

BAILEE'S LIABILITY INSURANCE

Whereas the Insured named in the Schedule of this Policy carrying on the Business or Occupation described in the Schedule for the purpose of this indemnity by an application and questionnaire which shall be the basis of this Contract and is deemed to be incorporated herein has applied to Fubon Insurance (Vietnam) Co., Ltd (hereinafter referred to as "the Company") for the indemnity hereinafter expressed and has paid or agreed to pay the premium stated in the Schedule as consideration for such indemnity for the period of insurance stated in the Schedule.

INSURING AGREEMENT

NOW THIS POLICY WITNESSETH that subject to the Limit of Liability, terms, exclusions and conditions contained herein or endorsed or otherwise expressed hereon the Company agrees to pay compensation on behalf of the Insured in respect of the legal liability of the Insured for all direct, physical and accidental loss of or damage to property in the care, custody or control of the Insured whilst kept in storage in the warehouse or warehouses operated by the Insured at the locations specified in the Schedule hereto; occurring during the Period of Insurance and in connection with the Insured's Business or Occupation stated in the Schedule.

LIMIT OF LIABILITY

The Company agrees to pay the costs and expenses incurred with the written consent of the Company in the defense of any such claim, provided always that, the Company's liability shall not exceed the Limit of Liability stated in the Schedule.

Therefore, the liability of the Company under this Policy shall not exceed the Limit of Liability expressed in the Schedule for any one occurrence and in any one period of insurance.

DEDUCTIBLE

Each loss shall be adjusted separately and from the amount of each adjusted loss the amount of deductible stated in the Schedule shall be deducted.

POLICY TERRITORY

This Policy applies only to claim(s) for physical loss of or damage to property occurring during the Period of Insurance and within the Policy Territory stated in the Schedule and subject to Vietnam Jurisdiction.

EXCLUSIONS

The Company shall not be liable for

1. loss of or damage to the following Property:
 - a) money, cheques, postal orders, money orders, promissory notes, stamps, bills of exchange, accounts, deeds, evidences of debt, letters of credit, passports, tickets, negotiable instruments, securities of all kinds or other similar valuable papers;
 - b) manuscripts, paintings, drawings, curiosities, antiques and works of art;
 - c) articles of gold, silver or other precious metal, precious stones, pearls, jewelry, watches, stamp coin and medal collections;
 - d) glass, porcelain, crystal and crystal articles, earthenware, china, marble or other brittle articles, clocks and scientific instruments;
 - e) livestock
 - f) guns, ammunition, explosives, matches or firecracker;
 - g) inflammable gas, liquid, mush, spontaneous combustion substances in accordance with current law;



- h) property belonging to Insured or Insured's employees;
 - i) designs, prototypes, models, molds, specifications and the like.
2. loss or damage attributed to, caused by or resulting from:
- a) wear and tear or gradual deterioration;
 - b) mold, moth, insects or vermin;
 - c) force majeure, the inherent vice and nature of the Property or by the fault of the consignor or consignee;
 - d) spontaneous combustion;
 - e) The action of light or atmospheric conditions, (including but not limited to moisture or dew) or any other gradually operating cause;
 - f) the change of temperature resulting from the total or partial destruction of any refrigerating or cooling apparatus from any cause (including mis-setting of temperature), unless caused by collision or overturning of the conveying vehicle;
 - g) delay, loss of market, loss of use, depreciation, consequential loss or interruption of business;
 - h) erection and installation of Insured property and whilst property in process;
 - i) subsidence, vibration or withdrawal or weakening of support;
 - j) inadequate or insufficient packaging;
 - k) leakage of packaging or containers in which the property is carried, unless caused by accidental events not excluded elsewhere in this Policy;
 - l) theft unaccompanied by violent or forcible entry into and/or exit from the premises; pilferage; unexplained loss, mysterious disappearance or shortage disclosed upon taking inventory or upon delivery;
 - m) Delivery receipts, documentation errors and/or omissions and/or wrongful delivery;
 - n) infidelity of the Insured &/or the Insured's employees &/or any persons who are engaged by or under a contract of service with the Insured or any other such persons to whom the property may be entrusted;
 - o) Willful act of the Insured &/or the Insured's employees &/or any persons who are engaged by or under a contract of service with the Insured or any other such persons to whom the property may be entrusted;
 - p) neglect of the Insured to use all reasonable means to save and preserve the property at and after any loss.
 - q) Loss arising from the willful illegal sale of or the willful conversion and/or willful or wrongful secretion of property by the Insured, the Insured's employees and/or any person.
3. liability assumed by the Insured by agreement and which would not have attached in the absence of such agreement.
4. fines, penalties, punitive exemplary aggravated or multiple damages or any other damages resulting from the multiplication of, or in excess of compensatory damages.
5. liability directly or indirectly occasioned by or through or in consequence of
- a) war invasion act of foreign enemy hostilities or warlike operations (whether be declared or not);
 - b) civil war mutiny civil commotion assuming the proportions of or amounting to a popular rising military rising insurrection rebellion revolution conspiracy military or usurped power;
 - c) martial law or state of siege or any of the events or causes which determine the proclamation of maintenance of martial law or state of siege;



- d) any act of any person acting on behalf of or in connection with any organization with activities directed towards the overthrow by force of any de jure or de facto Government or to the influencing of it by terrorism or violence;
 - e) strikers, locked-out workmen or persons taking part in labour disturbance or riots; or looting, sacking or pillage in connection with any of the aforementioned occurrences.
6. liability directly or indirectly caused by, contributed to by, or arising out of
- a) ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or any nuclear component thereof;
 - c) any nuclear reactor, nuclear power station or plant, premises or facilities whatsoever related to or concerned with the production of nuclear energy or the production or storage or handling of nuclear fuel or nuclear waste; or
7. liability directly or indirectly caused by, contributed to by, or arising out of during loading and unloading at such named warehouses and/or at customers' premises and/or at any premises / locations as per Contract of Carriage.

