

## PRODUCTS LIABILITY INSURANCE POLICY

Policy No.: 10528003901435878441

This Policy comprises mainly the Schedule, Scope of Cover, Exclusions, Treatment of Claim, Insured's Obligations, General Conditions, and Special Provisions, including also the Proposal of insurance together with its attachments as well as any additions to be made, from time to time, by the Company in the form of Endorsement.

Whereas the insured named in the Schedule hereto has made to Ping An Property & Casualty Insurance Company of China (hereinafter called “the Company”) a written Proposal which together with any other statements made by the insured for the purpose of this Policy is deemed to be incorporated herein and has paid to the Company the premium stated in the Schedule.

Now this policy of insurance witnesses that subject to the terms and conditions contained herein or endorsed hereon the Company shall indemnify the Insured for the loss or damage sustained insured machinery and equipment during the period of insurance stated in the Schedule in the manner and to the extent hereinafter provided.

By Ping An Property & Casualty  
Insurance Company of China, Ltd

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Date of Issue: Nov. 11, 2021

Place of Issue: Shenzhen, China

Please read this Policy and make certain it is in accordance with your requirements.

## ***SCHEDULE***

<b>Types of insurance</b>	:	Products Liability Insurance
<b>Insurance policy No.</b>	:	10528003901435878441
<b>Insured</b>	:	GUANGDONG SUPERPACK TECHNOLOGY Co.,Ltd
<b>Period</b>	:	From 0:00 Nov. 14, 2021 to 24:00 Nov. 13 2022 Beijing Time
<b>Location</b>	:	701 room of the 6 <sup>th</sup> building on No.23Jiabin Road, Huangjiangzhen, Dongguan, Guangdong
<b>Insurance Products</b>	:	Lithium-ion battery pack, battery
<b>Territorial Limit</b>	:	Worldwide including USA & Canada
<b>Jurisdiction</b>	:	Worldwide including USA & Canada
<b>Limit of Indemnity</b>	:	Limit for each accident compensation: USD3,000,000.00 Including: Limit for each accident to property loss: USD 3,000,000.00 Limit for each accident to injured person: USD 3,000,000.00 Limit for each accident to individual injured person: USD 3,000,000.00 Limit in aggregate: USD 3,000,000.00
<b>Policy form</b>	:	Claims Made Basis
<b>Retroactive Date</b>	:	From policy Inception date, Nov. 12, 2018
<b>Turnover</b>	:	USD 15,000,000.00
<b>Excess</b>	:	For each other accident, this policy applies deductible of USD10,000.00 or 10% of total loss, subject to the higher one.
<b>Rate</b>	:	0.1%
<b>Total Premium</b>	:	USD 15,000.00

- Extension Clauses** :
1. Products Guarantee Exclusion
  2. Damage to "Your Product" Exclusion
  3. Damage to "Your Work" Exclusion
  4. Damage to Impaired Property or not Physically Injured Exclusion
  5. Total Pollution Exclusion
  6. Completed Operations Liability Exclusion
  7. Contractual Liability / Hold Harmless Agreements Exclusion
  8. Absolute Silica Exclusion
  9. M Lead Exclusion (ISO CG 26 51)
  10. Consequential Financial Loss Exclusion
  11. Electromagnetic Radiation Exclusion Clause
  12. Efficacy Risks Exclusion
  13. Punitive And Exemplary Damages Exclusion
  14. Terrorism Exclusion Clause
  15. Total Asbestos Exclusion Clause
  16. Misuse of Product Exclusion Clause
  17. Electronic Data Exclusion Clause
  18. Subrogation Waiver
- Insurer** : Ping An Property & Casualty Insurance Company of China, Ltd. Shenzhen Branch
- Special provisions** :
1. Product& model:Battery :Li-ion battery pack, battery module Territorial Limit: Worldwide including USA & Canada.
  2. This insurance policy cannot be used for any form of advertising;without the written permission of China Ping An Property Insurance Co., Ltd., the insured shall not use "China Ping An Property Insurance Co., Ltd." in any form of advertising, product packaging and other public materials. Co., Ltd. "brand image logo and name," China Ping An Property and Casualty Insurance Co., Ltd. "reserves the right to claim any form of trademark infringement, to restore reputation, and to bring legal proceedings. This insurance policy cannot be used for any form of advertising: without the written permission of China Ping An Property Insurance Co., Ltd., the insured shall not use "China Ping An Property Insurance Co., Ltd." in any form of advertising, product packaging and other public materials. Co., Ltd."brand image logo and name," ChinaPing An Property and Casualty Insurance Co., Ltd. "reserves the right to claim any form of trademark infringement, restore reputation, and initiate legal proceedings.
  3. The third party of this policy only refers to the end consumer, and does not include the manufacturer or warehouse in any production, transportation, etc
  4. It is agreed and understood that insurer shall indemnify the insured if the insured shall become legally liable pursuant to the law for the claims

