

GENERAL TARIFF RULES

FOR THE REGULATION OF

FIRE & BUSINESS INTERRUPTION INSURANCE

**PRICE RATING BY LICENCED GENERAL INSURERS OPERATING
IN CAMBODIA**

1st Amendment

2015

I. **Section 1: General Rules**

1.0 Application of the Tariff

The amended rule	Note
This Tariff applies to all insurances covering Fire with or without other perils up to a sum insured of US10 million (Fire material damage and Fire Consequential Loss sum insured separately or combined) per risk per location and insured whether issued in the Fire or Miscellaneous department other than Engineering or Cargo insurance except to the extent otherwise provided in these rules.	-The word per risk per location and insured is added into the old version

1.6. COMMISSION/BROKERAGE/CO-INSURANCE COST

The amended rule	Note
Contribution by Co-Insurers to Expenses of the Lead-Coinsurer: Maximum 7.5% on net(after Commission to Agents/Brokers) on their co-insurance share	-Change from 2.5% to 7.5%

1.27. COMMUNICATING BUILDINGS

The amended rule	Note
Where two or more buildings or parts of buildings in the same compound or immediate vicinity i.e. neighboring buildings (irrespective whether the buildings are belonged to the insured or others) are not separated by a fire break wall/floor or the prescribed separation distance as specified below, they are to be considered as one risk and the rate to be charged shall be highest rate applicable to any of the risks. For the purpose of this rule, separation distance is defined as below:-	-The word fire break wall/floor is added
Fire break wall is considered as a solid wall of bricks/concrete/masonry going up to the underside of the decking of the roof without any openings except if there is opening, it must be protected by a fire-proof door or the opening in between buildings is protected by an automatic sprinkler installation.	-The definition of fire break wall/floor is added

1.29. Minimum Premium

The amended rule	Note
Minimum Premium for All Risk Policy is USD100.00	-New rule is added for minimum premium

1.42 Minimum Deductibles

New minimum deductibles is added for Low Hazard Class and read as follow:

1.42.1 The minimum deductibles for the material damage section only to be applied are as follows:

Hazard Class	Non-Catastrophe Losses	Catastrophe Losses	Remark
Low	USD 500	5% of loss subject to minimum of USD1,000 for each and every loss	For Residential and Office with Sum Insured lower than 500,000 USD
	USD1,000	5% of loss subject to minimum of USD5,000 for each and every loss	
Medium	USD2,000 or 2.5% of loss, whichever is higher		
High	USD3,000 or 5% of loss, whichever is higher		

II. Section 2: Rules for the Construction Classification of Building

The amended rule	Note
3. Where two or more buildings or parts of buildings in the same compound or immediate vicinity i.e. neighboring buildings (irrespective whether the buildings are belonged to the insured or others) are not separated by a fire break wall/floor or the prescribed separation distance as specified below, they are to be considered as one risk and the rate to be charged shall be highest rate applicable to any of the risks. For the purpose of this rule, separation distance is defined as below:-	-The word fire break wall/floor is added
Fire break wall is considered as a solid wall of bricks/concrete/masonry going up to the underside of the decking of the roof without any openings except if there is opening, it must be protected by a fire-proof door or the opening in between buildings is protected by an automatic sprinkler installation.	-The definition of fire break wall/floor is added

III. Section3: Schedule of Rate and Trade Occupation Classification

The applicable warranty is set for some risk occupations and new Risk occupations are added.

a. Warranties for occupation

Category	Code	Occupation/Trade	Applicable Warranty
Residential Property	10101	Apartment/Condominium	<i>W1</i>
	10102	Dormitory	<i>W1</i>
	10103	Dwelling	<i>W1</i>
Commercial Service	11108	Office	<i>W1</i>
General Storage	17201	Warehouse keeping non-hazardous goods	<i>W3</i>
	17303	Goods in the Open – non-hazardous goods	<i>W3</i>
Construction	18201	Unoccupied/Vacant Risk	<i>W6</i>
	18203	Silent Industrial Risk	<i>W7</i>
Food Processing Industries	19206	Chili/Flavouring Powder without heat processing	<i>W8</i>
	19208	Dry fruit preservation without heat processing	<i>W8</i>
Paper and Printing	25305	Paper/Tissue Manufacturer without recycling	<i>W10</i>
Chemicals	26201	Paint & Vanish without alcohol or oil	<i>W 11</i>
Rubber	28201	Rubber Smoke House (without Heating and Drying)	<i>W9</i>
Motor Trade & related trade	32201	Vehicle Garage (servicing and Car Washing)	<i>W5</i>
	32203	Vehicle Garage with panel repair without spraying	<i>W5</i>
	32204	Motor showroom	<i>W4 & W 5</i>
Rice and Flour Mill	34201	Rice and grain mill without drying process	<i>W8</i>

