive or is disqualified from holding or obtaining such a licence;
 - (b) Damage to the vehicle or its contents unless the contents are property of a third party for which the Insured is responsible

provided that this Policy shall only provide cover excess of any other valid and collectable insurance or the Excess specified herein, whichever is greater.

A handwritten signature in black ink, appearing to read "S. M. 2/18".

Section B - Pollution Liability

9. Section B - Indemnity

The Insured is indemnified by this Section in accordance with the Operative Clause for and/or arising out of Injury and/or Damage occurring in its entirety during the Period of Insurance and arising out of Pollution, but only to the extent that such Pollution:

- 9.1 was the direct result of a sudden, specific and identifiable event occurring during the Period of Insurance;
- 9.2 was not the direct result of the Insured failing to take reasonable precautions to prevent such Pollution.

10. Section B - Exclusions

This Section is subject to the Exclusions of Sections A7 and C12, and also does not cover liability for and/or arising out of:

- 10.1 Damage to premises presently or at any time previously owned or tenanted by the Insured;
- 10.2 Damage to land or water within or below the boundaries of any land or premises presently or at any time previously owned or leased by the Insured or otherwise in the Insured's care, custody or control.

Section C - Products Liability

11. Section C - Indemnity

The Insured is indemnified by this Section in accordance with the Operative Clause for and/or arising out of Injury and/or Damage and/or Advertising Injury occurring during the Period of Insurance but only against liability arising out of or in connection with any Product and not against liability arising out of Pollution

12. Section C - Exclusions

This Section does not cover liability:-

- 12.1 for and/or arising out of Damage to any Product or part thereof;
- 12.2 for costs incurred in the repair, reconditioning, modification or replacement of any Product or part thereof and/or any financial loss consequent upon the necessity for such repair, reconditioning, modification or replacement;

2/2
2/2
1/2

13.6.4 resulting from any mistake in advertised price;

13.6.3 resulting from any incorrect description of any products or services;

13.6.2 resulting from the misdescription of any trade mark, service mark or trade name on any products sold, offered for sale or advertised, but this exclusion shall not apply to claims for infringement of any of the other slogans;

13.6.1 resulting from breach of contract but this exclusion shall not apply to an implied contract;

13.6 For Advertising Injury:

13.5.2 the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

13.5.1 resulting radiation or contamination by radioactivity from the contamination of nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;

13.5 Directly or indirectly caused by or contributed to by of arising from war, rebellion, revolution, insurrection or military or usurped power, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil directly or indirectly caused by kidnapping, through or in consequence of war, war crimes or war related clauses;

13.2 steps to prevent injury, Damage to Advertising Injury;

13.1 resulting out of the deliberate, conscious or intentional disregard by the insured's steps to prevent injury, such disregard being out of the knowledge of the insured or apprehension with or the provision of labor only services to the insured where such injury arises out of the execution of such contract;

13.3 resulting out of the deliberate, conscious or intentional disregard by the insured's war crimes unless proven that liability would have attached in the absence of such war, rebellion, revolution, insurrection or military or usurped power, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil

13.4

13.5

13.6

13.7

13.8

13.9

13.10

13.11

13.12

13.13

13.14

13.15

13.16

13.17

13.18

13.19

13.20

13.21

13.22

13.23

13.24

13.25

13.26

13.27

13.28

13.29

13.30

13.31

13.32

13.33

13.34

13.35

13.36

13.37

13.38

13.39

13.40

13.41

13.42

13.43

13.44

13.45

13.46

13.47

13.48

13.49

13.50

13.51

13.52

13.53

13.54

13.55

13.56

13.57

13.58

13.59

13.60

13.61

13.62

13.63

13.64

13.65

13.66

13.67

13.68

13.69

13.70

13.71

13.72

13.73

13.74

13.75

13.76

13.77

13.78

13.79

13.80

13.81

13.82

13.83

13.84

13.85

13.86

13.87

13.88

13.89

13.90

13.91

13.92

13.93

13.94

13.95

13.96

13.97

13.98

13.99

13.100

13.101

13.102

13.103

13.104

13.105

13.106

13.107

13.108

13.109

13.110

13.111

13.112

13.113

13.114

13.115

13.116

13.117

13.118

13.119

13.120

13.121

13.122

13.123

13.124

13.125

13.126

13.127

13.128

13.129

13.130

13.131

13.132

13.133

13.134

13.135

13.136

13.137

13.138

13.139

13.140

13.141

13.142

13.143

13.144

13.145

13.146

13.147

13.148

13.149

13.150

13.151

13.152

13.153

13.154

13.155

13.156

13.157

13.158

13.159

13.160

13.161

13.162

13.163

13.164

13.165

13.166

13.167

13.168

13.169

13.170

13.171

13.172

13.173

13.174

13.175

13.176

13.177

13.178

13.179

13.180

13.181

13.182

13.183

13.184

13.185

13.186

13.187

13.188

13.189

13.190

13.191

13.192

13.193

13.194

13.195

13.196

13.197

13.198

13.199

13.200

13.201

13.202

13.203

13.204

13.205

13.206

13.207

13.208

13.209

13.210

13.211

13.212

13.213

13.214

13.215

13.216

13.217

13.218

13.219

13.220

13.221

13.222

13.223

13.224

13.225

13.226

13.227

13.228

13.229

13.230

13.231

13.232

13.233

13.234

13.235

13.236

13.237

13.238

13.239

13.240

13.241

13.242

13.243

13.244

13.245

13.246

13.247

13.248

13.249

13.250

13.251

13.252

13.253

13.254

13.255

13.256

13.257

13.258

13.259

13.260

13.261

13.262

13.263

13.264

13.265

13.266

13.267

13.268

13.269

13.270

13.271

13.272

13.273

13.274

13.275

13.276

13.277

13.278

13.279

13.280

13.281

13.282

13.283

13.284

13.285

13.286

13.287

13.288

13.289

13.290

13.291

13.292

13.293

13.294

13.295

13.296

13.297

13.298

13.299

13.300

13.301

13.302

13.303

13.304

13.305

13.306

13.307

13.308

13.309

13.310

13.311

13.312

13.313

13.314

13.315

13.316

13.317

13.318

13.319

13.320

13.321

13.322

13.323

13.324

13.325

13.326

13.327

13.328

13.329

13.330

13.331

13.332

13.333

13.334

13.335

13.336

13.337

13.338

13.339

13.340

13.341

13.342

13.343

13.344

13.345

13.346

13.347

13.348

13.349

13.350

13.351

13.352

13.353

13.354

13.355

13.356

13.357

13.358

13.359

13.360

13.361

13.362

13.363

13.364

13.365

13.366

13.367

13.368

13.369

13.370

13.371

13.372

13.373

13.374

13.375

13.376

13.377

13.378

13.379

13.380

13.381

13.382

13.383

13.384

13.385

13.386

13.387

13.388

13.389

13.390

13.391

13.392

13.393

13.394

13.395

13.396

13.397

13.398

13.399

13.400

13.401

13.402

13.403

13.404

13.405

13.406

13.407

13.408

13.409

13.410

13.411

13.412

13.413

13.414

13.415

13.416

13.417

13.418

13.419

13.420

13.421

13.422

13.423

13.424

13.425

13.426

13.427

13.428

13.429

13.430

13.431

13.432

13.433

13.434

13.435

13.436

13.437

13.438

13.439

13.440

13.441

13.442

13.443

13.444

13.445

13.446

13.447

13.448

13.449

13.450

13.451

13.452

13.453

13.454

13.455

13.456

13.457

13.458

13.459

13.460

13.461

13.462

13.463

13.464

13.465

13.466

13.467

13.468

13.469

13.470

13.471

13.472

13.473

13.474

13.475

13.476

13.477

13.478

13.479

13.480

13.481

13.482

13.483

13.484

13.485

13.486

13.487

13.488

13.489

13.490

13.491

13.492

13.493

13.494

13.495

13.496

13.497

13.498

13.499

13.500

13.501

13.502

13.503

13.504

13.505

13.506

13.507

13.508

13.509

13.510

13.511

13.512

13.513

13.514

13.515

13.516

13.517

13.518

13.519

13.520

13.521

13.522

13.523

13.524

13.525

13.526

13.527

13.528

13.529

13.530

13.531

13.532

13.533

13.534

13.535

13.536

13.537

13.538

13.539

13.540

13.541

13.542

13.543

13.544

13.545

13.546

13.547

13.548

13.549

13.550

13.551

13.552

13.553

13.554

13.555

13.556

13.557

13.558

13.559

13.560

13.561

13.562

13.563

13.564

13.565

13.566

13.567

