INTERNATIONAL CALL FOR TENDER: INSURANCE SERVICES
ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

CALL FOR TENDER

INSURANCE
CALL FOR TENDER INSTRUCTIONS

Closing date for submission of tenders: 17 December, 2001
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INTRODUCTION

The OECD groups 30 member countries in an organisation that, most importantly, provides governments a setting in which to discuss, develop and perfect economic and social policy. They compare experiences, seek answers to common problems and work to co-ordinate domestic and international policies that increasingly in today's globalised world must form a web of even practice across nations. Their exchanges may lead to agreements to act in a formal way - for example, by establishing legally binding codes for free flow of capital and services, agreements to crack down on bribery or to end subsidies for shipbuilding. But more often, their discussion makes for better-informed work within their own governments on the spectrum of public policy and clarifies the impact of national policies on the international community. And it offers a chance to reflect and exchange perspectives with other countries similar to their own.

The OECD is an organisation of like-minded countries. OECD countries produce two thirds of the world's goods and services, but it is not an exclusive club. Essentially, membership is limited only by a country's commitment to a market economy and a pluralistic democracy. The core of original members has expanded from Europe and North America to include Japan, Australia, New Zealand, Finland, Mexico, the Czech Republic, Hungary, Poland and Korea. And there are many more contacts with the rest of the world through programmes with countries in the former Soviet bloc, Asia, Latin America - contacts which, in some cases, may lead to membership.

Exchanges between OECD governments flow from information and analysis provided by a Secretariat in Paris. Parts of the OECD Secretariat collect data, monitor trends, analyse and forecast economic developments, while others research social changes or evolving patterns in trade, environment, agriculture, technology, taxation and more. This work, in areas that mirror the policy-making structures in ministries of governments, is done in close consultation with policy-makers who will use the analysis, and it underpins discussion by member countries when they meet in specialised committees of the OECD. Much of the research and analysis is published.

The 1850 staff of the OECD Secretariat, in Paris, contribute directly or indirectly through their work to the committees' activities. The Secretariat has some 700 economists, scientists and legal and other specialists who are divided up between a dozen or so Directorates that carry out all sorts of research and analysis on substantive issues. The Secretariat's main offices are in Paris, France, but there are also Information Centres in Washington D.C., USA; Bonn, Germany; Tokyo, Japan and Mexico City, Mexico. Furthermore, every Member country has a delegation to the OECD, in Paris.
ARTICLE 1. SCOPE AND OBJECT OF CALL FOR TENDER

This Call for Tender is for insurance cover guaranteeing:

- the OECD’s buildings;
- assets;
- civil liability.

ARTICLE 2. TERMS AND CONDITIONS OF CALL FOR TENDER

2.1 Composition of the Call for Tender

The Call for Tender includes:

a) the Instructions to Tenderers;

b) the Technical Specifications (including Annexes).

2.2 Offers

All propositions in the response will be treated as contractually binding for the tenderer and the tenderer shall consequently date and sign the Technical Specifications and its offer, as well as any document in support (including its price proposal), and initial each page of each document.

2.3 Duration of tender validity

Tenders shall remain valid for 90 calendar days, as from the deadline for submission of tenders.

2.4 Additional information

Should any problems of interpretation arise in the course of drawing up the tender document, tenderers may submit a written request for further information, at the address below, no later than 10 calendar days before the deadline for the submission of tenders. All tenderers will be advised of the answers given to such questions.

OECD
EXD/PCM
Virginie QUINTERNET
Call for Tender No. ICT/EXD/PCM (2001)1
2, rue André Pascal
75775 Paris Cedex 16.

virginie.quinternet@oecd.org

2.5 Acceptance and rejection of tenders

There is no commitment on the part of the OECD to accept any proposal or part thereof that is received in response to the Call For Tender, nor shall there be any obligation to acquire all or part of the services proposed.

The Organisation reserves the right to:
- accept non-substantive defects that might affect the presentation of tenders;
- reject tenders received after the deadline for submission of tenders, without penalty or justification.

2.6 Modification or cancellation of the Call for Tender

The Organisation reserves the right to modify or cancel all or part of the Call for Tender without having to justify its actions and without such action giving tenderers any right to compensation. Should the deadline be changed, all of the rights and obligations of the Organisation and the candidates shall be governed by the new deadline, notably Article 2.3 above.

2.7 Remuneration of tenders

No payment or reimbursement of expenses related to the preparation of any proposal will be made by the Organisation.

2.8 Confidentiality

The call for tender and any further information furnished by the Organisation must be treated as confidential and no other use is authorised, other than for the purpose of the call for tender. The Organisation reserves the right to have all material returned at the end of the tender process.

2.9 Language

Whether forwarded in English or French, the authoritative language of this document is French.

ARTICLE 3. PRESENTATION, SUBMISSION AND CONTENTS OF TENDERS

3.1 Tender presentation and conditions for submission

Tenders shall be entirely drafted in either English or French and shall be submitted in three (3) copies, in a sealed envelope bearing the words “NE PAS OUVRIR par le service courrier -- AO No. ICT/EXD/PCM(2001)1 - Assurance”.

Tenders shall be submitted to:
OECD
EXD/PCM
attention of Mr. Rémi Cèbe, High-Level Procurement
2 rue André Pascal
75775 Paris cedex 16

before the deadline for the receipt of tenders in return for a signed receipt or, if sent by mail, shall be submitted to the same address by registered mail with acknowledgement of receipt before the above deadline for the receipt of tender OCDE/ICT/EXD/PCM(2001)1.

The deadline for submission of tenders is 6:00 p.m. (Paris time) on 17 December 2001.

Tenders which are received or whose formal acknowledgement of receipt is dated after the deadline for receipt specified above, as well as those submitted in unsealed envelopes, may be rejected. Tenders rejected on such grounds shall be returned to their senders.
No tender may be submitted by electronic mail or fax. Tenders submitted by electronic mail or fax will be rejected, even if they have also been sent in paper format (hard copy).

3.2 Contents of the tender

a) A letter of application signed by the tenderer and specifying that all the elements of the offer are contractually binding;

b) If the tender is submitted by a partnership, the letter of application must be signed by each of the partners in that group to ensure their joint and several liability. In such cases, the tender must include a letter from each of the partners stating their joint liability for the commitment entered into;

c) All certificates identifying the tenderer, including its name, legal nature, address, SIRET Number, date founded, areas of activity and number of employees by country, financial information for the past three years, professional insurance, and any other information that it may deem relevant;

d) All certificates identifying each of the partners within a partnership and the persons with power of signature or the individuals and legal entities constituting the group submitting the tender;

e) Annual statement of certificates received or, failing that:
   -- Tax certificates;
   -- Social security certificates:
     URSSAF;
     Paid leave fund;
     Unemployment fund.

f) Professional qualification certificates for the current year, providing proof of the ability of the candidate and/or sub-contractors to provide the services involved;

g) An extract from the listing on the Trade Register and Companies Register (K or Kbis), which must be less than 3 months old;

h) An affidavit certifying that the work will be performed by staff employed in accordance with the French Labour Code;

i) A report describing similar operations conducted by the tenderer, or each of the partners in the case of a partnership, and covering all the various areas concerned;

j) A methodological note explaining the reasons for expressing an interest in the Call for Tender and the measures that will be taken by tenderers to ensure satisfactory performance of the contract. This report must include a description of the quality assurance organisation the tenderer undertakes to put in place for the performance of the contract;

k) The references of the clients for which the candidate is providing similar services.

3.2.1 Financial conditions

Prices quoted must include everything necessary for the complete execution of an eventual contract, it being understood that charges for items not identified in the proposal will be borne by the respondent, if essential to the performance of the contract.
3.2.2 Hearings

The Organisation reserves the right to organise hearings and request the candidates to specify the content of their offers.

ARTICLE 4. SELECTION CRITERIA

The criteria for tender appraisal, in order of importance, are as follows:

- Technical reliability of the tenderer, or of each of the partners in the case of a partnership, judged on the basis of the tenderer’s and the partners’ experience in operations of comparable size and complexity;

- Proposed price for the services that are the subject of the Call for Tender;

- Financial and managerial soundness of the tenderer, or of each of the partners in the case of a partnership, judged on the basis of the accounting documents presented and the agreements between the group’s partners;

- The size and reputation of the tenderer or of each of the partners in the case of a partnership.

ARTICLE 5. INFORMATION FOR TENDERERS

All tenderers will be informed of the decision taken on their tenders.

Read and approved

Done on

In

Signature by a person having the authority to conclude
(+ stamp)
ORGANISATION FOR ECONOMIC COOPERATION AND DEVELOPMENT
O.E.C.D.

CALL FOR TENDER FOR INSURANCE SPECIFICATION

The closing date for this call for tender is: 17 December 2001 – 18.00
I - BACKGROUND INFORMATION

A - ACTIVITIES AND STAFFING

a) The OECD’s activities consist principally of:

- Organising events, seminars, symposia, issuing reports, consulting, advising, formulating proposals, documenting and informing.
- Taking part in events, seminars and symposia.
- Conducting all the business of an international organisation, including:
  - organising inter-ministerial conferences;
  - taking part in all means of promotion and/or communication, publicity, exhibitions, fairs, shows and presentations;
  - editing, publishing, distributing and selling documents and publications;
  - placing orders with external service providers;
  - organising and conducting training and language courses;
  - operating:
    - a projection room;
    - press rooms and recording studios;
    - a library;
    - car parks, the main car park being at 19 rue de Franqueville 75016 Paris;
    - cloakrooms;
    - restaurants reserved for staff and their guests;
    - a shop selling luxury goods;
    - a newspaper kiosk;
    - a unisex hairdressing salon;
    - sports rooms.
- managing property as either owner or tenant;
- maintaining buildings, equipment, air-conditioning, electrical, telephone, plumbing and heating plant and equipment;
- making rooms in its buildings available to associated bodies, principally, the International Association of Retired Staff of OECE and OECD, the Staff Association, and the Association Loisirs Ateliers et Rencontres (A.L.O.R.A.);
- making rooms in its buildings available to third-parties and tenants (bank, post office, travel agency) on a rent-free or payment basis.

b) Staff – key figures

- Approximately 2 400 people, 1 850 of whom are OECD officials.
- Conferences: approximately 50 000 participants per year.
- Approximately 32 000 visitors per year.
- Budget: FF 1.2 billion per year.