made against the insured from bodily injury or death or damage to property of the persons using, consuming or handling the insured products or commodity. and for this policy the “persons” is only refers to the terminal customers.

5. Gold and silver, jewelry, coin and currency, securities, bills, stamp, curio, documents, account books, technical data, chart, creature and plant, and other property whose value is incapable to be identified.
6. The insured product is reasonably declared based on the actual sales in the past. If it is selectively insured, it will be paid proportionally when the insurance is released.
7. Personal injury and/or property damage caused by any insured product's failure to properly fulfill its purpose or function and / or performance, quality, suitability, or durability level assured by the insured is excluded from this policy.

## Product Liability Insurance Clause

### General Provisions

**Article 1.** This insurance contract is composed of insurance clauses, insurance applications, insurance policies, insurance certificates and endorsements. Any agreements concerning to this insurance contract shall be in written form.

**Article 2.** All kinds of government organs, enterprise and state-owned enterprises, individual economic organizations and other organizations in the People's Republic of China can become the insured under this insurance contract.

### Insuring Agreement

**Article 3.** The insurer shall indemnify the insured in accordance with this insurance contract if the insured shall become legally liable pursuant to the law of the People's Republic of China (exclusive of Hong Kong, Macao and Taiwan) for the claims made against the insured for the first time arising from bodily injury or death or damage to property of the persons using, consuming or handling the insured products or commodity, or of any other persons consequent upon an occurrence taking place in the covered territory within the retroaction period caused by products or commodity manufactured or sold by the insured stated in the insurance contract.

**Article 4.** If the insured is brought a suit or applied for arbitration upon occurrence of an insured event, The insurer shall also be liable for the arbitration or litigation costs payable by the insured and any necessary and reasonable expenses (hereinafter referred to as "legal expenses") which is subject to the prior written approval of the insurer according to this insurance contract.

### Exclusions

**Article 5.** The insurer shall not be liable for any losses, expenses and the liabilities due to the following causes:

- (1) Intentional acts or gross negligence of the insurance applicant, the insured and their representatives;
- (2) War, hostilities, military actions, armed conflicts, strikes, riots, insurrection, terrorist activities;
- (3) Nuclear radiation, nuclear explosion, nuclear pollution and other radioactive pollution;
- (4) Atmospheric pollution, land pollution, water pollution, and other various forms of pollution,;
- (5) Acts of administration or justice;

**Article 6.** The insurer shall not be liable for the following losses, expenses and liabilities:

- (1) Bodily injury or death of the insured or its employees, and loss of property owned or managed by the insured of its employees;
- (2) Contractual liabilities that shall be borne by the insured, except for the liability of economic indemnity that shall still be borne by the insured without the contract;
- (3) Penalties, fines, and punitive indemnity;
- (4) Mental injury compensation;
- (5) Indirect losses;
- (6) Claims that have been known or can be reasonably foreseen by the insurance applicant and the insured before applying for insurance;
- (7) Any losses on the products of the insured;
- (8) Any losses due to return, replacement or reclaim of the products;
- (9) Any loss of use or replacement of insured products as parts or components, when used by other manufacturers to produce parts of other commodity or products, because the insured products fail to fulfill their required functions due to their defects, shortage or dangerous conditions, causing the other commodity or products unusable or scrapped. However, the losses on other commodity or products due to any sudden and accidental physical damages of the insured products after the expected functions of the insured products are fulfilled are exclusive from this clause;
- (10) The liabilities for damages on airplanes or vessels caused by the products of the insured;
- (11) The deductibles set forth in this insurance contract.