13.568

13.569

13.570

13.571

13.572

13.573

13.574

13.575

13.576

13.577

13.578

13.579

13.580

13.581

13.582

13.583

13.584

13.585

13.586

13.587

13.588

13.589

13.590

13.591

13.592

13.593

13.594

13.595

13.596

13.597

13.598

13.599

13.600

13.601

13.602

13.603

13.604

13.605

13.606

13.607

13.608

13.609

13.610

13.611

13.612

13.613

13.614

13.615

13.616

13.617

13.618

13.619

13.620

13.621

13.622

13.623

13.624

13.625

13.626

13.627

13.628

13.629

13.630

13.631

13.632

13.633

13.634

13.635

13.636

13.637

13.638

13.639

13.640

13.641

13.642

13.643

13.644

13.645

13.646

13.647

13.648

13.649

13.650

13.651

13.652

13.653

13.654

13.655

13.656

13.657

13.658

13.659

13.660

13.661

13.662

13.663

13.664

13.665

13.666

13.667

13.668

13.669

13.670

13.671

13.672

13.673

13.674

13.675

13.676

13.677

13.678

13.679

13.680

13.681

13.682

13.683

13.684

13.685

13.686

13.687

13.688

13.689

13.690

13.691

13.692

13.693

13.694

13.695

13.696

13.697

13.698

13.699

13.700

13.701

13.702

13.703

13.704

13.705

13.706

13.707

13.708

13.709

13.710

13.711

13.712

13.713

13.714

13.715

13.716

13.717

13.718

13.719

13.720

13.721

13.722

13.723

13.724

13.725

13.726

13.727

13.728

13.729

13.730

13.731

13.732

13.733

13.734

13.735

13.736

13.737

13.738

13.739

13.740

13.741

13.742

13.743

13.744

13.745

13.746

13.747

13.748

13.749

13.750

13.751

13.752

13.753

13.754

13.755

13.756

13.757

13.758

13.759

13.760

13.761

13.762

13.763

13.764

13.765

13.766

13.767

13.768

13.769

13.770

13.771

13.772

13.773

13.774

13.775

13.776

13.777

13.778

13.779

13.780

13.781

13.782

13.783

13.784

13.785

13.786

13.787

13.788

13.789

13.790

13.791

13.792

13.793

13.794

13.795

13.796

13.797

13.798

13.799

13.800

13.801

13.802

13.803

13.804

13.805

13.806

13.807

13.808

13.809

13.810

13.811

13.812

13.813

13.814

13.815

13.816

13.817

13.818

13.819

13.820

13.821

13.822

13.823

13.824

13.825

13.826

13.827

13.828

13.829

13.830

13.831

13.832

13.833

13.834

13.835

13.836

13.837

13.838

13.839

13.840

13.841

13.842

13.843

13.844

13.845

13.846

13.847

13.848

13.849

13.850

13.851

13.852

13.853

13.854

13.855

13.856

13.857

13.858

13.859

13.860

13.861

13.862

13.863

13.864

13.865

13.866

13.867

13.868

13.869

13.870

13.871

13.872

13.873

13.874

13.875

13.876

13.877

13.878

13.879

13.880

13.881

13.882

13.883

13.884

13.885

13.886

13.887

13.888

13.889

13.890

13.891

13.892

13.893

13.894

13.895

13.896

13.897

13.898

13.899

13.900

13.901

13.902

13.903

13.904

13.905

13.906

13.907

13.908

13.909

13.910

13.911

13.912

13.913

13.914

13.915

13.916

13.917

13.918

13.919

13.920

13.921

13.922

13.923

13.924

13.925

13.926

13.927

13.928

13.929

13.930

13.931

13.932

13.933

13.934

13.935

13.936

13.937

13.938

13.939

13.940

13.941

13.942

13.943

13.944

13.945

13.946

13.947

13.948

13.949

13.950

13.951

13.952

13.953

13.954

13.955

13.956

13.957

13.958

13.959

13.960

13.961

13.962

13.963

13.964

13.965

13.966

13.967

13.968

13.969

13.970

13.971

13.972

13.973

13.974

13.975

13.976

13.977

13.978

13.979

13.980

13.981

13.982

13.983

13.984

13.985

13.986

13.987

13.988

13.989

13.990

13.991

13.992

13.993

13.994

13.995

13.996

13.997

13.998

13.999

13.1000

13.6.5 an offence committed by an Insured whose business is principally advertising, broadcast, publishing or telecasting;

13.7 directly or indirectly caused by or alleged to be caused by or contributed to in whole or in part by or arising from the existence of or exposure to asbestos or any asbestos containing material, nor to any obligation to defend any claim or suit against the Insured alleging liability resulting from the existence of or exposure to asbestos or any asbestos containing material, nor to liabilities for Defence Costs arising therefrom;

13.8 for any benefits for which the Insured is liable under any Workmen's Compensation Act;

13.9 for the Excess as stated in the Schedule in respect of the first amount of each claim or series of claims arising out of one originating cause;

13.10 to the extent available under any other insurance and this Policy shall not be drawn into contribution with such other insurance.