Applicable Warranties

W 1 – RESTRICTION OF MERCHANDISE WARRANTY

Warranted that during the currency of this Policy no part of the premises described herein be used for the manufacture or deposit or storage of merchandise.

W 2 - RESTRICTION OF USE FOR BUSINESS (Not exceeding 20% of total floor area)

Warranted that during the currency of this Policy, not more than 20% of the total floor area of the premises insured herein be used for non-hazardous businesses (i.e. commercial services, retail trading, food & beverage, recreation service, cinemas, studios & exhibition halls).

Note: W 2 is to be applied to insurance of Entire block of Apartment/Condominium, Dormitory or Flat, and Office Building where the shops and/or other non-hazardous businesses (i.e. commercial services, retail trading, food & beverage, recreation service, cinemas, studios & exhibition halls only) not exceeding 20% of the total floor area of the building.

W 3 – STORAGE OF HAZARDOUS GOODS WARRANTY

Warranted that during the currency of this Policy, the premises is being used for the storage of non-hazardous goods. Storage in the premises of the following materials is not permitted.

- i) All liquids including kerosene oil diesel giving off flammable vapour with flashpoint not less than 93 C (200F) ;
- ii) All liquids including petrol giving off flammable vapour with flashpoint below 38 C (100F) ;
- iii) Matches ;
- iv) Carbides;
- v) Ammunitions ;
- vi) Explosives ;
- vii) Fireworks ;
- viii) Liquified petroleum gas (LPG) ;
- ix) spontaneously combustion materials such as silane, sulphur, etc. and active materials such as magnesium.

W 4 – MOTOR VEHICLE REPAIRS WARRANTY

Warranted that during the currency of this Policy, no repair work of any kind on motor vehicles be carried on in the premises described herein.

W 5 – RESTRICTION OF SPRAY PAINTING WARRANTY

Warranted that during the currency of this Policy no spray painting/powder spraying or any process in connection therewith be carried on in the premises described herein.

W 6 – VACANT RISK WARRANTY

Warranted that at no time during the currency of this Policy shall the premises described herein be used for the storage or deposit of goods of any kind or for any other purpose whatsoever.

It is further warranted that all doors, windows and/or other openings shall be so secured at all times as to prevent entrance by any unauthorized person or persons.

W 7 –SILENT RISK WARRANTY

Warranted that during the currency of this policy the said industrial risk be silent and that the machinery be not worked (except occasionally for the purpose of keeping it in order, no material being passed through it) and that no repairs to machinery or millwrights' work, be carried on.

It is further warranted that the insured premises not be used for the storage or deposit of goods.

W 8 – DRYING BY ARTIFICIAL HEAT WARRANTY

Warranted that during the currency of this Policy, no drying by artificial heat be carried on in the premises described herein.

W 9 – SMOKING OR DRYING OF RUBBER BY ARTIFICIAL HEAT WARRANTY

Warranted that during the currency of this Policy, no smoking of rubber or drying by artificial heat be carried on in the premises described herein.

W 10 – NO RECYLCING WARRANTY

Warranted that during the currency of this Policy, no recycling activity or process be carried on in the premises described herein.

