

# vortex

/'vôr,teks / noun; *maelstrom, whirlpool, whirlwind*

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## COMMERCIAL CERTIFICATE OF INSURANCE

This Certificate and the policy wording must be read as one document. This Certificate may contain a clause/subjectivity/warranty which may limit the amount payable. Please read carefully.

Policy Number: AQUVXC1400007

Insured's Name: The Palms Holdings Limited. The Palms Resort Limited, The Proprietors of Strata Plan No. 50 (Strata Association) Tipperary T&C Management formerly known as Regent T&C Management Limited, Millennium Estates Limited, Village lot No.24 Limited and the owners of Individual Condominium Apartments for their respective rights and interests.

Insured's Mailing Address: Grace Bay, Providenciales, Turks and Caicos

Insured's Broker: Lennon Earley Crotty Insurances Ltd

Period: From 31<sup>st</sup> January 2014 To 31<sup>st</sup> January 2015

Both Days at 12.01am Local Standard Time

<i>Coverage</i>	<i>Sums Insured</i>	
Buildings	USD 23,433,400 Interior USD 35,481,200 Exterior	
Hardscaping	USD 4,270,723	
Contents	Nil	
Business Interruption	USD 2,000,000 (12 Months)	
Debris Removal	USD 2,118,483	
Stock	Nil	
Machinery, Plant and Equipment	Nil	
Total Sum Insured	USD 67,303,806	As Specified in The Attached Schedule of Values

Deductibles: Windstorm, Hurricane, Earthquake and Flood which is 5% of Sum Insured any one loss occurrence. All other Perils USD 5,000 any one loss occurrence.

The Premises: Grace Bay, Providenciales, Turks and Caicos

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Total Premium:

Annual (100%)

Insuring Agreement Wording: Vortex Commercial Wording AQUSV001 01-Jan-14

Additional Warranties, Terms,  
Clauses and Conditions: Business Interruption Extension

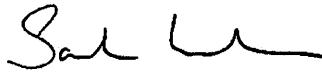
Overseas Law and Jurisdiction: Turks and Caicos Islands

Nominee: Lennon Earley Crotty Insurance Brokers, 8/9 Marino Mart, Fairview, Dublin 3,  
Ireland

Loss Payee:

Security: Aqueduct Underwriting Limited issues this insurance cover which is provided by  
insurers at Lloyd's of London and Ironshore Insurance Ltd (See Attached  
Participating Underwriters Page) under Unique Market Reference B1215SV1400001

Signed: DATE 27<sup>th</sup> Feb 2014



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For and on behalf of Participating Underwriters/Insurers

**IMPORTANT:**

In the event of loss or damage covered under insurance that may result in a claim, please first contact your broker.  
If you are unable to reach your broker please contact: York RSG (International) Ltd either via dedicated email  
address [aquavortexclaims@yorkrsg.com](mailto:aquavortexclaims@yorkrsg.com), or telephone numbers +44 (0) 7867 784223 or 001 786 241 6498.

DISCLOSURE OF MATERIAL FACTS - Please note that it is your duty to disclose all material facts to Underwriters prior to inception of the policy, and to keep them advised of any changes to such facts or any new such facts throughout the currency of the policy, and upon renewal of the policy. A material fact is a fact which may influence an Underwriter's judgment in their assessment of a risk. If you are in any doubt as to whether a fact is material we recommend that it be disclosed. Failure to disclose material facts may entitle Underwriters to avoid the policy from inception.

Aqua Special Risks is a trading name of Aqueduct Underwriting Limited, which is authorised and regulated by the Financial Conduct Authority in respect of general insurance business and is registered in England No. 7189728. Registered Office: 155 Fenchurch Street London EC3M 6AL. Calls may be monitored and recorded for quality assurance purposes. 12/13 ref: 1725

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## Schedule of Values

Interior	Value
Building A	USD 5,878,100
Building B	USD 2,689,200
Building C	USD 5,771,400
Building D	USD 2,689,200
Building E	USD 5,878,100
Garages & Storage	USD 527,400
Demolition & Debris Removal	USD 585,835
Planning and Building Regulation Fees	USD 117,167
<b>Total</b>	<b>USD 24,136,402</b>

Exterior	Value
Building A	USD 8,818,900
Building B	USD 4,035,100
Building C	USD 8,659,600
Building D	USD 4,035,100
Building E	USD 8,818,900
Garages & Storage	USD 1,113,600
Demolition & Debris Removal	USD 1,419,248
Planning & Building Regulation Fees	USD 177,406
Pool/Hot Tub	USD 950,000
Tennis Court	USD 120,000
Restrooms	USD 42,000
Hard Landscaping/MEP	USD 2,835,750
Demolition & Debris Removal	USD 113,400
Planning & Building Regulation Fees	USD 28,400
<b>Total</b>	<b>USD 41,167,404</b>

Business Interruption	USD 2,000,000
<b>Interior + Exterior Total + Business Interruption</b>	<b>USD 65,303,806</b>

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## Participating Underwriters:

Sagicor Lloyd's Syndicate 1206	15.00%
Ascot Lloyd's Syndicate 1414	15.00%
Catlin Lloyd's Syndicate 2003	15.00%
Canopius Lloyd's Syndicate 4444	6.00%
Canopius Lloyd's Syndicate 2003	1.50%
Novae Lloyd's Syndicate 2007	6.00%
Ironshore Insurance Limited	10.00%
ANV Lloyd's Syndicate 5820	10.00%
ANV Lloyd's Syndicate 1861	3.00%
Atrium Lloyd's Syndicate 609	5.00%
Ark Lloyd's Syndicate 4020	5.00%
Advent Lloyd's Syndicate 780	8.50%
<b>Total</b>	<b>100.00%</b>

## SEVERAL LIABILITY NOTICE

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.



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### **Business Interruption Extension**

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 caused by Direct Physical Loss or Damage, as covered by the Policy to which this Extension is attached, to the Property Insured.

In the event of such Direct Physical Loss or Damage, the Underwriters shall be liable for the actual loss sustained by the Insured 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,

nor

b) twelve (12) 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 Insured with the same operational capability as existed immediately before the loss.

### **CONDITIONS**

#### **1. Direct Loss or 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 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.



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## 2. Values Declared (and Incorrect Declaration Penalty)

The premium for this Extension has been based on a statement of individual values declared to and agreed by the Underwriters at the inception of the Policy and stated in the Certificate.

If any of the individual values declared are less than the equivalent amount of the Co-insurance percentage, as stated in the Certificate, of the Interruption of Business values, then any recovery otherwise due hereunder shall be reduced in the same proportion that the individual value(s) declared bear to the value(s) that should have been declared and the Insured shall co-insure for the balance.

## 3. Resumption of Operations

If the Insured 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 Insured'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.

## 4. 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 Insured 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.

## 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;



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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 Insured'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.

#### LIMITATIONS

1. The Underwriters shall not be liable for more than the smaller of either:-
  - a) any specific Business Interruption Sum Insured stated in the certificate,
  - or
  - b) the Sum Insured stated in the certificate, 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 anyone 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, by the perils insured against, the length of time for which the Underwriters shall be liable hereunder shall not exceed:-
  - a) thirty (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.

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## 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 Insured,
- e) Merchandise sold including packaging materials therefor,
- f) materials and supplies consumed directly in supplying the service(s) sold by the Insured,
- g) service(s) purchased from outsiders (not employees of the Insured) 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 Insured 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 Insured's premises but which has not become Finished Stock.

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#### 4. Finished Stock

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

#### 5. Merchandise

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

#### 6. Normal

The condition that would have existed had no loss occurred.

LMA 5039 14/12/05