B - DESCRIPTION OF RISK

1. List of premises owned by the OECD

   This list is given in Annex 1.
2. List of premises rented by the OECD

This list is given in Annex 1.

3. COMMUNICATING BUILDINGS

The only directly communicating buildings are the Pascal Building and the New Building. There is an underground walkway between the Château de la Muette, the Franqueville Building and the Pascal Building.

4. SITE CONTROL CENTRE (SCC)

- Intruder and access-control management alarms are relayed to a dedicated alarm handling and access operating control point (Reac 5 software);
- Video-surveillance of access and premises via a dedicated video-surveillance control point (Videkka software);
- Equipment alarms relayed to a dedicated alarm handling control point (Citect software);
- Fire alarms relayed;
- Fire alarm management by the Unité d’Aide à l’Exploitation (UAE);
- Lift, service lift, air-conditioning, alarm relay, etc.;
- Annex intruder alarm set/disable controls;
- Technical systems and fire-stop doors wired to alarms;
- Two patrols per night with real-time patrol processor +logbook;
- One delegation is connected directly to its embassy, we do not keep keys for this delegation (intervention on express instructions only).
5. SAFETY TEAM

The safety team comprises:

- A Manager (Technical + Administrative);
- A head of fire safety unit, INSSI certified and an ERP2 certified deputy during working hours;
- An ERP2 certified officer and an ERP1 certified officer from a service provider 24H/24H;
- Two security line managers (EPS3 / ERP2) during the working week;
- The Organisation’s head of security, to manage outsourced services 24H/24H;
- 313 area fire wardens on the various sites, two to twelve per floor;
- 90 staff trained in First Aid on the various sites;
- 35 ushers.

The safety team is equipped with:

- a vehicle for driving to the various sites;
- a TASAL and TRANSVEIL line facility linked to the SIC (Salle d’Information et de Commandement de la Préfecture de Police);
- a store (New Building Basement) of halon extinguishers, fire hoses, pump, ventilator, portable extinguishers, etc.;
- fire safety officers are trained in the routine maintenance of fire-fighting equipment;
- safety equipment is maintained in accordance with French legislation during inspections scheduled in the various maintenance contracts.

6 PREVENTION AGAINST INTRUSION AND ATTACKS

Daytime security guards on all sites, except for the «Louis David » and « Rue de l’Est » annexes.

1. Château de la Muette, Franqueville I & II, Château Garden Buildings

Infrared perimeter barriers connected to deterrent lighting;
24h security guards;
Access control, metal detector portal, X-ray scanner;
Interior and exterior video-surveillance connected to 24h SCC;
Entrances protected by external gates at night (perimeter fence);
Armoured glazing in the reception pavilion, and partial armour glazing in other buildings, on windows and entrances giving onto the street;
Anti-blast film on glazed openings giving onto the street;
Executive Directorate offices (Château de la Muette) can be sealed by an automatic closing door;
Mobile bullet-proof screens in conference rooms (Château de la Muette).

2. Pascal Building and New Building

Entrances protected by external gates at night (perimeter fencing);
Interior and exterior video-surveillance linked to 24h SCC;
Access to car park remotely controlled from site control centre;
Armoured glass in 19 rue de Franqueville and 1 rue A. Pascal;
Anti-blast film on glazed openings to street.

3. Monaco Annex

Access and intruder control linked to SCC;
Security guards on weekdays from 7.00 to 19.00;
Response to alarms at night and on holidays and weekends by an OECD officer.

4. Feuillet Annex

Security guards on weekdays from 7.00 to 19.00;
Response to alarms at night and on holidays and weekends by an OECD officer.
24h, live-in building guard;
Access and intruder control connected to SSC;
Video-surveillance, recorded in-situ.

5. Ingres Annex

Access and intruder control linked to SCC;
Video-surveillance, recorded in control centre;
Security guards on weekdays from 7.00 to 19.00;
Response to alarms at night on holidays and at weekends by an OECD officer;
On-site guard patrolling on weekends.

6. Chardon Lagache Annex

Access and intruder control linked to SCC;
Video-surveillance, recorded in-situ.
Infrared perimeter barriers on first-floor terrace;
Guards on weekdays 7.00 to 19.00;
Response to alarms at night and on holidays and weekends by OECD officer.

7. Maillot annex

24h building guard;
Entrances protected by exterior gates (perimeter fencing);
Access control;
Guards on weekdays from 7h00 to 19h00 for OECD floors;
Response to alarms at night and on holidays and weekends by OECD officer at the request of the building security team.

8. Issy les Moulineaux Annex

Access and intruder control linked to SCC;
Video-surveillance recorded in control centre;
Response to alarms at night and on holidays and weekends by OECD officer.

9. Boulogne Annex

Access and intruder control linked to SCC;
Video surveillance, recorded in-situ;
Infrared perimeter barriers connected to deterrent lighting;
Guards on weekdays from 7.00 to 19.00;

Response to alarms at night and on holidays and weekends by OECD operative.
10. Louis David Annex

Keypad access and intruder control linked to SCC;
Video surveillance with in-situ recorded;
Response to alarms at night and on holidays and weekends by OECD operative.

11. Rue de l’Est

Intruder detection linked to SCC;
Video-surveillance, in-situ recording;
Response to alarms at night and on holidays and weekends by OECD operative.

12. IEA

The Australian Embassy provides 24h security for IEA buildings. The IEA and the Embassy share the same fire-safety system. The fire alarm system is also shared and the Embassy’s security service deals with all emergencies outside working hours. The shared Embassy/IEA garage is monitored by the Embassy’s security service.

Controlled access is via a single outside door and in the case of the garage an electronically controlled door. Pedestrian access is monitored from 8.00 to 19.00, from Monday to Friday by ushers and security staff (electronically controlled outside of these times. A third door, added recently can only be opened by IEA staff and security teams using magnetic cards.

A security firm checks the premises at 7.30, 19.00, 20.30 and 2.00 every working day and at mid-afternoon on weekends and during school holidays.

There is also a surveillance camera system, taped in a secure room, for all entrances and lift access.

Smoking is prohibited on the premises except in one specified location (first-floor bar).

The security and fire-safety systems are inspected annually.

13. SEVRES

Access and intruder control linked to SCC;
24h response by an OECD operative;

14. Secretary General’s apartment

Assault alarm linked to SCC (triggered by tenants);
24h response by an OECD operative.

7. FIRE PREVENTION AND DETECTION

All of the buildings are fitted with a fire detection system (currently over 2 000 detectors), portable extinguishers installed in accordance with regulation R4 of the APSAD (certificate N4 for all sites) (over 1000 extinguishers).
The computer rooms have halon or FM-200 suppression (no printing in rooms with halon suppression). Daily computer back-ups are stored in fire-resistant cabinets (2H).

In the Pascal Building and the New Building, an automatic water extinction (sprinkler) system has been installed in the car park levels. [Town mains water, 5 bar/2 ESSAMICO power-driven pumps/checked weekly, results logged]. Six-monthly maintenance carried out by TYCO/Mather&Platt. Both buildings have Permanent Fire Hose Points (23 PFHPs).

Buildings on the Château site also have Permanent Fire Hose Points (20 PFHPs)

The buildings are equipped with a 1500 kVA electric generating set with halon extinction. The Autocom and battery charging room and sensitive plant rooms (inverter, generator set) are also provided with halon extinction.

Fire assessments

The various site fire assessments are available to applicants on request: contact Virginie Quinternet, Tel. 01.45.24.84.06 or virginie.quinternet@oecd.org.

8. GENERAL SERVICES

The OECD has an in-house servicing and maintenance department for the following equipment and fittings:

- air conditioning;
- heating;
- plumbing;
- electrical;
- locks;
- carpentry.

9. ELECTRICAL

See details in Annex 1.

10 AIR CONDITIONING

See details in Annex 2.
II Multiple-risks fire.

A- Visit to the buildings

a) The OECD buildings are assumed to be known by the applicants and their tenders based on a thorough knowledge of the risks.

b) Visits will be organised on request. Contact: Mlle. V. Quinternet :
Tel. : 01.45.24.84.06
Fax : 01.45.24.19.54
e-mail : virginie.quinternet@oecd.org

B – Agreement

INSURER

I the undersigned, (we the undersigned)................................................................................................................................................................................
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Acting in the name of and on behalf of the company:.................................................................................................................................
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With the status of:..........................................................................................................................................................................................................................
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whose head office is located at:..................................................................................................................................................................................
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registered at INSEE under number: ........................................................................................................................................................................
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After having taken knowledge of the Special Terms of the policy,
After having supplied the General Terms,

After having given the list of experts,

After having given the name of the person of our company who will be responsible for the file for the management policy and/or the claims,

After having filled in the attached tables,

**AGREE**

Without reservation, according to the stipulations of the aforementioned documents, to fulfil the INSURER’s obligations in the conditions herebelow,

This offer is valid for ninety (90) days from the deadline for submission of the tenders set by the Instructions to Tenderers.

**PRICE**

The insurance premium rates and amounts are indicated in table 1 which is an integral part of the tender and which is attached thereto.

I declare (we declare), subject to termination of the insurance policy to my (our) own fault, that the company (companies) for which I act (we act) is not subject to the interdiction pursuant to Article 50 amended of French law 52-401 of 14 April 1952.

It is stipulated that an equivalent tender in terms of price and guaranteed terms, preference will be given to the company that accepts a maximum rate of participation, alone or with the co INSURERS that it has selected. In the latter case, the list of co INSURERS shall be indicated in the present document.

