



Circle Financial Lines
Commercial General Liability
Specific Conditions by cover
General Conditions

www.circlesgroup.com



Specific Conditions
General Conditions

This document completes the particular conditions and together with the particular conditions forms the insurance policy. It determines the characteristics specific to each cover, « What is covered » and « What is not covered (unless otherwise specified in the particular conditions) » as well as the general conditions and general exclusions applied to every cover (unless otherwise specified in the particular conditions).

You asked for Perfection...

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1/ CONDITIONS OF INSURABILITY

This insurance policy is only valid if the conditions listed under the present section are fulfilled. Should one of the conditions not be fulfilled, we are entitled to refuse any indemnity unless otherwise provided by the particular conditions.

1.1 CONDITIONS OF INSURABILITY FOR ALL COVERS

1.1.1 TERRITORY

Worldwide cover with the exception of countries with sanctions on them and countries at **war**.

1.1.2 INSURED

The **named insured** must have a usual place of **business** in an Asian country.

The **insured** must comply with the requirements of any law, court, tribunal or regulatory or administrative body of whatever jurisdiction in which they operate.

1.1.3 CONTRACTUAL HISTORY

The **named insured** warrants on behalf of itself and all other **insureds** that no **insured** has ever:

- a) Had insurance for the type of risks covered by this **policy** refused or cancelled by another insurer for any reason including non-payment of premium;
- b) Had insurance of any description avoided for non-disclosure or misrepresentation;
- c) Incurred any loss or damage of the type covered by this **policy**, whether **insured** or not, during the three years prior to the **period of insurance**.

1.2 CONDITIONS OF INSURABILITY RELATING TO A SPECIFIC COVER

1.2.1 COMMERCIAL GENERAL LIABILITY COVERAGE

A **business** meeting the following requirements can be **insured** online for commercial general liability coverage:

The **insured** has no overseas location or domiciled entities in USA, Canada, Europe, Australia or New Zealand

2/ SPECIFIC CONDITIONS COMMERCIAL GENERAL LIABILITY INSURANCE

2.1 WHAT IS INSURED

The **business**.

2.2 WHAT IS COVERED

2.2.1 INSURING CLAUSE

Underwriters, subject to the terms and conditions of this **policy**, will indemnify the **insured** for all amounts which the **insured** becomes legally liable to pay as **compensation** arising out of:

- a) **personal injury**;
- b) **property damage**; or
- c) **advertising injury**,

in connection with the **business** or **products**, as a result of an **occurrence** happening during the **period of insurance** within the **coverage territory**.

2.2.2 LIMIT OF LIABILITY

Underwriters' liability, in respect of all **compensation** for:

- a) **personal injury**;
- b) **property damage**; or
- c) **advertising injury**,

under this **policy** as a result of any one **occurrence** and in the aggregate where applicable, shall not exceed the Limits of Liability specified in the **particular conditions**

2.3 EXTENTIONS OF WHAT IS COVERED

2.3.1 ADDITIONAL PAYMENTS

Underwriters will, in addition to the Limit of Liability specified in the **particular conditions**, pay additional payments for:

- a) legal costs and expenses incurred by Underwriters, or the **insured** with Underwriters' written consent, in the settlement or defence of any claim for **compensation** in respect of which the **insured** is entitled to indemnity under this **policy**; or, if sustained, would be so entitled; and
- b) fees incurred with Underwriters' written consent for any solicitor, defence counsel or the equivalent of, for representation at any inquest, fatal inquiry or criminal proceedings relating to an **occurrence** which may give rise to a claim for **compensation** under this **policy**.

In respect of **occurrences** in **North America**, or **occurrences** in respect of which a claim for **compensation** is brought in a court of law in **North**

2.3.2 AUTOMATIC ACQUISITION CLAUSE

America, the Limit of Liability specified in the **particular conditions** shall be inclusive of all such additional payments.

This **policy** shall extend to apply on a contingency basis to any company or companies (subsidiaries) acquired or established or created by the **insured** during the **period of insurance**, provided that:

- a) their **business** complies with that outlined in the **particular conditions**; and
- b) the turnover of the new company or companies does not exceed 10% of the turnover which was the basis of the premium calculation.

This cover applies only for 90 days following the takeover or formation of the company or companies. Unless Underwriters expressly confirms coverage, this contingent coverage will expire on the 90th day following the takeover or formation of the companies.

Underwriters reserves the right to charge an additional premium and/or apply additional terms.

2.3.3 CLAIMS SERIES CLAUSE

- a) An **occurrence** or series of **occurrences** happening during the **period of insurance** which are attributable directly or indirectly or allegedly to the same event, condition, defect or hazard, or failure to warn shall be added together and treated as one **occurrence**, irrespective of the period of time after the commencement of the **period of insurance** or the number of persons or entities that sustain **property damage** and/or **personal injury**.

- b) All such **occurrences** shall be deemed to have occurred on the day of the first of such **occurrences**.

- c) The Limits of Liability specified in the **particular conditions** are non-cumulative.

- d) Underwriters shall not indemnify the **insured** for any liability of whatsoever nature in connection with **personal injury** or **property damage** where such **personal injury** or **property damage** is in any way connected with or related to an **occurrence** or events or circumstances, whether of a continuous, intermittent or repeated exposure, which had occurred or commenced or existed prior to the date of inception for this **policy**.