14. General Conditions

(Conditions 14.1 to 14.4 are precedents to Underwriters' liability to provide indemnity under this Policy)

14.1 The Insured shall give written notice to the Underwriters as soon as reasonably practicable of any occurrence that may give rise to a claim under this Policy and shall give all such additional information as the Underwriters may require. Every claim, writ, summons or process and all documents relating thereto shall be forwarded to the Underwriters immediately they are received by the Insured.

14.2 No admission, offer, promise or payment shall be made or given by or on behalf of the Insured without the prior written consent of the Underwriters who shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute in the name of the Insured to their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured shall give all such information and assistance as the Underwriters may reasonably require.

14.3 The Insured shall give notice as soon as reasonably practicable of any fact or event which materially changes the information supplied to Underwriters at the time when this Policy was effected and Underwriters may amend the terms of this Policy according to the materiality of the change.

14.4 Where the premium is provisionally based on the Insured's estimates, the Insured shall keep accurate records and after expiry of the Period of Insurance declare as soon as possible such details as Underwriters require. The premium shall then be

adjusted and any difference paid by or allowed to the Insured as the case may be subject to any minimum premium that may apply.

14.5 The Underwriters may at any time pay to the Insured in connection with any claim or series of claims under this Policy to which an Indemnity Limit applies the amount of such Limit (after deduction of any sums already paid) or any lesser amount for which such claims can be settled and upon such payment being made the Underwriters shall relinquish the conduct and control of and be under no further liability in connection with such claims except for the payment of Defence Costs incurred prior to the date of such payment (unless the Indemnity Limit is stated to be inclusive of Defence Costs).

Provided that if Underwriters exercise the above option and the amount required to dispose of any claim or series of claims exceeds the Indemnity Limit and such excess amount is insured either in whole or in part, with Defence Costs payable in addition to the Indemnity Limit under this Policy then the Underwriters will also contribute their proportion of subsequent Defence Costs incurred with their prior consent.

14.6 Any dispute concerning the interpretation of this Policy and/or Schedule will be determined in accordance with the law of the territory specified under Choice of Law in the Schedule.

The Insured and Underwriters submit to the exclusive jurisdiction of any court of competent jurisdiction within the territory specified under Jurisdiction in the Schedule and agree to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such court.

14.7 Any phrase or word in this Policy will be interpreted in accordance with the law of the territory specified under Choice of Law in the Schedule. The Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear.

14.8 This Policy may be cancelled by the Underwriters by giving sixty days' notice in writing of such cancellation to the Insured.

In the event of cancellation of this Policy, the Insured shall be entitled to a pro rata refund of premium.

If the premium is subject to adjustment, cancellation will not affect the obligation of the Insured to supply the Insurer with such information as is necessary to permit the premium adjustment to be calculated.

14.9 If the Insured 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.

Terrorism Exclusion Endorsement

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes liability for loss, injury, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, injury, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Underwriters allege that by reason of this exclusion, any loss, injury, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

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

United States of America and Canadian Jurisdiction Memorandum

This Policy is extended to indemnify the Insured in respect of any judgement, award, payment, or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award, payment or settlement either in whole or in part) provided that such indemnity shall be subject to the terms, conditions and exclusions herein and subject to the following additional terms, conditions and exclusions:

- a) Underwriters' liability to pay damages (including claimant's costs, fees and expenses) and Defence Costs shall not exceed the sum stated in the Schedule against each Section in respect of any one occurrence or series of occurrences arising from one originating cause, but under Section B and Section C the Indemnity Limits represent Underwriter's total liability in respect of all occurrences;
- b) The Excess stated in the Schedule shall apply to the first amount of each claim or series of claims arising out of one originating cause, including Defence Costs;
- c) Regardless of any of the other provisions of this Policy, this Extension does not apply to awards or damage of a punitive or exemplary nature whether in the form of fines, penalties, multiplication of compensatory awards or damages or the like;
- d) This Extension does not cover liability arising out of Pollution.