**Article 7.** The insurer is not liable for the losses, costs and liabilities exclusive from the scope of cover.

### Limit of Indemnity And Deductible

**Article 8.** The Limit of Indemnity, including the Limit of Indemnity per event, Limit of Indemnity per person per event, Limit of Indemnity for bodily injury and death per event, Limit of Indemnity for property loss per event, and the aggregate Limit of Indemnity, shall be determined by the insurance applicant and the insurer through negotiation and specified in the insurance contract.

**Article 9.** The deductible per event shall be determined through negotiation by the insurance applicant and the insurer at reaching the contract and specified in the insurance contract.

#### **Insurance Period**

**Article 10.** Unless specified otherwise, the insurance period shall be one year, the time of commencement and termination being subject to the stipulation in the policy.

#### **Insurance Premium**

**Article 11.** The premium shall be paid to the insurer in advance while signing the insurance contract according to the predicted sales amount of the insured within the insurance period. Upon expiration of the insurance period, the insured shall inform the insurer in writing of the actual sales amount during the insurance period, as the basis for calculating the actual premium. If the actual premium is higher than that paid in advance, the insured shall make up the difference; on the contrary, if the premium paid in advance is higher, the insurer shall refund the difference, but in any case, the actual premium shall not be lower than the stipulated minimum premium.

The insurer shall have the right to require the insured at any time within the insurance period to provide the data of the actual sales amount during a certain period. The insurer shall have the right to assign personnel to inspect relevant account book of the insured or to record and verify the above data.

#### **The Obligations Of The Insurer**

**Article 12.** Once this contract is concluded, the insurer shall timely issue the insurance policy or other insurance certificates to the insured.

**Article 13.** If the insurer, based on the provision of the Article 23, considers the evidence and information provided by the insured incomplete, it shall promptly notify the insurance applicant and the insured once and for all with a request to provide the insurer with additional evidence or information.

**Article 14.** The insurer shall, in a timely manner after the receipt of a claim for payment of the insurance benefits from the insured, ascertain and determine whether the claim is within the liability of the insurer; in case of complicated situation, the insurer shall ascertain and determine as quickly as possible after the basic information used for determining whether the claim is within the liability of the insurer is completely collected.

The insurer shall notify the result to the insured, and shall fulfill its obligations for such payment within ten (10) days after an agreement is reached with the insured on the amount of payment. If the insurance contract specifies the period within which the payment of the insurance benefits shall be made, then the insurer shall fulfill its obligation for payment of the insurance benefits as specified in the insurance contract. After the insurer has made determination according to the above provision, if the event is not covered in this Policy, it shall issue to the insured a rejection letter and states the reasons of declining payment of the insurance benefits within three (3) days from the date of determination.

**Article 15.** If the amount of payment of the insurance benefits cannot be determined within sixty (60) days of receipt of the claim for payment of the insurance benefits, and relevant evidence and information thereof, then the insurer shall effect payment of the minimum amount which can be determined by the evidence and information obtained. The insurer shall pay the balance after the final amount of payment of the insurance benefits is determined.

#### **The Obligations Of The Insurance Applicant And The Insured**

**Article 16.** If the insurer, prior to the conclusion of an insurance contract, inquire about the subject matter of the insurance or person to be insured, the applicant should make a full and accurate disclosure.

The insurer shall have the right to terminate the insurance contract, in the case that the applicant intentionally or gross negligently fails to perform such obligation of making a full and accurate disclosure specified in the

preceding paragraph to the extent that it would materially affect the insurer's decision whether or not to underwrite the insurance or whether or not to increase the premium rate.