W 11 – MANUFACTURE AND STORAGE OF PAINTS, ETC. WARRANTY

Warranted that during the currency of this Policy, no manufacturing or storage of oil paints, enamels, lacquers, varnishes, varnish stains, cellulose paints or paint thinners, removers or renovators be carried on within the insured premises.

b. Additional Risk Occupations, Code, Hazard and Rate

Category	Code	Occupation/Trade	Hazard	Class		
				A	B	C
Commercial Services	11109	Birds/swiftlet house	Low	0.125%	0.172%	0.244%
Recreation Service	14109	Casino	Low	0.140%	0.193%	0.289%
	14110	Golf Course	Low	0.121%	0.166%	0.249%
CINEMAS, STUDIOS & EXHIBITION HALLS	15104	Cable operating company(station/substation)	Low	0.152%	0.209%	0.313%
Gas, Oil and Petroleum	27308	Liquified Petroleum Gas (LPG) – other than General Storage	High	0.710%	0.976%	1.463%
Motor Trade and Related Risks	32102	Car or Motor cycle Parks	Low	0.155%	0.213%	0.319%
Utilities	33102	Internet Service Provider	Low	0.152%	0.209%	0.313%
	33201	Tele-communication station/substation	Medium	0.205%	0.282%	0.423%

c. Definition of Hazardous Goods for General Storage

- i) All liquids including kerosene oil diesel giving off flammable vapour with flashpoint not less than 93 C (200F) ;
- ii) All liquids including petrol giving off flammable vapour with flashpoint below 38 C 100F);
- iii) Matches;
- iv) Carbides;
- v) Ammunitions;
- vi) Explosives
- vii) Fireworks;
- viii) liquefied petroleum gas (LPG);
- ix) Spontaneously combustion materials such as silane, Sulphur, etc. and active materials such as magnesium.

IV. Section 5 – Fire Extinguishing Appliances

The whole section5 is revised as following:

A. Scale of Allowance for Fire Extinguishing Appliances

No.	Fire Extinguishing Appliances	Discount Rate
1	Portable Extinguishers	2%
2	Hose Reels or Internal Hydrants	2.5%
3	Smoke/Heat Detectors	2%
4	Sprinkler Installations	12.5%
5	Solely Own Fire Truck	5%

Notes:-

- (a) The allowance for the above appliances is cumulative and no greater accumulated allowances than 15% can be made for any combination of appliances.
- (b) No allowance shall be given unless is substantiated by photos or survey report or fire-fighting appliances installation plan.
- (c) It is mandatory to incorporate the Fire Extinguishing Warranty into the Policy where FEA allowance has been given.

B. Warranties for the respective Appliances

- Portable Extinguishers
It is warranted that the appliances installed in the premises must be maintained to ensure that they are in good operational conditions at all times.
- the Hose Reels or Internal Hydrants
It is warranted that the appliances installed in the premises must be maintained to ensure that they are in good operational conditions at all times.
- Smoke/Heat Detectors

It is warranted that the appliances installed in the premises must be maintained to ensure that they are in good operational conditions at all times.

- Sprinkler Installations

It is warranted that the appliances installed in the premises must be maintained to ensure that they are in good operational conditions at all times.

V. Section 7: Clauses and Endorsements

The following new Clauses and Endorsements are added.

Electronic Data and Internet

It is agreed and declared that notwithstanding anything contained in this Policy to the contrary, the Company will not pay for Damage or Consequential loss directly or indirectly caused by, consisting of, or arising from:

1. Any functioning or malfunctioning of the internet or similar facility, or of any intranet or private network or similar facility,
2. Any corruption, destruction, distortion, erasure or other loss or damage to data, software or any kind of programming or instruction set,
3. Loss of use or functionality whether partial or entire of data, coding, program, software, any computer or computer system or other device dependent upon any microchip or embedded logic, and any ensuing inability or failure of the Insured to conduct business.

This Endorsement shall not exclude subsequent damage or Consequential Loss, not otherwise excluded, which itself results from a Defined Peril. Defined Peril shall mean;

Fire, Lightning, Earthquake, Explosion, Falling Aircraft, Flood, Smoke, Vehicle Impact, Windstorm or Tempest

All other terms and conditions remain unchanged.

Y2K OR MILLENNIUM ENDORSEMENT

It is noted and agreed this policy is hereby amended as follows:

A. The Insurer will not pay for Damage or Consequential Loss directly or indirectly caused by, consisting of, or arising from, the failure of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), Integrated circuit or similar device, or any computer software, whether the property of the Insured or not and whether occurring before, during or after the year 2000 that results from the inability to:

1. correctly recognize any date as its true calendar date;
2. capture, save, or retain and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date other than its true calendar date; and/or
3. capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.