Done in two original copies, at …………………. ……, on …………………………………
(Handwritten mention: "read and approved")

The INSURER The INSURED
TABLE 1

PROPERTY DAMAGE

Effective date: 1 January 2002

The proposed guarantee and deductible amounts apply per loss.

1. Guarantees

The amount of guarantees and deductibles to be INSURED are described herebelow

Buildings and/or tenant’s 3rd party risk
Cumulative area proprietor / tenant 48545 m2 (SUN)

<table>
<thead>
<tr>
<th>Content</th>
<th>1st risk</th>
<th>Cf. variant</th>
</tr>
</thead>
</table>

### FFB guarantee

<table>
<thead>
<tr>
<th>Risk Description</th>
<th>Capital (designated)</th>
<th>Deductible (Cf. option)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire/explosion</td>
<td></td>
<td>2200F</td>
</tr>
<tr>
<td>Supplementary risks, p13 bis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water damage</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Theft

<table>
<thead>
<tr>
<th>Category</th>
<th>Capital (F)</th>
<th>Deductible (F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Content</td>
<td>1,000,000</td>
<td>5000</td>
</tr>
<tr>
<td>Funds and securities</td>
<td>200,000</td>
<td></td>
</tr>
<tr>
<td>Transport of funds and securities</td>
<td>70,000</td>
<td></td>
</tr>
</tbody>
</table>

### Plate-glass insurance

<table>
<thead>
<tr>
<th>Category</th>
<th>Capital (F)</th>
<th>Deductible (NIL)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plate-glass insurance</td>
<td>100,000</td>
<td></td>
</tr>
</tbody>
</table>

### Damage to electrical equipment

<table>
<thead>
<tr>
<th>Category</th>
<th>Capital (F)</th>
<th>Deductible (NIL)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Damage to electrical equipment</td>
<td>500,000</td>
<td></td>
</tr>
</tbody>
</table>

### Accessory damage

<table>
<thead>
<tr>
<th>Category</th>
<th>Capital (F)</th>
<th>Deductible (NIL)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excavation and demolition costs</td>
<td>20,000,000</td>
<td></td>
</tr>
<tr>
<td>Travel and re-housing costs</td>
<td>Actual costs</td>
<td></td>
</tr>
<tr>
<td>Leakage investigation</td>
<td>Actual costs</td>
<td></td>
</tr>
<tr>
<td>Property damage</td>
<td>Actual costs</td>
<td></td>
</tr>
<tr>
<td>Security and fence risk costs</td>
<td>Actual costs</td>
<td></td>
</tr>
<tr>
<td>Loan interest</td>
<td>Actual costs</td>
<td></td>
</tr>
<tr>
<td>Decorator fees</td>
<td>Actual costs</td>
<td></td>
</tr>
<tr>
<td>Grading to conformity</td>
<td>Actual costs</td>
<td></td>
</tr>
<tr>
<td>Loss of fittings</td>
<td>Actual costs</td>
<td></td>
</tr>
<tr>
<td>Loss of fittings</td>
<td>Actual costs</td>
<td></td>
</tr>
<tr>
<td>Loss of use and rent</td>
<td>maximum 3 years</td>
<td>NIL</td>
</tr>
</tbody>
</table>


Refund of structural damage premium | Actual costs | NIL
--- | --- | ---
Expert’s fees | UPEMEIC TARIFF | NIL

Additional operating costs | Cf. option

Maximum compensation period | 12 months

Ordinary lump sums losses | 10% of compensation

Claims by neighbours, third-party tenants, co-occupants. These guarantees cover consequential damage | 30.000.000 F | NIL

These guarantees cover consequential damage

Possible automatic guarantee | 20%

2. Proposals

Indicate the amount of the premium, all taxes included, but NOT INCLUDING BROKERAGE COMMISSION for the period from 1 January 2002 to 1 January 2003

<table>
<thead>
<tr>
<th>CAPITAL VARIANTS</th>
<th>DEDUCTIBLE OPTIONS</th>
<th>TOTAL PREMIUM NOT INCLUDING BROKERAGE</th>
<th>Lead Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>VARIANT 1 100 MF</td>
<td>Option 1 : NIL</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Option 2 : 10 000 F</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Option 3 : 20 000 F</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Option 4 : 100 000 F</td>
<td></td>
<td></td>
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<tr>
<td>VARIANT 2 150 MF</td>
<td>Option 1 : NIL</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Option 2 : 10 000 F</td>
<td></td>
<td></td>
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<td></td>
<td>Option 3 : 20 000 F</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Option 4 : 100 000 F</td>
<td></td>
<td></td>
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<tr>
<td>VARIANT 3 200 MF</td>
<td>Option 1 : NIL</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Option 2 : 10 000 F</td>
<td></td>
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<td></td>
<td>Option 3 : 20 000 F</td>
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<td>Option 4 : 100 000 F</td>
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Indicate the rate of natural disasters (CN) which served to calculate the premiums:

...............%
Indicate the amount of the “vandalism and malicious mischief” tax which served to calculate the premiums:

............ F

Indicate the breakdown of insurance taxes with respect to the net premium:

Fire taxes of......... % based on ..........% of the net premium

Other risk taxes of.......... % based on.. .........% of the net premium.
LIST OF EXPERTS

COMPANY STAFF MEMBER RESPONSIBLE FOR MANAGEMENT OF THE POLICY
SPECIAL TERMS

The present special terms prevail over the general terms insofar as they waive them. In case of differences or contradictions between these texts, only the most favourable provisions to the INSURED shall apply. References to French legislation are indicative. The law applicable to the contract will be determined in the forthcoming contract.

AIM OF THE POLICY

The INSURERS, according to the provisions of this policy, guarantee:
1. Losses that the INSURED suffers following damage occurring to property designated therein due to the occurrence of designated and/or not excluded events.

2. All the exclusion texts in the general terms are nullified. Only the exclusion texts appearing in the present special terms should be taken into consideration.

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CHAPTER 1 - DEFINITIONS

SUBSCRIBER

ORGANISATION FOR ECONOMIC COOPERATION AND DEVELOPMENT (OECD)

2, rue André Pascal
75016 PARIS

The INSURED declares that he acts as required on behalf of the Association Loisirs Rencontres Ateliers and the Employees Association and all social or cultural bodies, occupants of canteen, buildings or premises with payment or free of charge.

The INSURERS renounce any legal action against these entities.

Insurance on behalf of:
The INSURED acts on his behalf and on behalf of
• Affiliated associations;
• Affiliated bodies or entities or associates created or to be created.

The INSURERS renounce any legal action against these entities.

INSURED

The subscriber herebelow and the different delegations are located in the premises of the OECD.

INSURERS

This term should be meant to understand the Lead Insurer himself representing all the co Insurers

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<th>COMPANY</th>
<th>POLICY No.</th>
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ACTIVITIES

The INSURED declares that the activity exerted consists particularly in:

- Organising events, seminars, conferences, submitting reports, consulting, giving opinions, formulating proposals, documenting and informing.
- Participating in events, seminars, conferences.
- Exercising all activities of an international organisation, and accordingly, being lead to:
  - Organise interministerial conferences;
  - Participate in all means of promotion and/or communication, advertising, exhibitions, shows, fairs and demonstrations;
  - Edit, publish, distribute and sell documents and publications;
  - Place orders with outside service providers;
  - Organise and conduct training and language courses;
  - Operate:
    - a cinematographic film projection room;
    - press rooms and recording studios;
    - a library;
    - car parks including the one at 19 Rue de Franqueville 75016 Paris;
    - dressing rooms;
    - restaurants reserved for its personnel and guests;
    - a store for luxury products;
    - a newspaper kiosk;
    - a unisex hairdressing salon;
    - sports rooms
  - Operate buildings as proprietor or tenant;
  - Perform maintenance of the buildings, equipment and climatic, electrical, telephone, plumbing and heating facilities.
  - In its buildings, place the premises at the disposal of associated bodies, including the International Association of Old Boys of the OECE and OECD, the Personnel Association, and the Association Loisirs Rencontres Ateliers (A.L.O.R.A.);
  - In its buildings, place premises at the disposal of third parties and tenants (Bank, Post Office, Travel Agency, etc), either free or paid.

It is specified that this list is indicative, it’s compiled in order to clarify the field of action of the INSURED, which can exert any activity directly or indirectly related to this field, without necessarily waiving Article L113-4 of the French Insurance Code.

At no time shall the INSURERS avail themselves of any non-denomination whatsoever, any designation or description whatsoever, to refuse implementation of the guarantee.
SITUATION OF RISKS

The INSURER provides this guarantee at the places indicated in annex 1.
DEFINITIONS

THIRD PARTIES

Any person other than:

- the INSURED defined hereabove, acting within the scope of the activities described in the section hereabove,
- the employees, but only if they benefit from the legislation on occupational accidents.

Hence considered as third parties are legal representatives, members of the Management they have substituted for, paid or unpaid employees of the Insured during the exercise of their functions if the damage they suffer is not covered by the Social Security administration.

LOSS

All the losses guaranteed by the contract and resulting from the same event causing damage occurring between the effective date and the suspension, cessation, termination or expiration date.

It is stipulated that all the guaranteed losses, resulting from the same generating fact, constitute a one and the same loss.

PHYSICAL INJURY

Any physical injury suffered by an individual.

MATERIAL DAMAGE

Any breakage, deterioration, disappearance of structure, or a portion of a structure, or of a good defined in the chapter “Insured Goods”

CONSEQUENTIAL DAMAGE

All losses other than material damage or physical injury.
BRIEF DESCRIPTIONS OF INSURED EVENTS

- fire, explosions and lightning;
- electrical damage;
- complementary risks such as:
  - storms, hurricanes, cyclones, hail on rooftops;
  - smoke;
  - impact of land vehicles;
  - water damage;
  - the dropping of aerial navigation craft;
  - vandalism and malicious mischief.
- theft;
- damage to plate-glass and neon signs.

ABROGATION OF THE PROPONTINAL RULE

The INSURER declares sufficient familiarity with the insured risks, having visited and recognised them.