The contractual cancellation right under the preceding paragraph shall be extinguished if not exercised for thirty (30) days, commencing on date when the insurer knows the grounds of termination. And the insurer can not cancel the contract, if the contract has been established for more than two years; in case of occurrence of insured event, the insurer shall bear obligation for payment of insurance benefits.

**If any applicant intentionally fails to perform its obligation of making a full and accurate disclosure, the insurer shall bear no obligation for making any payment of the insurance benefits, or for returning the premiums paid, for the occurrence of the insured event which occurred prior to the termination of the contract.**

**If an applicant gross negligently fails to perform its obligation of making a full and accurate disclosure and this materially affects the occurrence of an insured event, the insurer shall bear no obligation for making any payment of the insurance benefits for any insured event occurring before the termination of the contract, but may return the premiums paid.**

If the insurer has known the information that the insured fails to make a full and accurate disclosure, the insurer can not terminate the contract; in case of occurrence of the insured event, the insurer shall bear the obligation for payment of the insurance benefits.

**Article 17.** Unless otherwise specified, the insurance applicant should pay the insurance premiums upon entering into this contract.

**In case that the insurance premium is agreed to pay in lump sum and the insurance applicant pays the insurance premium after the date agreed, the insurer is not liable for the insured events happened prior to the payment.**

In case that the insurance premium is agreed to pay by installment, the insurer shall be liable for indemnify according to the proportion between the total amount of premium collected by the insurer prior to the occurrence of the insured event and the premium amount payable by the insurance applicant, which means the total premium the insurance applicant shall pay to the insurer by installment under the agreement up to the date the insured event occurred.

**Article 18.** The insured shall observe all the state laws and regulations with respect to product quality and safety, and any other regulations associated therewith, strengthen management, take reasonable precautions to avoid or reduce the occurrence of the insured event.

The insurer may inspect the insured's buildings, machines, equipment, work, products or commodity, and propose written suggestions to the insurance applicant or the insured to eliminate risks and latent problems undermining the safety of the subject matter of the insurance, which shall be conscientiously implemented by the insurance applicant and the insured. However, the above mentioned inspection or examination shall in no circumstances be held as any commitment to the Insured by the insurer.

In the event that the insurance applicant or the insured fails to fulfill its contractual obligation to perform the abovementioned safety obligation, the insurer has the right to request an increase of the premium or to terminate

the contract.

**Article 19.** If the extent of risk to the subject-matter insured increases significantly during the period of the insurance contract because the insured produces or sells any new products or due to any change in the insured products' chemical constituent, the insured shall, in accordance with the contract, promptly notify the insurer and the insurer shall have the right to increase the premium or terminate the contract.

**If the insured fails to fulfill the obligation of notice stipulated in the preceding paragraph, the insurer shall bear no obligation for indemnity of the insured event which occurs due to the increased risk to the subject-matter insured.**

**Article 20.** After knowing the occurrence of the insured event, the insured shall:

- (1) Take necessary and reasonable measures to prevent or reduce the losses, **otherwise, the insurer is not liable for indemnity of exaggerated losses;**
- (2) Notify the insurer timely of the causes, process and losses of the insured event in written form; **if the insured intentionally or gross negligently fail to timely notify, resulting in the difficulty for ascertaining the nature, causes and extent of losses of the insured event, the insurer shall not bear the liability for payment of insurance benefits for the parts the insurer cannot determined,** except the case that the insurer has timely known otherwise or should know the occurrence of the insured event;
- (3) Protect the scene of the insured event, allow and assist the insurer to conduct the accident survey. **The insurer will not pay for any loss of which the insurer is incapable of verifying the cause or confirming the loss condition if the insured refuse or hinder the insurer from investigating;**
- (4) For the insured event involved in violating laws or committing crimes, report to a public security organ in time, **otherwise the insurer is not liable for indemnify of the exaggerated losses.**

**Article 21.** The insured should notify the insurer promptly when it received the claim for indemnity. Without the written permission of the insurer, the insurer is not restricted by any commitment, rejection, offer, agreement, payment or compensation that the insured made to the victim. **The insurer has the right to re-check the insurance compensation voluntarily committed or paid by the insured, and the insurer is not liable for any indemnity exclusive from the scope of cover or exceed the limit of indemnity.** During the settlement process of any claim whose ultimate liability shall be borne by the insurer, the insurer has the right to handle independently. And the insured is obliged to provide to the insurer with any information and assistant with its best effort.