Claims Handling Agreement

1. In the event of the Insured gaining knowledge of any incident or circumstances which may give rise to a claim or receiving notification of a possible claim or claims where the reserve, regardless of any questions of liability or contributory negligence of third parties, is estimated to exceed 50% of the amount of the Excess, the Insured shall report such incident, circumstances, claim or claims to the Coverholders as soon as reasonably practicable who will then notify Underwriters within 5 working days.
2. In addition, the following categories of incident, circumstance or claim shall be reported to the Coverholders as soon as reasonably practicable who will then notify Underwriters within 5 working days:
 - (a) Fatal injuries to third parties
 - (b) Bodily injuries as specified below:
 - brain injuries resulting in impairment of physical functions
 - spinal injuries resulting in partial or total paralysis of upper or lower extremities
 - amputations or loss of use of upper or lower extremities
 - third degree burns
 - all other injuries likely to result in a disability rating of 50% or more
 - all injury claims made in the United States of America or involving US citizens
3. Underwriters will instruct adjusters/solicitors as and when necessary. These instructions will be made via the Coverholders. The Coverholders will provide the adjusters/solicitors with all documents and coverage details as may be necessary.
4. All adjusters/solicitors will be instructed to report directly to Insurers via the Coverholders unless they perceive a coverage problem, in which case they will report directly to the Insurers.
5. This Claims Handling Agreement is in addition to, and should be read in conjunction with, the policy wording and, in particular, the conditions regarding notification.

All other terms and conditions remain unchanged.

Endorsement No. 1

Clause 2, Definitions – “Advertising Injury”

Clause 2.1, “Advertising Injury”, herein is amended by the addition of the following:

e) disparagement of goods, products or services

Endorsement No. 2

Clause 2, Definitions – “Business”

Clause 2.2, “Business”, herein is amended by the addition of the following:

f) the sale or provision of alcoholic beverages, other than where the Insured is engaged in the business of manufacturing alcoholic beverages. The mixing of drinks or the preparation of cocktails shall not be considered manufacturing of alcoholic beverages. However, Underwriters shall not be liable for any taxes, penalties or fines imposed by any regulatory authority relating to the sale, gift, distribution or use of alcoholic beverages.

Endorsement No. 3

Clause 2, Definitions – “Damage”

Paragraph b) of Clause 2.3, “Damage”, herein is amended to read as follows:

b) loss of use of tangible property not owned by the Insured which has not been physically lost, damaged or destroyed.

Endorsement No. 4

Clause 2, Definitions – “Product”

Clause 2.7 herein, “Product”, is amended to read as follows

2.7 “Product” means any property after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured but shall not include food or drink served or supplied by or on behalf of the Insured in the course of the Business.

Endorsement No. 5

Clause 5, Indemnity Limits

The first paragraph of Clause 5 herein is amended to read as follows:

Underwriters’ liability to pay damages (including claimant’s costs, fees and expenses) shall not exceed the sum stated in the Schedule against each Section in respect of any one occurrence or series of occurrences arising from one originating cause, but under Section 1 the Indemnity Limits represent Underwriters’ total liability in respect of all occurrences.

Endorsement No. 6

Clause 7, Section A Exclusions - aircraft

Clause 7.2 herein is amended to read as follows:

7.2 arising out of the ownership, possession or use by or on behalf of the Insured of any aircraft, but this exclusion shall not apply to:

- i) unmanned inflatable balloons used for advertising or promotional purposes, or
- ii) the loading and unloading of aircraft;

Endorsement No. 7

Clause 7, Section A Exclusions - watercraft

Clause 7.3 herein is amended to read as follows:

7.3 arising out of the ownership, possession or use by or on behalf of the Insured of any watercraft, provided that this exclusion shall not apply to:

- 7.3.1 hand propelled or sailing craft;
- 7.3.2 watercraft not owned by the Insured, used by the Insured for business entertainment;
- 7.3.3 any watercraft less than five metres in length
- 7.3.4 the loading and unloading of watercraft

and then, only when used on inland waterways or in territorial waters;

- 7.3.5 watercraft whilst on dry land
- 7.3.6 watercraft used solely in connection with those recreational activities detailed in Clause 7, Section A Exclusion 7.7.6