CONDITIONS

1. Observance

The due observance and fulfillment of the terms and conditions of this Policy in so far as they relate to anything to be done or not to be done by the Insured, and the truth and completeness of all statements and information supplied to the Company by the Insured are conditions precedent to liability of the Company to make any payment under this Policy.

2. Interpretation

This Policy and the Schedule shall be read together as one document and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear. Should any dispute arise over the application of this Policy, such dispute shall be determined in accordance with the Vietnamese law. In relation to any such dispute arising out of or incidental to this Policy, the parties agree to submit to the jurisdiction of arbitrator of "Vietnam International Arbitration Centre at the Vietnam Chamber of Commerce and Industry" (VIAC) in Vietnam refer Article No.12 mentioned as below

3. Reasonable Precautions

The Insured shall take all reasonable precautions to prevent loss or damage to the property insured and shall exercise reasonable care that all legislations, bye-laws and directions made by any statutory or local authority are duly observed and complied with.

4. Notification of Claims

i) In the event of a claim under the policy, a copy of the Contract of Carriage and/or storage terms between the Insured and the consignor, and written notice containing particulars sufficient to identify the Insured and also reasonably obtainable information with respect to the time, place and circumstances thereof, shall be given by or on behalf of the Insured, at the Insured's own expense, to the Company or any of its authorized agents as soon as practicable.

ii) The Insured must notify the Company of any impending prosecution, inquest or fatal accident inquiry. If a claim is made or a suit is bought against the Insured, the Insured shall **IMMEDIATELY** forward to the Company every demand, letter, writ, claim, notice of arbitration, notice, summons, process or legal papers received by him or his representatives.

iii) No admission offer promise of payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company, except when the Company shall have failed to handle the claim.

5. Subrogation

The Company shall be entitled to conduct in the name of the Insured the defense or settlement of any claim or to prosecute for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion

in the conduct of any proceedings and in the settlement of any claim. The Insured shall cooperate with the Company and, upon the Company's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the Insured with respect to which insurance is afforded under this Policy; and the Insured shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.

6. Company's Rights

The Company shall have the right to take over and conduct the defense and settle any claim by compromise on behalf of the Insured.

7. Other Insurance

If the Insured has other more specific insurance against a loss or damage covered by this Policy the Company shall not be liable under this Policy. If the Insured has other insurance against a loss or damage covered by this Policy the Company shall not be liable for a greater proportion of such loss or damage than the applicable Limit of Liability stated in the Schedule bears to the total applicable Limit of Liability of all valid and collectible insurance against such loss or damage.

8. Discharge of Liability

The Company may in respect of any claim covered under this Policy pay to the Insured or to whom the Insured is liable to, the amount of the Limit of Liability for that claim but deducting therefrom any sums stated as Deductibles. The Company shall be under no further liability in respect of such claim after the person whom the Insured is liable to, has been compensated the claim amount, but in no case shall the claim amount exceed the Limit of Liability stated in the Schedule.

9. Forfeiture

All benefits under this Policy shall be forfeited:

- (a) if any claim made under this Policy be in any respect fraudulent or if any false declaration be made or used in support thereof, or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this Policy.
- (b) if any claim be made and rejected and an action or suit be not commenced within three months after such rejection, or within three months after the arbitrators or umpire shall have made their award.
- (c) Other regulations under law

10. Assignment

The interest of the Insured under this insurance contract shall not be assignable except with the written consent of the Company unless being assigned by will or operation of law.

11. Cancellation Notice

i) The Company may cancel this Policy by giving not less than 15 days' written notice by registered mail to the Insured at the address shown in this Policy. The mailing of the aforesaid shall be sufficient proof of notice. If the Company cancels this Policy, the Company will return to the Insured the premium paid less actual earned premium payable calculated on pro-rata basis for that period during which the Policy has been in force.

ii) The Insured may cancel this Policy by giving written notice to the Company. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the Period of Insurance. If the Insured cancels this Policy, the Company will return to the Insured the premium paid less actual earned premium payable calculated on short period basis for that period during which the policy has been in force.

12. Arbitration

In case of any dispute, argument or appeal having been existed under the Policy between the claimant and the Company and that if the claimant desires or finds it necessary to stop dispute by arbitrator of "Vietnam International Arbitration Centre at the Vietnam Chamber of Commerce and Industry" (VIAC) followed by their RULES OF ARBITRATION. The arbitrator is only one with premises at Ho Chi Minh City. Language used is Vietnamese, jurisdiction is Vietnam law.