**Article 22.** The insured should immediately notify the insurer about the possible arbitration, litigation in written form when it learned that there may be any Litigation or arbitration; and should promptly send relevant copies to the insurer when it received a court summons or other legal documents. The insurer has the right to deal with litigation or arbitration matter in the name of the insured, and the insured should provide the relevant documents and necessary assistance.

**The insurer is not liable for indemnity of exaggerated losses caused by the delayed information or necessary assistance abovementioned.**

**Article 23.** The insured should provide the following evidences and information to the insurer as claiming for indemnity:

- (1) Original insurance policy;
- (2) Claims application filled by the insured or its representatives;
- (3) Relevant material of claim submitted by the victim to the insured;
- (4) In case of causing bodily injury or death of the victim, the materials shall include: the original medical bills of document regarding the victim's case history, certificate of diagnosis, medical fee and so on; the certificate concerning the victim's bodily injury degree: in case the victim is disabled, the certificate concerning the disabled degree issued by medical institution based on relevant laws and regulations shall be presented; in case the victim is dead, the certificate of death issued by public security organ and medical institution shall be presented;
- (5) In case of causing property loss of the victim, the materials shall include: list of loss and expenses;
- (6) The Compensation Agreement or Settlement Agreement signed between the insured and the victim; in case that the case has been judged or arbitrated, the written judgment or arbitration award shall be presented;
- (7) Any other evidences and materials provided by the claimant for benefits to identify the nature and cause of the insured accident and the extent of loss.

**In the event that the insurer is unable to verify the losses as a result of the insured's failing to fulfill the obligation of providing claiming materials stipulated in the preceding paragraph, the insurer is not liable for indemnity of the parts which the insurer cannot determined.**



**Article 24.** If any defect found in an insured product or commodity shows or indicates that similar defect also exists in other insured products or commodity, the insured should immediately make investigation and correct such defect at its own account, otherwise, any losses caused by such similar defect shall be borne by the insured.

#### **Claims settlement**

**Article 25.** The indemnity is based on the indemnity liability of the insurer determined by one of the following ways:

- (1) negotiation between the insured and the victim who submit the claim for indemnity with the consent of the insurer;
- (2) Award of the arbitration agency;
- (3) Judgment of the People's Court;
- (4) Other means approved by the insurer.

**Article 26.** **If the insured caused damages to a victim and has not indemnified the victim, the insurer shall not pay the insurance compensation to the insured.**

**Article 27.** In case of loss covered in the scope of the insuring agreement, the insurer shall calculate the amount of the indemnity according to the following methods:

- (1) For any loss arising from each event, the insurer shall calculate the amount of indemnity within the Limit of Indemnity per event, in which the amount of indemnity for each person shall not exceed the Limit of Indemnity per person per event, the amount of indemnity for bodily injury or death of more than one person per event shall not exceed the Limit of Indemnity for bodily injury or death per event per event, the amount of indemnity for property loss of more than one person per event shall not exceed the Limit of Indemnity for property loss per event, and the amount of indemnity for legal expenses per event shall not exceed 10% of the Limit of Indemnity per event, unless otherwise provided in the contract.

In case one batch of products or commodity produced and sold by the insured causes bodily injury, disease, death or property loss of more than one person due to the same reason, the loss shall be deemed as caused by one insured event.

- (2) According to calculation of (1), the insurer indemnifies after the deduction of the mount deductible per event;
- (3) During the insurance period, the total amount of insurance compensation of several events indemnified by the insurer, based on Article 3 and 4, shall not exceed the aggregate limit of indemnity.