Endorsement No. 8

Clause 7, Section A Exclusions – damage to owned/controlled property

Clause 7.4 herein is amended to read as follows:

7.4 for and/or arising out of Damage to property owned leased or hired by or under hire purchase or on loan to the Insured or otherwise in the Insured's care, custody or control other than:

- 7.4.1 premises (or the contents thereof) temporarily occupied by the Insured for work therein (but no indemnity is granted for Damage to that part of the property on which the Insured is working and which arises out of such work);

Continued

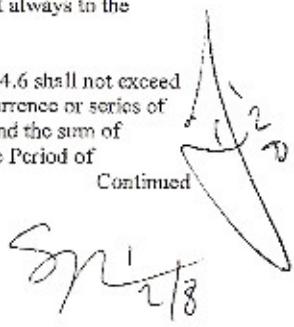
Continued

Endorsement No. 8

**Clause 7, Section A Exclusions – damage to owned/controlled property
(Continued)**

- 7.4.2 the personal property, tools and effects of any director, partner, officer, executive or employee of the Insured, or the clothing and personal effects of any visitor to, the Insured (always excluding loss from the Insured's safe deposit boxes);
- 7.4.3 premises tenanted by the Insured to the extent that the Insured would be held liable in the absence of any specific agreement;
- 7.4.4 any motor vehicle (including its contents and spare parts and accessories therein or thereon) not belonging to or used by or on behalf of the Insured, whilst such motor vehicle is in a car park owned or operated by the Insured, provided that the Insured, as the principle part of its business, does not operate such car park for reward and subject always to the following:
 - 7.4.4.1 Underwriters' liability in respect of this clause 7.4.4 shall not exceed the sum of USD 25,000 in respect of any one occurrence or series of occurrences arising from one originating cause and the sum of USD 250,000 in all for all occurrences during the Period of Insurance;
 - 7.4.4.2 The Excess shall be amended to USD 2,500
- 7.4.5 loss from safe deposit boxes at the Insured's premises of property deposited therein by the Insured's guests, subject always to the following:
 - 7.4.5.1 Underwriters' liability in respect of this clause 7.4.5 shall not exceed the sum of USD 25,000 in respect of any one occurrence or series of occurrences arising from one originating cause and the sum of USD 250,000 in all for all occurrences during the Period of Insurance, or any lesser amount as may be provided by the statute(s) or common law governing innkeepers liability on the Turks & Caicos Islands;
 - 7.4.5.2 The Excess shall be amended to USD 2,500
 - 7.4.5.3 Excluding any loss due to any fraudulent, dishonest or criminal act by the Insured;
 - 7.4.5.4 Excluding any loss for which the Insured is contractually responsible;
- 7.4.6 Guests' property while on the Insured's premises, subject always to the following:
 - 7.4.6.1 Underwriters' liability in respect of this clause 7.4.6 shall not exceed the sum of USD 5,000 in respect of any one occurrence or series of occurrences arising from one originating cause and the sum of USD 100,000 in all for all occurrences during the Period of Insurance;

Continued



Continued

Endorsement No. 8

Clause 7, Section A Exclusions – damage to owned/controlled property
(Continued)

Insurance, or any lesser amount as may be provided by the statute(s) or common law governing innkeepers liability on the Turks & Caicos Islands;

7.4.6.2. The Excess shall be amended to USD 500

7.4.6.3. Excluding loss from safe deposit boxes at the Insured's premises;

7.4.6.4. Excluding any loss due to any fraudulent, dishonest or criminal act by the insured;

7.4.6.5. Excluding any loss for which the Insured is contractually responsible;

7.4.6.5. Excluding Damage to any motor vehicle, including its contents and spare parts and accessories therein or thereon;

7.4.6.6. any articles carried or held by a guest of the Insured as samples or for sale or for delivery after sale;

Endorsement No. 9

Clause 7, Section A Exclusions – additional exclusions

Clause 7, Section A – Exclusions is amended by the addition of the following additional exclusions:

7.5. arising from the rendering or failure to render a professional service by the Insured for a fee. The provision of food and drink and the operation of a hotel is not considered a professional service;

7.6. arising out of a breach of contract or assumed under any contract and/or agreement unless such liability would have attached in the absence of such contract or agreement;

7.7. arising from any of the following recreational activities:

7.7.1. horseback riding (including polo);

7.7.2. ownership or operation of golf clubs or courses

7.7.3. bungee jumping;

7.7.4. tours and excursions provided by the Insured;