B.It is further understood that the Insurer will not pay for the repair or modification of any part of an electronic data processing system or its related equipment, to correct deficiencies or features of logic or operation.

C.It is further understood that the Insurer will not pay for Damage or Consequential loss arising from the failure, inadequacy, or malfunction of any advice, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Insured or for the Insured or by or for others to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in A above.

Such Damage or Consequential Loss described in A, B, or C above, is excluded regardless of any other cause that contributed concurrently or in any other sequence.

This endorsement shall not exclude subsequent Damage or Consequential Loss, not otherwise excluded, which itself results from a Defined Peril. Defined Peril shall mean fire, lightning, explosion, aircraft or vehicle impact, falling objects, bush fire, windstorm, flood, hail, tornado, hurricane, cyclone, riot, strike, civil commotion, vandalism, malicious mischief, water damage (excluding loss or damage cause by sprinkler leakage) earthquake, volcano, tsunami, freeze or weight of snow, smoke, spontaneous combustion.

All other terms, conditions and exclusions of this policy remain unchanged.

CUT THROUGH CLAUSE

The Insured acknowledges that _____ (hereby known as the "Insurer"), has issued the Policy on the basis that _____ (hereby known as the "Reinsurer") would ultimately reinsure% of any claim made by the Insured in accordance with the Policy.

It is hereby agreed and declared that the Insured accepts that if any claim against the Insurer is not paid by the Reinsurer in whole or in part, or such payment is delayed, for any reason, and in particular if such claim is not paid in full then the Insured will not seek to enforce payment of such claim or part thereof against the Insurer until payment in relation to such claim has been made by the Reinsurer to the Insurer.

Sanction Limitation and Exclusion Clause

This endorsement forms part of this policy.

It is hereby agreed and declared that notwithstanding anything contained in the Policy or Endorsement to the contrary,

This Policy shall not cover any claim, payment of any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Company to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, Japan, United Kingdom or United States of America.

The agreement under this endorsement shall be subject to the same exclusions, general conditions and other statements as contained in this policy, unless otherwise amended, changed, appended within this endorsement.

Remark: This endorsement shall not be enforced if the Insured has not acknowledged the limitation and exclusion given in this endorsement when the contract is entered into; and the Company shall provide evidence of the Insured's acknowledgement to the Registrar upon requested.

War and Terrorism Exclusion

It is hereby agreed and declared that notwithstanding anything contained in this Policy to the contrary,

this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

(1) war, invasion, acts of foreign enemies, hostilities or war like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or

(2) any act of terrorism

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the used 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 organization(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, 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 (1) and (2) above.

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

All other terms and conditions remain unchanged.

Policy Extension Clause

If there is any delay in agreeing on the renewal terms, it is hereby understood and agreed that the company shall extend the period of insurance under this Policy up to a maximum of 30 days upon request of the Insured at the terms and the additional premium to be agreed before the original expiry date of the policy. Further, the additional premium shall be payable on the commencement of the extension period.

Time Adjustment Clause

It is hereby declared and agreed that any loss or damage to the property insured arising during any one period of:-

(1) **72 consecutive hours** caused by cyclone, hurricane, typhoon, windstorm, and/or earthquake (if such perils are covered by the policy) ;

(2) **168 consecutive hours** caused by flood and water damage (if such perils are covered by the policy),

shall be deemed as a single event and therefore to constitute one occurrence with regard to the Deductibles provided for herein.

For the purpose of the foregoing, the commencement of any such 72 and 168 hours period shall be decided at the discretion of the Insured. It being understood and agreed however that there shall be no overlapping in any two or more such 72 and 168 hours periods in the event of damage occurring over a more extended period of time.

Beneficiary Clause

It is hereby declared and agreed that the Beneficiary (ies) of the Insured is/are as follows:

Name : (State the Name of Beneficiary)

Address : (State the address of Beneficiary)

Subject otherwise to the Terms, Conditions, and Exclusions of the Policy.

-End-