**Article 28.** In case of the occurrence of the insured event, if the insured's losses can be indemnified under other insurance which has the same coverage as this insurance contract, the insurer shall bear the liabilities for indemnity as per the proportion of the limit of indemnity of this insurance contract to the total limit of indemnity of other insurance contracts and this one.

**The insurer is not liable for advancement of the indemnity payable by other insurers.** In the event that the insurer pays more indemnity due to the fact that the insured fails to make a full and accurate disclosure, the insurer has the right to retrieve the overpaid amount from the insured.

**Article 29.** In the event that the losses within the insurance liability shall be indemnified by related responsible party, the insurer may from the date when the insurer pay indemnity of insurance compensation to the insured, within the scope of indemnity, subrogate the insured's right against related responsible party for compensation, and the insured should provide the insurer with necessary documents and knowing information.

If the insured has already obtained insurance compensation from the responsible party, the insurer shall pay the amount after deducting such obtained amount.

**If the insured waives the right of claiming for indemnity against the responsible party after the occurrence of the insured event and before the insurer making the indemnity, the insurer is not liable for indemnity;** If the insured, without the insurer's consent, waives the right of claiming for indemnity against the responsible party after indemnity is made by the insurer, the waiver of the insured shall be regarded as invalid; The insurer may deduct or request the insured to refund the corresponding amount if the insurer is not able to exercise the right of claiming for indemnity by subrogation due to the insured's intentional misconduct or gross negligence .

**Article 30.** All the actions by the insurer, including but not limited to receiving a claim, investigating on spot, loss adjusting, taking part in litigation, giving advice to the Insured, and issuing or requesting of any document and so

on, shall not be considered as the insurer's promise to undertake any liability of indemnity.

**Article 31.** The limitation period of actions of claiming for indemnity by the insured against the insurer is two years since the date when the insured know or should have known the occurrence of the insured event.

#### **Dispute Treatment And Law Application**

**Article 32.** Disputes arising from the execution and performance of the policy shall be settled through negotiation between the parties hereto. Should no settlement be reached, the case in dispute shall be submitted to the arbitration institution specified in the policy. Where no arbitration institution is specified in the policy or no arbitration agreement is reached after disputes, either party hereinto may bring litigation to the People's Court with jurisdiction.

**Article 33.** Any dispute with regard to the policy should apply the law of P.R.China (excluding Hongkong, Macao and Taiwan).

#### **Other Provisions**

**Article 34.** The insurance applicant and the insurer may amend the contents of the insurance contract subject to mutual agreement.

Should there be any amendments to the insurance contract, the insurer shall endorse the original policy or any other insurance certificate, or issue an endorsement slip attached to the insurance contract or insurance certificate, or have a written agreement of amendment with the applicant.

**Article 35.** The insurance applicant may apply for terminating the insurance contract at any time, and the insurance contract shall be terminate at 24:00 on the date when the insurer receives the written cancellation application from the insurance applicant. In the event that the insurance applicant requests the termination of the contract prior to the commencement of the insurance liability, the insurer shall refund the remaining premium to the insurance applicant after deducting handling charges of 3%; In the event that the insurance applicant requests the termination of the contract subsequent to the commencement of the insurance liability, the premium in the period from the commencement of the insurance liability to the contract termination shall be calculated and collected as per the short-term rate, and the remaining part shall be refunded to the insurance applicant.

The insurer may also terminate the insurance contract. In the event that the insurer requests the termination of the contract prior to the commencement of the insurance liability, it shall not collect handling charges from the insurance applicant and shall refund the collected premium; in the event that the insurer requests the termination of the contract subsequent to the commencement of the insurance liability, the insurer may notify the insurance applicant to terminate the contract fifteen (15) days in advance and, the insurer may charge the premiums for the period from the commencement of the insurance liability to the date of the termination of the contract on daily pro-rata basis, and shall refund the remaining portion to the insurance applicant.

**Article 36.** If the insured event occurred and the indemnity had been borne by the insurer, the insurance applicant may terminate the contract within thirty (30) days after the loss is indemnified by the insurer; Unless specified otherwise in the insurance contract, the insurer may also terminate the contract, but it shall notify the applicant fifteen (15) days in advance.