SJL
2/1
Continued

Continued

Endorsement No. 9

Clause 7, Section A Exclusions – additional exclusions
(Continued)

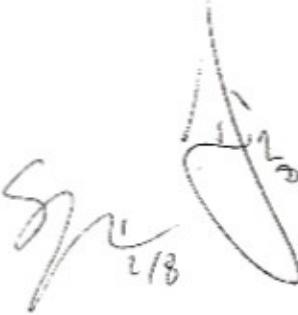
7.7.5 operation of gyms and exercise facilities. However, provided they are not available to individuals who do not purchase accommodation from the Insured, this exclusion shall not apply to the following facilities:

- 7.7.5.1 tennis courts;
- 7.7.5.2 stationary exercise machines, provided that no more than fifteen such machines are on any one of the Insured's premises at any one time, not counting free weights;
- 7.7.5.3 aerobics classes;

7.7.6 any activities taking place in, on, or over water provided that this exclusion shall not apply to the following activities:

- 7.7.6.1 swimming and diving (but not scuba diving);
- 7.7.6.2 use of waterslides emptying into swimming pools;
- 7.7.6.3 watersports taking place in swimming pools;
- 7.7.6.4 snorkeling;
- 7.7.6.5 use of Jacuzzis and whirlpools;
- 7.7.6.6 use of non-motorized waterborne craft or vessels not exceeding 17 feet in length;
- 7.7.6.7 Hobie Cats;
- 7.7.6.8 windsurfers;
- 7.7.6.9 kayaks
- 7.7.6.10 fibreglass rescue boats not exceeding 14 feet in length

7.8 arising directly or indirectly out of or in connection with any actual, alleged or attempted conduct or contact of a "Sexual Nature". For the purpose of this Exclusion, "Sexual Nature" shall mean sexual gratification, discrimination, coercion, harassment or pressure of any kind.



S. J. Smith
2/8

ef
m m

Endorsement No. 10

Clause 8, Section A Extensions – Medical Expense Payments

Clause 8, Section A Extensions is amended by the addition of the following additional² extension:

8.3 Medical Expenses Payments

Notwithstanding anything contained herein to the contrary, this Policy extends to cover liability for the medical expenses as described below for Injury caused by an accident:

8.3.1 on any premises owned or rented by the Insured

8.3.2 on ways next to premises owned or rented by the Insured

8.3.3 arising in connection with the Business

provided always that:

8.3.4 the accident takes place within the Geographical Limits stated in the Schedule and during the Period of Insurance;

8.3.5 the Insured reasonably believe that the accident for which medical expenses are paid could give rise to a claim under this Policy;

8.3.6 the expenses are incurred and reported to Underwriters within three months of the date of the accident;

8.3.7 the injured person submits to examination at Underwriters' expense, by physicians chosen by Underwriters, as often as Underwriters reasonably require;

Underwriters will make these payments regardless of fault, subject always to the following terms and conditions:

8.3.8 such medical expenses shall be those reasonable expenses for:

8.3.8.1 first aid at the time of an accident;

8.3.8.2 necessary medical, surgical, x-ray and dental services, including prosthetic devices;

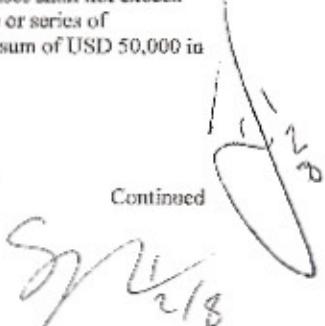
8.3.8.3 necessary ambulance, hospital, professional nursing and funeral Services;

8.3.9 Underwriters' liability in respect of such medical expenses shall not exceed the sum of USD 5,000 in respect of any one occurrence or series of occurrences arising from one originating cause and the sum of USD 50,000 in all for all occurrences during the Period of Insurance;

8.3.10 The Excess shall be amended to USD 500;

8.3.11 Underwriters will not pay medical expenses for Injury:

Continued



Continued

Endorsement No. 10

**Clause 8, Section A Extensions – Medical Expense Payments
(Continued)**

- 8.3.11.1 to any party or person indemnified by this Policy;
- 8.3.11.2 to any person hired to do work on the Insured's behalf;
- 8.3.11.3 to any person injured on that part of premises owned or rented by the Insured that such person normally occupies;
- 8.3.11.4 to any person, whether or not an employee of the Insured, if benefits for such Injury are payable or must be provided under a workers compensation or disability benefits law or similar law;