In consequence:

- It accepts them as presented today, leaving the INSURED in the present and in the future, from making any declaration of a purely technical order, except in case of modification liable to aggravate the risks;
- It accepts the evaluation given to it as the real value;
- It is agreed that the Proportional Rules stipulated in Article L 121.5 of the French Insurance Code is totally abrogated for all the guarantees, capital and premiums of the present contract;
- All these declarations made to the LEAD INSURER shall be recognised as valid for the entire Co insurance, except concerning the increase in capital.

POSSIBLE AUTOMATIC GUARANTEE

The INSURER agrees automatically to cover any overrun of guaranteed capital, up to 20% of the Guaranteed Capital.

At the end of the year, this situation shall be regularised proportionally, and the INSURED agrees to pay the corresponding premium resulting therefrom.

AMOUNT OF CAPITAL, GUARANTEES AND DEDUCTIBLES

SEE GENERAL PRESENTATION NOTE.
CHAPTER II TERM AND PREMIUM

EFFECT, EXPIRY, TERM AND TERMINATION OF THE POLICY

Effective date 1 January 2002
Expiry date 01/01
Term of contract annual with tacit renewal, unless terminated by each of the Parties, by registered letter, at least two months before the main expiry date, and without compensation.

PAYMENT OF PREMIUMS

Incidental costs shall be payable by the SUBSCRIBER at the domicile of the INSURER or the broker designated by the Organisation, annually and in advance.

DEFAULT IN PAYMENT

In case of default in payment within 60 days of the expiry date, the INSURER, independently of its right to continue the performance of the contract before the arbitrator, can, by registered letter equivalent of notice sent to the SUBSCRIBER or to the person in charge of payment of the premiums at their last known domicile, suspend the guarantee 30 days after the sending of this letter.

The INSURER has the right to terminate the contract 10 days after the expiration of the 30 day time limit stated above by notification to the SUBSCRIBER, either in the notice, or by a renewed notice.

ANNUAL PREMIUM

The net annual premium, at index FFB = 599.7 (value on: 01/10/01) is set at

F exclusive of tax, or F. including tax, according to the taxes in force.
CHAPTER III INSURED PROPERTY

OWNERSHIP OF PROPERTY

The property listed below is guaranteed, whether the INSURED is proprietor, lessee, consignee or holder thereof for any reason whatsoever.

The INSURER’s guarantee shall be engaged even if the INSURED is not recognised as responsible for its damage or destruction.

BUILDINGS

This term designates:

- All the structures, buildings, hangars, dependencies, annexes, including foundations and cellars, peripheral walls, storage tanks, buried or above ground, lines, underground or not, and any fitting, all installations which cannot be disengaged from the structure without being damaged, including passenger and goods lifts, heating and air conditioning systems, and in general, any installation considered to be immovable by nature, by purpose or by incorporation.

- all the fittings such as floor, wall and ceiling linings, paints, papers, wood panelling, mirrors, drop ceilings executed at the cost of the INSURED or having become its property.

EQUIPMENT

This term designates the objects, fixed or mobile, of any type, directly or indirectly related to the activity of the INSURED, including:

- Production machines, with their tools and accessories;
- Energy production and/or distribution installations;
- Handling, lifting and storage installations;
- Monitoring, control, management, trial or testing, surveillance and safety installations;
- Information and communication equipment for internal or commercial use;
- Data processing hardware;
• Office furniture and equipment.

The whole being or liable to be in storage, in shipment, in the course of loading or unloading, in the courtyards, annexes, on the land, on the outskirts or inside the insured buildings.

PRODUCTS

All the products, goods, raw materials, consumable, produced or in the course of production, finished products necessary for the INSURED’s activities.

MOVEABLE EQUIPMENT AND OFF SITE PRODUCTS

Moveable equipment and products belonging to the INSURED and liable to be at third parties, suppliers, subcontractors, in the course of transport, in station or exhibited etc, on assembly or maintenance sites, and which are insured under the present policy, are guaranteed as first risk up to 1,000,000 francs.

In case of loss outside France, compensation shall be paid in France, in French francs. The equipment, furniture and goods in the course of transport and/or held by third parties by any reason whatsoever, throughout the territory of the EEC, and also exhibited on the occasion of any fairs or events, the equipment and furniture of the stands also being guaranteed.

MATERIAL OBJECTS AND THIRD PARTY OR PERSONNEL GOODS

Miscellaneous clothing, tools and objects possibly belonging to third parties, to the personnel, to the Labour Management Committee or, in general, to any persons likely to reside or to be present temporarily in the INSURED establishments and whereof the INSURED is the consignee or holder for any reason whatsoever.

In this case, the present policy shall only cover non insured or insufficiently Insured third parties within the limit of their insufficient guarantee. The companies renounce any action against the INSURED or against third party proprietors.

CASH AND SECURITIES

The present policy also covers cash, cheques, credit cards, postage stamps, restaurant tickets and securities.

In short, the guarantees cover all the goods described or not, necessary or relative to the activities exerted, without any exception or reservation, the whole
located both within the perimeter of the risks and on the outskirts, or floating wherever needed at consignee third parties, both on the behalf of the INSURED and of the person to whom it belongs (in particular, for goods whereof the INSURED could be the tenant or lessee) without the INSURER underwrite at any time to avail himself of any non-denomination, or any designation or description whatsoever.
CHAPTER IV INSURED EVENTS

FIRE

Fire means: conflagration, burning or combustion, of whatever origin and/or cause and located outside the normal hearth.

Hence clearly guaranteed is damage caused by the action of smoke and gases and/or by excess of heat, insofar as said damage follows on the fire.

This guarantee extends to damage caused to INSURED goods or to those of others, by help and rescue measures resulting from a guaranteed loss occurring in the property of the INSURED.

EXPLOSIONS

Explosion means the sudden and violent action of the pressure or negative pressure of a gas or vapour whether this has existed before said action or its formation has been concomitant with it, the explosion is guaranteed regardless of the origin and/or cause and location.

THE FOLLOWING ARE FORMALLY EXCLUDED

• DAMAGE CAUSED BY THE EXPLOSION OF ACTUAL EXPLOSIVES WHICH ARE HELD BY THE INSURED, NOT INCLUDING DAMAGE CAUSED BY THE EXPLOSION OF EXPLOSIVES INTRODUCED WITHOUT ITS KNOWLEDGE INTO THE GUARANTEED ESTABLISHMENTS OR PLACED ON THE OUTSKIRTS.

WIND HAIL SNOW ON ROOFS

Storm, hurricane, tornado or cyclone means the direct action of the wind or the impact of a body overturned or projected by the wind, when said wind is so violent that it destroys, breaks or damages a number of property constructed, trees or other objects in the commune of the damaged Establishment or in the neighbouring communes.

In case of contestation and as supplementary evidence, the INSURED shall produce a certificate from the nearest weather station, indicating that at the time of the damage, the wind speed was greater than 100 km/h.

The guarantee applies in particular to the direct action:
• of the weight of snow, ice and/or accumulated water;
• of hail on the roofs and their consequences.

This guarantee furthermore extends to wetting damage caused by rain, snow, ice, sleet, slush or hail penetrating into the insured building – or the building containing the insured object – due to its total or partial destruction by INSURED terms of the present extension “Wind – Hail and Snow” and provided that said destruction does not go back more than 48 hours. This time limit shall be binding for consideration of insured damage resulting from a repair defect not ascribable to the INSURED and resulting from a fortuitous event or force majeure.

Notwithstanding the foregoing statement, damage occurring with 72 hours following the moment when the insured goods have suffered the first damage is considered as constituting one and the same loss.

The guarantee is extended to costs necessary defrayed by the INSURED to remove the debris and/or goods not guaranteed in the terms of the policy, blown or transported by the wind on the situation of the insured risks.

THE FOLLOWING ARE EXCLUDED:

• DAMAGES RESULTING FROM A DEFAULT IN REPAIR OR INDISPENSABLE MAINTENANCE DEVOLVING ON THE INSURED, BOTH BEFORE AND AFTER THE LOSS, EXCEPT FOR FORTUITOUS EVENT OR FORCE MAJEURE;
• WETTING DAMAGE AND DAMAGE CAUSED BY THE WIND TO BUILDINGS NOT ENTIRELY CLOSED AND ROOFED, AND THEIR CONTENTS;
• DAMAGE TO THE FOLLOWING BUILDINGS AND TO THEIR CONTENTS:
  ▪ BUILDINGS WHOSE CONSTRUCTION OR ROOFING COMPRISSES IN ANY PROPORTION WHATSOEVER PLATES OF ANY TYPE, NOT PLACED AND NOT ATTACHED ACCORDING TO PROFESSIONAL PRACTICE;
  ▪ BUILDINGS CLOSED BY MEANS OF WATERPROOF SHEETING OR WHEREOF THE CONSTRUCTION OR ROOFING COMPRISSES IN ANY PROPORTION WHATSOEVER, MATERIALS SUCH AS BITUMINISED CARDBOARD OR FELT, TAR CLOTH OR PAPER, PLASTIC SHEET OR THIN, NOT FIXED ON PANELS OR CLOSE BOARDING ACCORDING TO PROFESSIONAL PRACTICE.
NONETHELESS, DAMAGE TO THE BUILDINGS AND THEIR CONTENTS CAUSED BY THE WEIGHT OF SNOW AND/OR ICE ACCUMULATED ON THE ROOFS OR BY HAIL ON THE ROOFS REMAIN COVERED BY THE PRESENT AGREEMENT, IN THE CASE OF BUILDINGS WHEREOF ONLY THE WALLS COMPRISSE MATERIALS LISTED HEREABOVE.