If the insurance contract is terminated in accordance with the preceding paragraph, the insurer shall return to the insurance applicant the premium for the portion of the aggregate limit of indemnity deducting the already-paid amount, after deducting the collectible part for the period from inception date to the terminating date.

#### **Appendix:**

##### **Schedule of short-term rate**

Months passed in insurance period (months)	1	2	3	4	5	6	7	8	9	10	11	12
Proportion of annual rate (%)	10	20	30	40	50	60	70	80	85	90	95	100

(Note: The month passed in insurance period that is less than one month shall calculate as one month)

## Extension Clauses

### 1. Products Guarantee Exclusion:

This insurance does not apply to damages claimed for the repair (including removal, treatment, alteration) or replacement of the Insured's goods or products because of any known or suspected defect therein or the harmful nature or unsuitability thereof.

### 2. Damage to "Your Product" Exclusion:

This insurance does not apply to property damage to "Your Product" arising out of it or any part of it.

"Your Product" means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  1. You;
  2. Others trading under your name; or
  3. A person or organization whose business or assets you have acquired; and
- b. Containers (other than vehicles). materials, parts or equipment furnished in connection with such goods or products.

"Your Product" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in a. and b. above.

### 3. Damage to "Your Work" Exclusion:

This insurance does not apply to property damage to "Your Work" arising out of it or any part of it.

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

"Your Work" means:

- a. Work or operations performed by you or on your behalf of; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

"Your Work" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in a. and b. above.

#### **4. Damage to Impaired Property or not Physically Injured Exclusion:**

This insurance does not apply to "Property Damage" to "impaired property" or property that has not been physically injured, arising out of:

1. A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
2. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to your product" or "your work" after it has been put to its intended use.

"Impaired property" means tangible property, other than "your product" or "your work". that cannot be used or is less useful because ;

1. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
2. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

1. The repair, replacement, adjustment or removal of "your product" or "your work"; or
2. Your fulfilling the terms of the contract or agreement.

#### **5. Total Pollution Exclusion:**

This Insurance does not apply to:

- (1) "Bodily injury", "personal injury" or "property damage" which arises out of or would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.
- (2) Any loss, cost or expense arising out of any:
  - (a) Request, demand, or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants; or
  - (b) Claim or suit by or on behalf of a governmental authority or others for damages

because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

- (c) Pollutants means one or more solid, liquid, gaseous or thermal irritants or contaminants, including smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

This exclusion applies whether or not such injury or damage may be included within the “products / completed operations hazard”.

## **6. Completed Operations Liability Exclusion-**

This insurance does not apply to all “bodily injury” and “property damage” arising out of “your work” that has been completed or abandoned.

“Your work” will be deemed completed at the earliest of the following times:

1. When all of the work called for in your contract has been completed.
2. When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
3. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
4. Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

## **7. Contractual Liability / Hold Harmless Agreements Exclusion**

This insurance does not apply to “Bodily injury” or “property damage” for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

This exclusion does not apply to liability for damages:

1. Assumed in a contract or agreement that is an “insured contract”; or
2. That the insured would have in the absence of the contract or agreement.

## **8. Absolute Silica Exclusion**

A. This Agreement excludes any liability, loss, cost or expense, of any nature whatsoever,

arising directly or indirectly from or in consequence of Silica in whatever form or quantity, including dust, or any product or material containing Silica.

B. Without limiting the foregoing, this Agreement further excludes any liability, loss, cost or expense, of any nature whatsoever, arising directly or indirectly from (1) any duty to disclose and/or failure to properly disclose the material facts or dangers associated with Silica or (2) the Company's obligations to a third party associated with this exposure.

## **9. Lead Exclusion (ISO CG 26 51)**

This insurance does not apply to:

"Bodily injury" caused in whole or in part, either directly or indirectly, by lead paint or lead contamination, or arising out of or incidental to the inhalation, ingestion, use, handling, or contact with lead paint or lead contamination.