Endorsement No. 11

Clause 13, General Exclusions

Clause 13.1 under General Exclusions is amended to read as follows:

- 13.1 arising out of the deliberate, conscious or intentional disregard by the Insured's senior technical or administrative management of the need to take all reasonable steps to prevent Injury, Damage or Advertising Injury, provided that this exclusion shall not apply to Injury or Damage resulting from the use of reasonable force to protect persons or property;

Endorsement No. 12

Clause 13, General Exclusions – additional exclusion (AIDS)

Clause 13, General Exclusions, is amended by the addition of the following:

- 13.11 arising from any condition directly or indirectly caused by or associated with Human T-Cell Lymphotropic Virus type III (HTLV III) or Lymphadenopathy Associated Virus (LAV) or the mutants derivatives or variations thereof or in any way related to Acquired Immune Deficiency Syndrome or any syndrome or condition of a similar kind hereover it may be named.

Endorsement No. 13

Clause 14, General Conditions

Clause 14, General Conditions, is amended by the addition of the following:

- 14.10 In the event of any payment under this Policy, Underwriters shall be subrogated to all the Insured's rights of recovery thereof against any person or organization unless rights of subrogation have been waived in writing prior to loss, and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure those rights and the Insured shall do nothing after loss to prejudice such rights.

Continued

SPW 2/8

Continued

Endorsement No. 13
Clause 14, General Conditions
(Continued)

Underwriters agree to waive their right of subrogation against the Insured's affiliated and/or subsidiary corporations or companies, and/or their partners, officers and/or employees.

14.11 Bankruptcy or insolvency of the Insured will not relieve Underwriters of their obligations under this Policy.

Endorsement No. 14
Independent Contractors

This Endorsement modifies the Policy only to the extent stated below. All other terms and conditions of this Policy remain unaltered and apply to this Endorsement.

1. Where used in this Endorsement, "*Applicable Contractors Liability Insurance policy*" shall mean a liability insurance policy that:
 - i) covers Injury and/or Damage to third parties arising out of work performed by an independent contractor or subcontractor; and
 - ii) includes an Indemnity to Principal provision; and
 - iii) is in force for the duration of the performance of work by an independent contractor or subcontractor for or on behalf of the Insured.
2. This Policy is extended to indemnify the Insured or an independent contractor or subcontractor in accordance with the Operative Clause for and/or arising out of Injury and/or Damage and/or Advertising Injury occurring during the Period of Insurance and which arises out of the performance of work by such independent contractor or subcontractor for or on behalf of the Insured.
3. For the purpose of this Independent Contractors Endorsement, the Excess shall be amended to the following:
 - (i) in respect of bodily injury, death, sickness, disease, disability, shock, fright, mental anguish and/or mental injury (hereinafter "Bodily Injury") and/or Damage – the limit of indemnity of the "*Applicable Contractors Liability Insurance policy*" or the amount of the applicable Excess stated in the Schedule to this Policy, whichever the greater;
 - (ii) in respect of Injury other than Bodily Injury and in respect of Advertising injury – the limit of indemnity of the "*Applicable Contractors Liability Insurance policy*" or USD 250,000, whichever the greater;

Continued

Continued

Endorsement No. 14
Independent Contractors
(Continued)

4. Underwriters shall not be liable for Damage to:
 - i) that part of the Insured's premises (including the contents and fittings thereof) that is occupied by an independent contractor or subcontractor for work thereon.
 - ii) The Insured's property that is being worked on by an independent contractor or subcontractor.
 - iii) Property owned, leased, hired or borrowed by an independent contractor or subcontractor if such Damage is caused by such independent contractor or subcontractor.
5. It is a condition precedent to Underwriters' liability under this Endorsement that:
 - i) The independent contractor or subcontractor shall observe, fulfil and be subject to the terms and conditions of this Policy in so far as they apply.
 - ii) The conduct and control of any claims arising under this Endorsement are vested in Underwriters.
 - iii) The Limit of Insurance of the "*Applicable Contractors Liability Insurance policy*" shall not be less than USD 250,000.
6. This Policy shall apply in excess of and shall not contribute with the "*Applicable Contractors Liability Insurance policy*". Nothing contained in this Policy shall be construed to make this Policy subject to the terms, limitations, conditions and definitions of the "*Applicable Contractors Liability Insurance policy*".

All other terms and conditions remain unchanged.