- DAMAGE TO INFLATABLE STRUCTURES;

- DAMAGE:

  - TO FENCING OF ANY TYPE, SOLID OR SLATTED SHUTTERS, GUTTERS AND CHANNELS, BLINDS, SIGNS AND HOARDINGS, SOLAR COLLECTORS, RADIO AND TELEVISION AERIALS, OVERHEAD WIRES AND THEIR SUPPORTS;

  - CAUSED TO THE GLAZED ELEMENTS OR PORTIONS OF THE STRUCTURE OR ROOFING (SUCH AS WINDOWPANES, GLAZING, STAINED GLASS, MIRRORS, FRAMES, VERANDAS, AWNINGS, HOTHOUSES) AS WELL AS DAMAGE RESULTING FROM THEIR PARTIAL OR TOTAL DESTRUCTION.

NONETHELESS, THE BREAKAGE OF SOLID OR SLATTED SHUTTERS, GUTTERS, CHANNELS AND GLAZED ELEMENTS OR PORTIONS OF THE STRUCTURE OR ROOFING IS COVERED WHEN IT IS THE CONSEQUENCE OF THE PARTIAL OR TOTAL DESTRUCTION OF THE REST OF THE BUILDING.

- DAMAGE CAUSED BY THE WIND TO THE STRUCTURES WHEREOF THE BEARING MEMBERS ARE NOT ANCHORED ACCORDING TO PROFESSIONAL PRACTICE IN THE FOUNDATIONS, WALL BASES OR MASONRY, AS WELL AS DAMAGE TO THE CONTENTS OF SAID STRUCTURES.

- EQUIPMENT, FURNITURE, ANIMALS OR HARVESTS, TREES AND PLANTATIONS, LOCATED IN THE OPEN AIR.

NONETHELESS THE EQUIPMENT AND INSTALLATION DESIGNED TO OPERATE AND TO BE USED NORMALLY IN THE OPEN AIR ARE GUARANTEED.

**ELECTRICAL PHENOMENA**

Electrical phenomena, including those resulting from abnormal current regardless
of origin, from the dropping or the explosion of lightning and the influence of atmospheric electricity.

**DAMAGE TO ELECTRICAL AND ELECTRONIC EQUIPMENT**

Damage caused to electrical machines, transformers, electrical and electronic equipment, power lines, buried or not, underground or not, and their accessories, by an electrical phenomenon, including those resulting from abnormal current regardless of origin, from the dropping or explosion of lightning and the influence of atmospheric electricity, as well as damage caused by a fire and/or explosion which they initiate.

**THE FOLLOWING ARE EXCLUDED FROM THIS GUARANTEE:**

- FUSES, HEATING RESISTORS, LAMPS OF ALL TYPES, ELECTRONIC TUBES;

- ELECTRONIC COMPONENTS IF THE DAMAGE REMAINS LIMITED TO A SINGLE INTERCHANGEABLE ASSEMBLY.

**DAMAGE BY ABNORMAL SMOKE**

Smoke generated by a defect in any apparatus or a damaged fireplace regardless of origin, cause and/or location.

**WATER DAMAGE**

Damage resulting particularly from the following is guaranteed:

- accidental breakage, leaks, discharge, overflows of any conduits, buried or not, underground or not, from all equipment driven by water or other liquids, steam, heating, automatic fire extinguishing installations;

- accidental infiltration of water through the roofs, terraces, roof-terraces, glazed open balconies, loggias;

- accidental water jets;

- damage due to discharge of drains and/or sewers, and to the consequences caused by the inadequacy of the rainwater discharge system.
THE FOLLOWING ALONE ARE EXCLUDED:

- DAMAGE RESULTING FROM A PERMANENT OR DELIBERATE DEFAULT IN MAINTENANCE ON THE PART OF THE INSURED AND DAMAGES FROM A LACK OF INDISPENSABLE REPAIRS DEVOLVING ON THE INSURED, EXCEPT FOR FORTUITOUS EVENT OR FORCE MAJEURE;
- DAMAGE DUE TO INFILTRATION THROUGH THE DOORS AND WINDOWS, CLOSED OR NOT, BASEMENT WINDOWS, CHIMNEY FLUES;
- DAMAGE DUE TO HUMIDITY, CONDENSATION, MISTING;
- LOSSES OR DAMAGE CAUSED BY LAND SUBSIDENCE OR LANDSLIDES;
- COSTS OF REPARING ROOFS, TERRASSES, BALCONIES AND SKYLIGHTS;
- LOSSES OR DAMAGE TO THE LIQUIDS THEMSELVES.

EXTINGUISHER LEAKAGE

The guarantee applies to any loss or damage caused by water or any other substance flowing from any portion of fire protection equipment existing in the stipulated premises or in their annexes.

The expression “Fire protection equipment” should be understood here as including tanks, water conduits, pipes, water intakes and valves and any other equipment, whether used exclusively for fire protection or for any other purpose.

In case of such loss or damage, the guarantee applies to the costs of reconditioning the damaged portion of the installation, including a fair deduction for obsolescence.

However, this guarantee is strictly limited to the costs of reconditioning the portion of this installation where the flow has occurred.

The guarantee also covers the collapse, breakage or dropping of tanks forming part of the installation, or part of these tanks or their supports.

THE FOLLOWING ARE EXCLUDED:

- DAMAGE RESULTING FROM A PERMANENT OR DELIBERATE DEFAULT IN MAINTENANCE ON THE PART OF THE INSURED AND DAMAGES FROM A LACK OF INDISPENSABLE REPAIRS DEVOLVING ON THE INSURED, EXCEPT FOR FORTUITOUS EVENT OR FORCE MAJEURE;
MAJEURE;
- PIPE SECTIONS CONNECTED TO A NETWORK FOR COMBINED USE, WHEN THESE SECTIONS ARE EXCLUSIVELY INTENDED FOR A USE OTHER THAN FIRE PROTECTION.
- ALL UNDERGROUND WATER CONDUITS OR INSTALLATIONS DEPENDING THEREON, SITUATED OUTSIDE THE STIPULATED PREMISES, AND FORMING PART OF THE PUBLIC WATER SUPPLY NETWORK;
- ANY POND OR RESERVOIR WHERE THE WATER IS RETAINED BY A DAM.
- THE LOSSES OR DAMAGE TO THE LIQUIDS THEMSELVES.

DAMAGE BY LIQUIDS OR MOLTEN MATERIALS

The accidental spillage, pouring, discharge or overflow of liquids outside lines or tanks located on the aforementioned premises or damage due to the heat generated by the accidentally spread liquid.

IT IS UNDERSTOOD THAT IN THIS RESPECT, THE GUARANTEE DOES NOT APPLY:

- TO DAMAGE RESULTING FROM A PERMANENT OR DELIBERATE DEFAULT IN MAINTENANCE ON THE PART OF THE INSURED AND DAMAGES FROM A LACK OF INDISPENSABLE REPAIRS DEVOLVING ON THE INSURED, EXCEPT FOR FORTUITOUS EVENT OR FORCE MAJEURE;
- TO THE LOSS OR DAMAGE TO THE LIQUIDS THEMSELVES;
- TO THE COST NECESSARY TO CORRECT THE DEFECTS TO WHICH THE INCIDENT CONCERNED IS ATTRIBUTED;
- TO THE GOODS IN TRANSPORT OUTSIDE THE ENCLOSURE OF THE ESTABLISHMENT.

FREEZING

The freezing of fixed equipment driven by water or steam or heating, of fire protection equipment, of above ground conduits located inside buildings heated in normal conditions for the region.

However, the consequences of freezing are only covered:
• if, for the region, they display an abnormal intensity such as to damage a number of water distribution installations inside the buildings heated in normal conditions for said region, designed or installed according to professional practice in the Commune of the damaged Establishment or in the neighbouring communes;

OR

• if, although displaying a normal intensity, they occur simultaneously with any sudden and unforeseen event which makes it prejudicial.

FALLING OF AERIAL NAVIGATION CRAFT AND BREAKING OF THE SOUND BARRIER

The impact or falling of all or part of aerial navigation craft, space vehicles, objects or persons falling from them.

The guarantee is also extended to the damage caused by the shock wave accompanying the passage of all or part of aerial navigation craft.

IMPACT OF A LAND VEHICLE

The impact of a land vehicle identified or not.

THE INSURER DOES NOT COVER DAMAGE:

• CAUSED BY ANY VEHICLE WHEREOF THE INSURED OR ANY TENANT OF THE ESTABLISHMENT IS THE PROPRIETOR OR USER.

• CAUSED TO ROADS, LANES OR LAWNS;

• CAUSED TO THE VEHICLE

VANDALISM AND MALICIOUS MISCHIEF

In addition to the losses and damage caused by the aforementioned events, said guarantee covers losses and direct material damage including fire and explosion, caused in particular:

• by strikers;
by persons taking part in riots or popular uprisings, or by terrorist groups, whether the action is claimed or not;

by the clandestine and concerted action of a group of persons provided said action is not connected with operations of armed forces on the national territory;

by any legally constituted authority, owing to measures taken on the occasion of the events listed hereabove, for the safeguard or protection of the insured property.

PROVISION CONCERNING THE GUARANTEE “STRIKES AND RIOTS”

The INSURED agrees, in case of loss, to take the necessary steps within the regulatory time limits with the Authorities, relative to the compensation provided by the legislation in force.

The compensation to be paid by the INSURER will only be paid on sight of a receipt delivered by the competent Authority.

In the event that, pursuant to said legislation, the INSURED is expected to receive a compensation for damage caused to property covered by the present guarantee, he agrees to sign a delegation in favour of the INSURER in the amount of the sums which will have been paid to him under the contract.

DECISION OF THE AUTHORITIES

Act of destruction ordered by a Civil or Military Authority, or a usurped power at the time of the fire and for the exclusive purpose of preventing its propagation, provided said fire is not consequential on one of the events specifically excluded by the present policy.

The INSURER's guarantee shall apply in case of fire or explosion arising, in peacetime, from the billeting or housing of soldiers, due to the mobilisation, manoeuvres or simple troop movements, requisitioned by the Administrative or Police Authorities, and without waiving the General Terms of the policy.

NATURAL DISASTERS

EXTENT OF THE GUARANTEE
Pursuant to French law No. 82.600 of 13 July 1982, the direct property damage suffered by the INSURED resulting from the action of a natural agent of abnormal intensity is guaranteed.