## **10. Consequential Financial Loss Exclusion**

It is hereby declared and agreed that no liability shall attach to this Policy in respect of any claim made against the insured based upon and/or arising out of any direct or indirect financial loss such as loss of revenue, loss of sales, delay damages or extra expenses resulted from the loss of use of any property arising out of:

- A defect, deficiency, inadequacy or dangerous conditions in your product or your work, or
- A sudden and accidental physical injury to your product or your work after it has been put to its intended use.

## **11. Electromagnetic Radiation Exclusion Clause**

This insurance does not apply to "bodily injury", "property damage", "personal injury", or

“advertising injury” arising out of or allegedly due to exposure to or contact with “Electromagnetic Radiation”. As used herein, “Electromagnetic Radiation” includes, but is not limited to : magnetic energy, waves, fields or forces generated, produced, distributed, transmitted or maintained by charges, currents, frequencies, energy or forces of electricity.

Subject otherwise to the terms, exception and conditions of this policy.

## **12. Efficacy Risks Exclusion**

This insurance shall not apply to any claim or liability resulting from the failure of the Insured's products or work completed by or for the Insured to perform the function or serve the purpose intended by the Insured.

## **13. Punitive And Exemplary Damages Exclusion**

It is agreed that such coverage as is afforded by this policy shall not apply to fines, penalties, punitive or exemplary damages against the named insured.

## **14. Terrorism Exclusion Clause**

The insurer shall not be liable under this policy for any loss, damage or expense directly or indirectly occasioned by, happening through or in consequence of any unlawful act of any person or persons acting on behalf of or in connection with any others whose objectives include the overthrowing or influencing of any de jure or de facto government or the intimidation of any civilian population, or any segment thereof by terrorism, violence, force or coercion in furtherance of political, social, religious or ideological objectives.

## **15. Total Asbestos Exclusion Clause**

It is agreed that this policy shall not apply:

A. To any liability for property damage, personal injury, sickness, disease, occupational disease, disability, shock, death, mental anguish or mental injury at any time arising out of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or

exposure to asbestos, asbestos products, asbestos fibers or asbestos dust;

B. To any obligation of the insured to indemnify any party because of damages arising out of such property damage, personal injury, sickness, disease, occupational disease, disability, shock, death, mental anguish or mental injury at any time as a result of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust;

C. To any obligation to defend any suit or claim against the insured alleging personal injury, or property damage and seeking damages, if such suit or claim arises from personal injury or property damage resulting from or contributed to, by any and all manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust.

Further, should the underlying limits become impaired or exhausted for claim(s) payment(s) and/or loss adjustment expense(s) excluded by this endorsement, coverage provided by this policy will not drop down over the impaired or exhausted underlying limits, however, the policy will continue to respond for covered claims in excess of the limits stated in the declaration page as underlying.

Subject otherwise to the terms exceptions and conditions of this Policy.

#### **16. Misuse of Product Exclusion Clause**

The insurance does not apply to bodily injury and property damage arising out of misuse of product.

Subject otherwise to the terms, exception and conditions of this policy.

This Clause is subject otherwise to the terms, conditions and exclusions of this Policy.

#### **17. Electromagnetic Radiation Exclusion Clause**

This insurance does not apply to "bodily injury", "property damage", "personal injury", or "advertising injury" arising out of or allegedly due to exposure to or contact with "Electromagnetic Radiation". As used herein, "Electromagnetic Radiation" includes, but is not limited to : magnetic energy, waves, fields or forces generated, produced, distributed, transmitted or maintained by charges, currents, frequencies, energy or forces of electricity.

Subject otherwise to the terms, exception and conditions of this policy.



### **18.Subrogation Waiver**

In the event of a claim arising under this Policy, the Company agree to waive any rights remedies or relief to which they might become entitled by subrogation against:

- 1) any company associated or joint venture with the Insured;
- 2) any of the Insured's subsidiary or holding companies, or any directors, partners, officers and employees;
- 3) the tenants and its partners, and its employees.

This Clause is subject otherwise to the terms, conditions and exclusions of this policy.