

PUBLIC LIABILITY INSURANCE POLICY

Please read this Policy carefully upon receipt and promptly request for any necessary amendments.

IN CONSIDERATION of the Insured named in the Schedule hereto paying to Chong Hing Insurance Company Limited (hereinafter called 'the Company') the Premium mentioned in the Schedule.

WHEREAS the Insured carrying on the Business described in the Schedule and no other for the purposes of this Indemnity by a Proposal which shall be the basis of this Contract and is deemed to be incorporated herein has applied to Chong Hing Insurance Company Limited (hereinafter called the "Company") for the Indemnity hereinafter expressed and has paid or agreed to pay the Premium as stated in the Schedule for such Indemnity.

NOW THIS POLICY WITNESSETH that subject to the Terms Exceptions Limits and Conditions contained herein or endorsed hereon the Company will indemnify the Insured in respect of all sums which the Insured shall become legally liable to pay consequent upon:-

- (1) Accidental death or bodily injury including illness of any person
- (2) Accidental loss of or damage to any property occurring in Hong Kong during any Period of Indemnity and resulting from ACCIDENTS in connection with the Business.

In respect of a claim against the Insured to which the indemnity in this policy applies the Company will indemnify the Insured in respect of:-

- (3) All costs and expenses of litigation recovered by any claimant against the Insured
- (4) All costs and expenses of litigation incurred with the written consent of the Company

PROVIDED THAT the liability of the Company under this Policy for all sums payable to any claimant or any number of claimants in respect of or arising out of anyone occurrence or in respect of or arising out all occurrences of a series consequent on or attributed to one source or original cause shall not exceed the Limit of Indemnity specified in the Schedule for anyone Accident.

PROVIDED FURTHER that the due observance and fulfilment of the Terms Conditions and Endorsements of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the said Proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.

EXCEPTIONS

The Indemnity expressed in this Policy shall not apply to or include:-

- (1) Liability assumed by the Insured by agreement unless and insofar as such liability would have attached to the Insured notwithstanding such agreement or contract.
- (2) Liability in respect of death or bodily injury including illness of any person arising out of and in the course of the employment of such person by the Insured or to any person who is a member of the Insured's family ordinarily residing with the Insured.
- (3) Liability in respect of loss of or damage to property:-
 - (i) Belonging to the Insured
 - (ii) In charge of by or under the control of the Insured but this Exception shall not apply to property belonging to any servant of the insured.
- (b) Being that part of any property goods land building or structure on which the Insured or any servant or agent of the Insured is or has been working if such damage is cause directly by the process of treatment alteration repair or construction of that part of such property goods land building or structure.
- (c) Caused by or through or in connection with the bursting of any economiser used in conjunction with a steam boiler or any boiler vessel or other apparatus which is intended to operate under internal pressure due to steam and belonging or in the charge or under the control of the Insured.
- (4) Liability in respect of death or bodily injury including illness of any person or loss of or damage to property caused by or in connection with or arising from:-
 - (a) The ownership or possession or use by or on behalf of the Insured of any trailer or mechanically propelled vehicle not specified in the Schedule under the heading of Plant provided that liability in respect of the loading and unloading or collection of goods to or from such trailer or mechanically propelled vehicle (insofar as liability is not

- covered by any vehicle insurance) is not excluded hereunder.
- (b) The ownership or possession of or use arising from the ownership or possession of any lift elevator escalator crane power hoisting machine (other than conveyor belt systems) watercraft aircraft or thing made or intended to float on or in or travel on or through water air or space not specified in the Schedule under the heading of Plant.
- (c) Work which is being undertaken or has been undertaken by the Insured to any watercraft aircraft or thing made or intended to float on or in travel through water air or space.
- (d) Property goods food or drink or the containers thereof sold supplied or constructed or property or goods which have been repaired altered renovated serviced or installed and no longer in the Insured's possession or control, or poisoning or contamination of any kind.
- (e) Error or omission in design specification or advice remedial or other treatment given administered or prepared by the Insured or by any person acting on behalf of the Insured but the words advice remedial or other treatment shall have no application in respect of any employee of the Insured acting in the capacity of Industrial Nurse on behalf of the Insured.
- (f) Vibration or the removal or weakening of or interference with the support of land or buildings.
- (g) (i) Earthquake, flood or fumes.
(ii) Defective sanitary installation or poisoning of any kind or foreign or deleterious matter in food or drink.
- (5) Liability in respect of:
 - (a) Personal injury or bodily injury or loss of, damage to, or loss of use of property directly or indirectly caused by seepage, pollution or contamination.
 - (b) The cost of removing, nullifying or cleaning-up seeping, polluting or contaminating substances.
 - (c) Fines, penalties, punitive or exemplary damages.
- (6) Liability for any consequences whether direct or indirect of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.
- (7) Loss of or damage to any property whatsoever or any loss or expense whatsoever resulting from or arising from or any consequential loss or any liability of whatsoever nature:-
 - (a) Directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radio activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel For the purpose of this Exception combustion shall include any self-sustaining process of nuclear fission.
 - (b) Directly or indirectly caused by or contributed to by or arising from nuclear weapons material.
- (8) Liability in respect of which the Insured is or would be but for the existence of this Policy indemnified under any other policy of insurance: in such case the indemnity under this Policy shall not apply until the full amount of indemnity under such other policy has been applied as far as it shall go in satisfaction of the liability.
- (9) Compensation for damages in respect of judgements not in the first instance delivered by or obtained from a Court of competent jurisdiction within Hong Kong or costs and expenses of litigation recovered by any claimant from the Insured which are not included in and recoverable in Hong Kong.