This guarantee only applies after publication in the Official Gazette of an interministerial order declaring the state of natural disaster at the place where the loss occurred. The applicable deductible amount is set by the same order. However, the deductible stipulated in Chapter I “DEFINITIONS – AMOUNTS OF GUARANTEES AND DEDUCTIBLES” shall be applied if it is higher.

COMPENSATION FOR DAMAGE

The loss must be declared as soon as the SUBSCRIBER has obtained knowledge thereof and no later than ten days after publication of the interministerial order declaring the state of natural disaster.

The INSURER shall pay the SUSCRIBER the compensation due under this guarantee within three months from the date of submittal of the bill of estimates for the damage or from the publication date of the interministerial order if this is at a later date.

Failing this and except for fortuitous event or force majeure, the INSURER, on the expiration of this time limit, shall be required to pay the interest, at the legal interest rate.

The additional premium charged for this guarantee is calculated by application of the rate set by the orders published in the French press.

THEFT

The INSURER guarantees the insured property against the disappearance, destruction or deterioration resulting from the theft or attempted theft in the following circumstances:

- Theft committed by breaking and entering or by climbing the premises containing the insured property, or by forcing the closures of said premises by the use of false keys
  - Theft committed without breaking or entering, climbing nor use of false keys, if the INSURED proves that the thief has entered or remained clandestinely in the premises containing the insured property;
  - Theft preceded or followed by murder, attempted murder or violence to the person of the INSURED or to a member of its personnel;
• Theft committed by or with the complicity of employees of the INSURED during working or service hours, provided the guilty persons identified are the subject of a legal complaint.

Insurance is guaranteed at first risk, without application of the proportional rule and up to amount of the capital mentioned in the Chapter “DEFINITIONS” paragraph AMOUNT OF GUARANTEES AND DEDUCTIBLES, it applies in particular to:

• Equipment, commercial or professional furniture signs;

• Goods in general;

• Effects and objects belonging to third parties insofar as the INSURED’s liability is engaged;

• Personal effects and objects belonging to employees of the INSURED within the limit of 50% of the guaranteed capital;

• Small change, bank notes, cheques, restaurant tickets, tax stamps, penalty stamps, postage stamps (not including collections), lottery tickets, securities held in strongboxes, furniture, tills, locked by key. The guarantee also applies if said cash and other securities are found for the service requirements in open or closed furniture or outside such furniture, during working or service hours;

• Furniture damage caused to safes and furniture intended to hold funds, cash and securities;

• Costs of reconstitution of stolen documents.

THE INSURER DOES NOT GUARANTEE:

• PROPERTY LOCATED IN THE OPEN AIR OR IN BUILDINGS NOT ENTIRELY CLOSED AND COVERED;

• EMBEZZLEMENT, BREACH OF CONFIDENCE, FORGERY, SWINDLE.

• THEFT COMMITTED BY OR WITH THE COMPLICITY OF MEMBERS OF THE INSURED’S FAMILY MENTIONED IN ARTICLE 380 OF THE FRENCH PENAL CODE.

• THEFT RESULTING FROM THE USE OF PROTECTIVE MEANS, DURING THE NIGHT OR PERIODS OF INOCCUPANCY OF THE PREMISES, EXCEPT DURING LUNCH HOURS;
• THEFT OF GOODS EXHIBITED IN FIXED OR MOBILE WINDOWS PLACED OUTSIDE AND OPENING FROM THE OUTSIDE OF THE ROOM, OR LOCATED IN THE REVOLVING DOORS;

• THEFT COMMITTED IN THE ANNEXES NOT COMMUNICATING WITH THE INSURED ESTABLISHMENTS SUCH AS BOXROOMS, SHEDS, VERANDAS, CONFINED SPACES.

• THEFT OF AUTOVEHICLES OR THEIR TRAILERS.

TRANSPORT OF FUNDS AND SECURITIES

The INSURED declares that employees may transport, for the needs of the service and/or take to their domicile at the end of the day, funds and securities whereof they are the carriers.

In this case, the contract guarantee shall apply:

• for theft of funds and securities committed by aggression with violence or with murder, attempted murder or threats endangering the life or the physical integrity of the employees or any persons present at their domiciles:

• for losses due to events of force majeure arising on account of the carrier of the funds and securities (illness, dizziness, unconsciousness, etc) or a traffic accident occurring on the public thoroughfare;

• during travel inside and outside the establishments designated in the Chapter “DEFINITIONS – SITUATION OF RISKDS”.

This guarantee is granted at first risk without application of the proportional rule and up to the capital amount mentioned in the Chapter “DEFINITIONS” paragraph AMOUNT OF GUARANTEES AND DEDUCTIBLES.

IN ADDITION TO THE AFOREMENTIONED EXCLUSIONS, THE INSURER DOES NOT GUARANTEE:

• THEFT COMMITTED DURING TRANSPORT OF FUNDS AND/OR SECURITIES BY THE PERSONNEL IN CHARGE OF TRANSPORT OR WITH THEIR COMPLICITY.

BREAKAGE OF PLATE GLASS AND NEON SIGNS

The INSURER guarantees accidental breakage for any reason whatsoever and particularly resulting from the following events:
- unintentional act of the INSURED;
- act of its associates, or employees;
- action, imprudence or mischief of third parties including the case of fights, theft or attempted theft;
- projection of any objects from outside;
- vehicle impact;
- breaking of the sound barrier by an aerial navigation craft;
- defect in construction or settlement of the building;
- solar or artificial heat or temperature variations;
- mechanical impact of hailstones;
- direct action of the wind or impact of an object overturned or projected by the wind;
- riots, popular uprisings, acts of terrorism, sabotage, vandalism or criminal action.

The present guarantee is granted at first risk, without application of the proportional rule and up to the capital amount mentioned in the Chapter “DEFINITIONS” paragraph AMOUNT OF GUARANTEES AND DEDUCTIBLES. It covers the replacement of the terminated installations and applies in particular to:

- breakage of glass products, plate glass, reinforced or non-reinforced glass, marble, stained glass, sky domes, pirodomes, roof glazing, mirrors;
- destruction of special decorations (painted or applied letters, inscriptions and attributes, sunroof varnish) appearing on the guaranteed objects;

- breakage of neon signs, frontage and indoor objects;
- breakage of sanitary equipment;
- cost of installation, removal and transport of guaranteed objects;
- damage sustained by the equipment, furniture and goods placed inside or outside the premises, wherein such damage results from guaranteed breakage.

NONETHELESS THE FOLLOWING ARE EXCLUDED:

- DAMAGE SUSTAINED DURING ANY OPERATIONS (OTHER THAN SIMPLE CLEANING) CARRIED OUT ON THE INSURED OBJECTS, ON THEIR FRAMINGS, FITTINGS, BASES OR FENCING, AND ON THE OCCASION OF THEIR INSTALLATION, REMOVAL, TRANSPORT OR STORAGE.

- DAMAGE RESULTING FROM THE OBSOLESCENCE OR LACK OF MAINTENANCE OF MOUNTINGS, FRAMINGS OR BASES AND DAMAGE RESULTING FROM AN INHERENT DEFECT OR AN
INSTALLATION DEFECT OF THE INSURED OBJECTS;

- BREAKAGE CAUSED BY EVENTS OF A CATASTROPHIC NATURE SUCH AS FLOOD, ACTION OF THE SEA, OVERFLOW OF A WATERWAY, OF A NATURAL OR ARTIFICIAL BODY OF WATER, EVEN IF SUCH BREAKAGE IS THE CONSEQUENCE OF A STORM, A HURRICANE OR A CLOUDBURST.

- SCRATCHES, NICKS OR FLAKING AS WELL AS THE DETERIORATION OF SILVERING OR PAINTS OTHER THAN FOLLOWING ON THE BREAKAGE OF THE INSURED OBJECTS SUPPORTING THEM;

- BREAKAGE OF OBJECTS ALREADY BROKEN OR SIMPLY CRACKED, AS WELL AS REMOVED OBJECTS;

- CONCERNING NEON SIGNS, MAINTENANCE AND REPLACEMENT OF BURNED TUBES OR LETTERS AS WELL AS DAMAGE BY METALLIC BASES, TRANSFORMERS,-switches, INSULATING PANELS CARRYING THE CUT OFF DEVICES, INCANDESCENT LAMPS AND INTERCHANGEABLE FLUORESCENT TUBE-LAMPS.

GUARANTEED COMPLEMENTARY EVENTS

- Damage caused to insured risks by the dropping of stacks caused by any event covered by the present policy;

- Damage caused by the deterioration or destruction of the insured objects, done to stop the progress of a loss initiated in the guaranteed premises or in the neighbourhood;

- Damage resulting from the pressure of a gas or fluid introduced deliberately into an installation on the occasion of tests connected with periodic inspection of normal operation or maintenance;

- Crevasses and cracks in steam driven equipment due to freezing;

- Damage to fencing.
CHAPTER V ACCESSORY DAMAGE

Accessory damages guaranteed at first risk, without application of the proportional rule, up to the capital amounts mentioned in the Chapter “DEFINITIONS – AMOUNT OF GUARANTEES AND DEDUCTIBLES”.

EXCAVATION AND DEMOLITION COSTS

The INSURER shall cover the costs necessitated by a guaranteed loss, comprising:

- costs of demolition and excavation, removal and transport of rubble, of rescue operations;
- costs resulting from conservatory measures imposed by administrative decision;
- costs of cleaning the Establishments and the outskirts.

REPLACEMENT AND REHOUSING COSTS

The INSURER shall cover the costs necessitated by a guaranteed loss, comprising:

- extinguishing costs in general;
- costs of transfer of INSURED objects to take them out of reach of the fire, as well as damage sustained by the objects themselves during or on the occasion of said transfer;
- indispensable costs of transfer, replacement and storage of insured objects for the reconditioning of the damaged property;
- damage caused by the deterioration or destruction of insured objects, done to stop the progress of a loss occurring in guaranteed premises or in the neighbourhood;
- costs of use or replacement of emergency equipment belonging or not belonging to third parties and released to the INSURED on the occasion of the loss;
- costs of furniture storage (transport included), transfer and reinstallation of
the objects guaranteed by the contract.

**SEARCH FOR LEAKS – MISCELLANEOUS COSTS**

The INSURER shall cover the costs necessitated following the guaranteed event to proceed with the search for leaks of water, with transfer, replacement, dewatering of the water driven lines or equipment, excavation and demolition.

**REAL PROPERTY DAMAGE**

The INSURER shall cover real property damage caused to the premises including the protection and alarm systems, when such damage accompanies a guaranteed event.

**GUARDIAN AND FENCING COSTS**

The INSURER shall cover the costs of provisional fencing or guardianship necessitated following a guaranteed event.

**LOSS OF RENT – LOSS OF USE AND RENT SUPPLEMENT**

The INSURER guarantees the loss of use representing the cost of rentals, leasing, which the INSURED must cover during the time of reconstitution of the damaged properties.

The INSURER guarantees the loss of rents which the INSURED, as a proprietor, may have to relinquish.

**“STRUCTURE DAMAGE” INSURANCE PREMIUM**

The INSURERS guarantee the refund of the premium for obligatory “STRUCTURE DAMAGE” insurance instituted by Articles L 242-1 and L 242-2 of the French Insurance Code, the INSURED were required to take out following a guaranteed loss giving rise to building works in the insured Establishment.

The payment of the corresponding compensation is subject to the actual payment of the “STRUCTURE DAMAGE” insurance premium and the amount of said
compensation shall not be greater than the amount of the premium actually paid.

EXPERT FEES

The INSURER shall cover the expenses and fees of the Experts which the INSURED will have himself selected and named on the occasion of a loss.

These expenses and fees shall not exceed the amount of fees resulting from the tariff of the Professional Union of Insurance Experts in effect on the day of the loss.

FEES OF DECORATORS, ENGINEERS, DESIGN OFFICES, TECHNICAL CONTROL AND ENGINEERING

The INSURER shall cover the fees of decorators, engineering design offices, technical control and engineering, whose action is necessary, as declared by Expert, for the reconstruction or repair of the damaged property.

UPGRADING OF PREMISES TO CONFORM WITH THE LEGISLATION AND REGULATIONS IN FORCE

The INSURER shall cover the costs incurred by the upgrading of the damaged property to conform with the French Legislation and Regulations in case of reconstruction and repair of the insured property.

RECONSTITUTIONS OF MEDIA AND ARCHIVES

The INSURER shall cover the real cost of replacement and/or reconstitution:

- of designs, templates, special manufacturing tools, molds, and all similar objects, drawings, archives, files, pictures, mechanised documents, microfilmed or non-microfilmed documents and microfilms;
- external memoranda and all information media, whether virgin or containing information and files, pertaining to computer and/or electronic units and equipment.

Regardless of the nature of said objects, and which are destroyed by a guaranteed loss.

However, concerning the designs, templates, special manufacturing tools, molds
and similar objects, the compensation shall not exceed the intrinsic value of the model, that is its replacement value, according to its state, its use and the possibilities of use at the time of the loss.

Drawings means original drawings, manufactured drawings, minutes, tracings, blueprints, and all objects pertaining thereto.

The objects listed hereabove are guaranteed in the Establishments insured by the policy, during conveyance on vehicles of all sorts and also at third parties holding them for any reason whatsoever throughout the EU territory with the understanding that the INSURER renounces any action against said third parties insofar as the INSURED has itself agreed to such a renunciation of action in the agreements signed between it and the third party holders.

In case of damage during which the objects listed hereabove are destroyed, the compensation shall only be paid on justification of the replacement and/or reconstitution and production of memoranda and invoices pertaining thereto, no later than two years after the loss.

The INSURERS may, at the request of the INSURED pay in instalments as the replacements and/or reconstitutions are made, subject to the aforementioned justifications.

LOSSES OF FITTINGS

The INSURER shall cover all financial losses resulting from the costs defrayed by the INSURED to make the real estate or moveable fittings, particularly private heating and air conditioning installations as well as embellishments such as wall, floor and ceiling linings which have become the property of the lessor insofar as, owing to the loss,

- the lease is automatically terminated or occupation ceases;
- or
- in case of continuation of the lease or occupancy, the proprietor refuses to reconstruct the fittings as they existed at the time of the loss.

ADDITIONAL FITTING EXPENSES

The INSURER shall cover additional operating expenses incurred by the INSURED, on the occasion of a guaranteed loss, in order to continue its activities in conditions as near as possible to normal operation during the compensation period.

The Additional Operating Expenses are defined as the difference between:
• the total cost of the performance of the activities of the INSURED after loss; and
• the total cost that would normally have been paid by the INSURED to perform the same tasks in the same period, if no loss had occurred.

The compensation period begins on the day of the loss and extends to the repair, reconstruction and/or final replacement of the damaged property which caused the modification of the normal progress of the INSURED’s activities.

The maximum compensation period granted by the INSURER shall not exceed the period set in the Chapter “DEFINITIONS – AMOUNT OF GUARANTEES AND DEDUCTIBLES” and shall not be modified by the exploration, termination or suspension of the policy taking effect subsequent to the day of the loss.

**INDIRECT LOSSES**

The INSURER guarantees the INSURED against the “Indirect Losses” resulting from a loss having caused damage covered by the policy to the INSURED property. In case of loss, the INSURER shall pay a lump sum equal to the percentage indicated in the Chapter “DEFINITIONS – AMOUNT OF GUARANTEES AND DEDUCTIBLES” applied to the amount of the damage compensatable under the policy for damage caused to the insured property.
CHAPTER VI LIABILITY

LEGAL ACTION

This guarantee covers all the pecuniary consequences of civil liability incurred by the INSURED by virtue of or in application of the French Civil Code, with respect to:

- Third Parties (the INSURED are considered as Third Parties between each other for the application of this guarantee), Neighbours and Tenants for property and consequential damage resulting from an event guaranteed by the present contract and occurring in the insured property;

- Tenants for property and consequential damage resulting from an event guaranteed by the present contract caused to their property due to a defect of construction or a default in maintenance of the building (Art. 1721 of the French Civil Code).

This guarantee covers in particular:

- loss of use, loss of rent and hindrance in enjoyment suffered by Third Parties:

- the INSURED’s liability as proprietor and/or tenant and/or occupant for losses of use and hindrance of enjoyment suffered by the co-tenants and/or co-occupants;

- costs of transfer and rehousing that the tenants and/or occupants may be led to defray;

- the INSURED’s liability can be incurred, as tenant or occupant, with respect to proprietors for the rent of their Establishments, for that of the co-tenants and/or co-occupants, and for the loss of use of the Establishments occupied by the proprietors, whether or not the Third Parties listed hereabove have suffered property damage.

ONLY CONSEQUENTIAL DAMAGE THAT DOES NOT DIRECTLY AND IMMEDIATELY RESULT FROM THE INSURED DAMAGE IS EXCLUDED.

The INSURER guarantees the INSURED’s liability in all cases in which it is sought, by virtue of agreements and with the State, the public Authorities, the Establishments and public or semi-public Bodies.
INSURANCE ON BEHALF OF

The INSURED can guarantee on behalf of others, the buildings, furniture, equipment and goods whereof he is the holder or consignee for any reason whatsoever.

The present contract covers the consequences and civil liability that the INSURED may incur with respect to proprietors of property whereof he is the holder or consignee for any reason whatsoever.

However, in case of a loss not incurring his liability, the contract guarantees benefit to the proprietors as if they had themselves guaranteed their property in the absence of a specific insurance policy taken out by them.

TENANT’S THIRD PARTY RISKS

The present contract guarantees the pecuniary consequences of the liability that the INSURED may incur with respect to the proprietor of the premises according to Articles 1302 - 1732 - 1733 - 1734 and 1735 of the French Civil Code.
CHAPTER VII RENUNCIATION OF LEGAL ACTION

RENUNCIATION OF LEGAL ACTION

The INSURER renounces any legal action to which it is entitled in case of loss, except for cases of malicious mischief, against:

- the INSURED, the Administrators, Directors, Managers, Agents and in general, any natural or legal person to whom the INSURED is civilly liable, and also against Clients, Visitors, Public Services;

- the Companies or Associations formed by or for the INSURED’s personnel, and particularly the Festival Committees, Sports Societies, Cooperative Societies, etc, as well as the Labour-management Committee or the Worker’s Committee, and any social, cultural or Personnel representation body;

- the companies or persons using the company canteens and the employees of said companies or persons;

- any natural or legal persons, Bodies, Associations, Administrations, etc, to whom the INSURED has contractually or by obligation renounced any legal action;

- third parties and companies to whom the INSURED is committed to obtain a renunciation of legal action of the INSURER.

In the case of malicious mischief, the INSURER’s guarantee is always committed with respect to the INSURED, the INSURER nonetheless retaining a right of action against the persons responsible for the loss.

AUTOMOTIVE VEHICLES

There exist or may exist in the INSURED risks, or on their immediate outskirts, motor vehicles belonging to the INSURED, their personnel or to Third Parties.

These vehicles have or may have their fuel supply, are or may be equipped with devices using for lighting, or for propulsion, acetylene or any compressed or dissolved gases.

The INSURERS renounce any legal action in case of loss, against the proprietors of these vehicles with the exception of the case of malicious mischief, but reserve the right to take action against the INSURER guaranteeing the civil liability of the vehicle’s proprietor.
CHAPTER VIII AGREEMENTS

NEW VALUES

The property insured by the present contract is guaranteed in “New Value”. This means that in the case of loss, the property will be assessed on the basis of a value equal to its reconstitution value (reconstruction or replacement) at the new price on the day of the loss, but without exceeding the so-called “use value”, plus one-third of the reconstitution value.

The amount of damages includes customs duties, costs of normal or exceptional transport, acceptance inspection, installation costs or in general, all accessory costs necessary for the repair and/or replacement of the property damaged or destroyed by a loss.