TENANT'S LIABILITY

Notwithstanding anything contained in Exception 3(a) but subject always to Exception 3(c) the Indemnity expressed in the within Policy shall extend to include Legal Liability for Damage caused by or resulting from Fire or Explosion:-

- (A) To a building or part thereof not belonging to but whist under the occupation of the Insured.
- (B) To the contents of the aforesaid building or part thereof not belonging to but in charge of by or under the control of the Insured but in no case is the Insured's Legal Liability as bailee included.

CONDITIONS

This Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of the Policy or the Schedule shall bear such specific meaning wherever it may appear.

1. The Insured shall give written notice to the Company of any
(a) Accident

- (b) Claim
- (c) Impending Prosecution
- (d) Proceedings

2. immediately the same comes to the knowledge of the Insured or his representative. The Insured shall not without the consent in writing of the Company repudiate liability negotiate or make any admission offer promise or payment in connection with any accident or claim and the Company shall be entitled if it so desires to take over conduct in the name of the Insured the defence of any claim or to prosecute in the name of the Insured at its own expense and for its own benefit any claim for indemnity or damages or otherwise against any persons and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and having taken over the defence of any claim may relinquish the same and the Insured shall give all such information and assistance as the Company may require.
3. In the case of any accident the Company may at any time pay to the Insured the Limit of Indemnity for anyone Accident (but deducting therefrom in such case any sum or sums already paid under Operative Clauses 1 & 2 in respect thereof) or any lesser sum for which the claim or claims arising from such accident can be settled and the Company shall thereafter be under no further liability in respect of such accident except for the payment of costs and expenses of litigation under Operative Clauses 3 & 4 incurred prior to the date of the payment of such Limit of Indemnity or such lesser sum.
4. If the premium for this Policy has been calculated on any estimates furnished by the Insured, the Insured shall keep an accurate record containing all particulars relative thereto and shall at all times allow the Company to inspect such record. The Insured shall within one calendar month from the expiry of each Period of Indemnity furnish to the Company such particulars and information as the Company may require. The premium for such period shall thereupon be adjusted and the difference paid by or allowed to the Insured as the case may be subject to receipt and retention of any minimum premium applicable.
5. If at the time of any claim arising under this indemnity, there shall be any other insurance covering the same liability or any part thereof the Company shall not be liable for more than its rateable proportion thereof.
PROVIDED that nothing in this Condition shall impose on the Company any liability from which but for this Condition it would have been relieved under the provision of Exception (7).
6. If at any time or from time to time any change shall occur materially varying any of the facts existing at the date of the proposal the Insured shall within one calendar month give notice in writing to the Company and the premium shall thereupon be adjusted for the unexpired period and the difference paid by or allowed to the Insured as the case may be.
7. This Policy may be cancelled at any time:
 - (a) by the Insured on notice to that effect being given in writing to the Company, in which case the Company will retain the customary short period premium (as set below) for the time the Policy has been in force;

Not Exceeding	
1 month	10% of Annual Premium
2 months	20% of Annual Premium
3 months	30% of Annual Premium
4 months	40% of Annual Premium
5 months	50% of Annual Premium
6 months	60% of Annual Premium
7 months	70% of Annual Premium
8 months	80% of Annual Premium
9 months	90% of Annual Premium
Exceeding 9 months	Full Annual Premium

- (b) by the Company on 7 days' advance notice to that effect being given in writing to the Insured's last known address, in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.
8. The Insured shall use his best endeavours to see that only competent employees are employed and shall exercise reasonable care to see that all buildings, ways, works, plant, machinery, furniture and fittings are substantial and sound and in proper order and fit for the purposes for which they are used and that all Government Ordinances Regulations Bye-Laws and directions made by Statutory or Local Authority are duly observed and complied with, The Company shall at all reasonable times have free access to inspect the property. In the event of any defect or danger (whether actual or potential) being apparent to a representative of the Company, the Company may give notice in writing to the Insured and thereupon all liability of the Company in respect thereof or arising therefrom shall be suspended until the same be remedied or removed to the satisfaction of the Company. Upon any defect or danger (whether actual or potential) being brought to the notice of the Insured or upon damage to property or personal injury to any person occurring the Insured shall forthwith proceed to make good such defect and take such steps as may be necessary to prevent the continuance or recurrence of such damage or personal injury and shall in the meantime take such additional precautions to prevent injury or damage as the circumstances may require but so far as practicable no alteration or repairs shall without the consent of the Company be made after any such occurrence until the Company shall have had an opportunity of carrying out an inspection.
9. The terms Exceptions and Conditions of this Policy so far as applicable and with any necessary modifications shall apply to the Insured's legal personal representative.
10. All disputes disagreements and difference arising out of or in connection with this

Policy shall be referred to and determined by the decision of an Arbitrator in Hong Kong to be appointed in writing by the parties in difference or if they cannot agree upon a single Arbitrator to the decision of two Arbitrators in Hong Kong one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties or in case the Arbitrators do not agree of an Umpire in Hong Kong appointed in writing by the Arbitrators before entering upon reference. All Arbitration proceedings hereunder shall be conducted in Hong Kong. The Umpire shall sit with the Arbitrators and preside at their meetings and the making of an Award shall be a condition precedent to any right of action against the Company If the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

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