THE “NEW VALUE” INSURANCE SHALL NEVER INCLUDE LINEN, CLOTHING EFFECTS, MOTOR VEHICLES, ANIMALS, SUPPLIES OF ALL TYPES, RAW MATERIALS, GOODS, MODELS, NOR ANY OBJECTS WHEREOF THE VALUE IS NOT REDUCED BY AGE (PARTICULARLY JEWELS, GEMSTONES, FINE PEARLS, LACE, STATUES, PAINTINGS, COLLECTIONS OF RARE AND PRECIOUS OBJECTS).

THE “NEW VALUE” INSURANCE DOES NOT COVER ELECTRIC AND ELECTRONIC MOTORS AND THEIR ACCESSORIES OR ANY ELECTRICAL LINES AND THEIR ACCESSORIES, IN THE EVENT THAT THEY ARE AFFECTED BY DAMAGE OF INTERNAL ORIGIN.

THE “NEW VALUE” INSURANCE DOES NOT GUARANTEE THE REPLACEMENT OF OBSOLETE OR PRATICALLY IRREPLACEABLE EQUIPMENT, NOR THE COST OF RECONSTRUCTION OF SAID EQUIPMENT. THE RECONSTITUTION VALUE AS A BASIS FOR ASSESSING SAID EQUIPMENT SHALL BE THAT OF EQUIPMENT OF EQUIVALENT EFFICIENCY.

“New Value” compensation shall only be due if the reconstruction, concerning buildings, or the replacement, concerning furniture and equipment, is made, unless absolutely impossible, WITHIN TWO YEARS OF THE DATE OF THE LOSS.

The buildings can be reconstructed at all points of the EEC territory and can comprise modifications concerning the materials, arrangements and use (the latter point being subject to the INSURER’s approval).

The amount of the difference between the “New Value” compensation and the compensation corresponding to “Use Value” can only be paid after reconstruction
or replacement (with justifying evidence of their execution by the production of memoranda and invoices).

The “New Value” compensation shall be limited, at all events, to the amount of works and expenses appearing in the invoices produced by the INSURED, with the understanding that in the case that the amount is lower than the “Use Value”, set by

the Adjuster, the INSURED shall not be eligible for any compensation for depreciation.

**EVALUATION OF GOODS AND PRODUCTS**

Products sold firm will be evaluated at their selling price.

If the insured objects include goods manufactured and contained in the INSURED Establishments, sold firm, not insured by the buyer and ready for delivery at the time of the loss, but whereof delivery has not yet been made and in the case in which the saved stock does not permit effective delivery, the insurance value will be based on the agreed selling price, less a cost saved by the non-delivery of the goods, with the understanding that delivery could not have been refused by the buyer. The INSURED shall justify said sale.

Since the goods and objects appearing in the inventories may be intentionally depreciated, these inventories shall only be produced to the INSURER as general information and indication of existence, on the day they are compiled, without the prices appearing therein to be invoked against the INSURED at any time, as presumption or proof of their value.

**LIMIT OF OBLIGATION OF INSURERS**

In case of a contractual limit of compensation, the INSURER’s obligation is restricted to this limit above any deductible.

In the case of the absence of a contractual limit, the INSURER’s maximum obligation is limited to the amount of guarantees less the deductible.

**DECLARATION OF LOSS**

Any loss occurring shall be declared to LANGE S.A. within five working days, except for theft, for which this limit is reduced to two working days.
PAYMENT OF COMPENSATION

The damage consequential on a single event or a single technical cause constitutes one and the same loss.

An expert will immediately act in case of urgency and no later than the seventh day, after the declaration of the loss, to confirm the nature of the disorders which serves to enable repair operations to begin.

Failing action within this time limit, the SUBSCRIBER is entitled to initiate the repairs without any loss of his rights.

Thirty days after the submission to the expert of the bill of estimates of the losses, the INSURER, shall send the SUBSCRIBER a description and estimate of the repairs.

For any guaranteed loss, the INSURER shall immediately pay the SUBSCRIBER an advance on the estimated compensation (after deductible).

This advance will be as follows:

- 75 % for any loss less than 1 MF ;
- 50 % for any loss between 1 MF and 3 MF with a minimum of 750.000 F ;
- 25 % for any loss above 3 MF with a minimum of 1.500.000F.

No later than 15 days after the final repair of the damage, the INSURER shall pay the SUBSCRIBER the balance of the compensation initially agreed with him.

In case of disagreement on the final amount, the INSURER shall pay ¾ of the compensation he proposes, within 10 days from the date of official notification by the SUBSCRIBER of his refusal.

The difference between the final compensation amount to be set on the issue of the settlement of the dispute and the amount of compensation already paid for the loss concerned, shall be paid within 15 days after the amicable agreement or the Court decision setting the amount of this final compensation.

If the deadlines for settling the losses are not met, the INSURED on the expiration of these deadlines, shall be entitled to the interest at the advance rate of the Banque de France, on the day of the loss and per year, on the sum outstanding.
The compensation due, set by experts shall also be paid in specie, and the INSURER will refrain from repairing or replacing the damaged or destroyed objects.

The INSURED goods are covered excluding VAT, the insurance nonetheless being paid VAT included for goods not giving entitlement to the deduction or recovery of the VAT.

For all losses or damage guaranteed by the present contract, the compensation shall be paid by the INSURER to the SUBSCRIBER before any determination of liability and appeals proceedings.

**DISPUTES**

Any dispute arising from the interpretation or performance of the present Contract, which could not be settled by amicable agreement, shall be submitted to arbitration decided by mutual agreement between the INSURED and the INSURER, or failing agreement on this choice, within three months of the date of the arbitration request, to an arbitrator designated by the Presiding Judge of the Court of Appeals of Paris, on simple application from the most diligent party. The arbitrator’s decision shall be final and binding.

**CONSERVATORY MEASURES**

In case of a guaranteed loss, the sums paid by the INSURED to avoid an aggravation of the disorders and direct property damage shall be covered by the INSURER up to the amount of 1,000,000 Francs.

The INSURER shall be advised by the most diligent means.

**TERMINATION AFTER LOSS**

The INSURER may terminate the contract after loss.

In this case, termination shall only be effective three months after the sending of the registered letter, without this deadline occurring later than the date of the next expiry date, unless the INSURED agrees to pay a proportional premium for the number of days beyond the expiry date.

**TOXIC SUBSTANCES**

By mutual agreement between the parties, it is agreed that:
• all the guarantees of the policy shall apply in case of contamination by any toxic substances held by the INSURED, caused by any of the events covered. In this hypothesis, costs of cleaning, decontamination and elimination of these products shall be covered by the INSURER within the limit of the insured capital.

• the coverage of the costs of excavation provided, as required, in the policy, shall extend to the costs of destruction and neutralisation of the insured goods that are damaged and/or contaminated on the occasion of a covered event, by these toxic substances, necessitated by the French Law and regulations, as well as the costs defrayed for the transfer of these goods, products or contaminated and contaminating wastes to the place of treatment (which may be designated by the Authorities).

PRESCRIPTION OF GENERAL TERMS

The designations, statements and declarations inserted in the policy are judged sufficient by the INSURER to fulfil the prescriptions of the General terms of said policy and to give him a correct opinion of the risks that he intends to cover.

MISCELLANEOUS AGREEMENTS

It is and remains agreed:

• In case the buildings are built on land not belonging to the INSURED, the compensation due in case of loss shall be paid to the INSURED as if said goods were built on its own land, even in the event that the damaged goods are not reconstituted;
• that risks of miscellaneous types exist and/or may exist in contiguity and in the neighbourhood;
• that all the heating, lighting, and driving force facilities can be used in the Establishments;
• that the INSURED is not required to declare any loss whereof does not claim compensation;
• The INSURED is released both in the present and in the future from any declaration of contiguity and/or neighbourhood thereby aggravating the operations conducted both inside and outside the insured buildings and not jeopardising the protection levels of the insured sites;
• The INSURED can possess miscellaneous machines, supplies of oil, gasoline and other liquid hydrocarbons in his establishment, necessary for the operating requirements;
• The INSURED can conduct any operations required by his activity within the insured risk;
Radio and television aerials exist or may exist on the insured buildings;
The INSURED may participate, organise or have organised, exhibitions, fairs, commercial events, meetings, festivals, cinematographic projections, concerts or any other events and, for this purpose, employ miscellaneous installations and provisional lightweight structures. In consequence, the guarantees of the present contract apply both for the damage caused to the insured goods, and to pecuniary consequences of the civil liabilities;
The insurance is subscribed with the possibility of reducing the capital at any time justified by the commercial and/or industrial activity of the INSURED. In this case, the excess premium shall be refunded proportionally.

**ESTIMATION OF ELECTRICAL DAMAGE**

In case of total destruction of an apparatus or an installation, the amount of damage is considered equal to the new replacement value and re-installation of the destroyed objects, less the depreciation determined by expert, and of the residual value.

In case of partial damage, said damage shall be estimated at the repair price (parts and labour) without the amount of compensation exceeding that which would result from the complete destruction of the apparatus. The amount of damage thus evaluated is increased by the costs of transport, assembly and installation and, if applicable, customs duties and irrecoverable taxes.
CHAPTER IX INDEXING

The premium for the present Policy (property damage and insurance of Appeal), and any other sums in Francs of the Policy, such as the amounts appearing in the limitative clauses, deductibles and contractual limitations of the compensation, shall vary in accordance with the FFB index.

At each principal expiry date, these values, as indicated in the latest rider (or failing this in the policy) shall be considered as being multiplied by the ratio between the “expiry date index” and the “reference index”; “expiry date index” means the value of the FFB index in force on the date of the principal expiry considered and “reference index” means the value of the FFB index in force at the effective date of the rider concerned (or failing this of the policy). The receipt shall mention the “expiry index”. At the principal expiry date, no regularisation shall be carried out concerning the premium for the insurance year elapsed in account of the indexing.