2.3.4 COMPENSATION FOR COURT ATTENDANCE

If an **insured** attends court as a witness, at Underwriters' request, in connection with an **occurrence** in respect of which the **insured** is entitled to indemnity under this **policy**, Underwriters will provide **compensation** to the **insured** at the following rates per day for each day on which attendance is required:

- a) any director, officer or partner of the **insured** HKD 2,000.00 per day;
- b) any **employee** of the **insured** HKD 1,000.00 per day.

2.3.5 OVERSEAS PERSONAL LIABILITY

Underwriters will indemnify the **insured** for legal liability incurred in connection with the **business** which may be deemed to include any liability incurred in a personal capacity by an **employee** or director whilst travelling outside his or her country of domicile in connection with the

business, provided that the **employee** or director is not entitled to indemnity under any other **policy** of insurance, self-insurance or deductible program effected in the **insured's** name.

2.4 WHAT IS NOT COVERED

Underwriters shall not be liable under this **policy** in respect of any liability of whatsoever nature directly or indirectly caused by, in connection with or contributed to by or arising from:

2.4.1 ADVERTISING LIABILITY

Advertising liability arising from:

- a) failure of performance of contract, but this shall not relate to claims resulting from unauthorised appropriation of ideas based upon alleged breach of an implied contract;
- b) incorrect description of any article or commodity; or
- c) mistake in advertised price.

2.4.2 AIRCRAFT PRODUCTS

Any liability arising out of any of the **insured's products** which, with the **insured's** knowledge, are intended for incorporation into any critical part, the structure, machinery or controls of any **aircraft**.

2.4.3 ASBESTOS

Any liability directly or indirectly caused by or contributed to by or arising from asbestos or asbestos **products** or asbestos contained in any **products**.

2.4.4 AIRCRAFT, WATERCRAFT, HOVERCRAFT

Any liability arising out of the ownership, maintenance, possession, use or operation, loading or unloading, of any **aircraft, watercraft** or **hovercraft** (other than **watercraft** not exceeding 15 meters in length for use on inland or coastal waters).

2.4.5 CONTRACTUAL LIABILITY

Any liability or obligation assumed by an **insured** person under any agreement or contract except to the extent that:

- a) the liability or obligation would otherwise have been implied by law;
- b) the liability or obligation arises from a provision in a contract for lease of real or personal property other than a provision which obliges you to effect insurance or provide indemnity in respect of the subject matter of contract;
- c) the liability or obligation is assumed by an **insured** person under any warranty under the requirement of Federal or State legislation in respect to product safety; or
- d) the liability or obligation is assumed under those agreements specified in the **particular conditions**.

2.4.6 DELIBERATE ACTS

Any deliberate act or omission of the **insured** or any **employee** and which could reasonably have been expected, having regard to the nature and circumstances of such an act or omission.

2.4.7 INJURY TO EMPLOYEES

Any liability to indemnify or pay **compensation** arising out of:

- a) any **policy** of insurance required to be taken out pursuant to any legislation relating to workers' **compensation**, whether or not the **insured** is a party to such contract of insurance;
- b) any scheme created by legislation to provide **compensation** to persons who sustain **personal injury** arising out of or in the course of their employment; or
- c) with any claim for **employment practices**.
- d) This **policy** shall not be drawn into contribution with such insurance or scheme.
- e) This Exclusion does not apply with respect to liability of others assumed by the **insured** under any written contracts.
- f) However if the **insured**:
- g) is required by law to insure or otherwise fund, whether through self-insurance, statutory fund or other statutory scheme, all or any common law liability (whether limited or not) for **personal injury**; or
- h) is not required to so insure or otherwise fund such liability by reason only that the **personal injury** is to a person who is not a "worker" or "employee" within the meaning of the relevant workers' **compensation** law or the **personal injury** is not an injury which is subject to such law,
- i) then this **policy** will cover liability for **personal injury** to the extent that the **insured's** liability would not be covered under any such fund, scheme, **policy** of insurance or self-insurance arrangement had the **insured** complied with its obligations pursuant to such law.

2.4.8 INFORMATION TECHNOLOGY HAZARDS

Any liability arising out of:

- a) the insured's **internet operations**; or
- b) **property damage** to computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:
 - the use of any computer hardware or software;
 - the provision of computer or telecommunication services by the **insured** or on the **insured's** behalf; or
 - the use of computer hardware or software belonging to any third party, whether authorised or unauthorised including damage caused by any **computer virus**.
- c) However this Exclusion does not apply to:
 - **personal injury, property damage or advertising liability** arising out of any material which is already in print by the manufacturer in support of any of its **products**, including but not limited to product use and safety instructions or warnings, and which is also reproduced on its site; or
 - liability which arises irrespective of the involvement of the **insured's internet operations**.

2.4.9 LIQUIDATED OR PUNITIVE DAMAGES

Any liability for any amount in respect of:

- a) fines or penalties; or
- b) liquidated, punitive or exemplary damages or multiplication of awards.

2.4.10 LOSS OF USE

Any liability for any amount in respect of loss of use of tangible property which has not been damaged, lost or destroyed as a result of:

- a) a delay in or lack of performance by or on behalf of any **insured** in respect of any contract or agreement; or
- b) the failure of the **products** to meet the level of performance, quality, fitness or durability expressly or implied warranted or represented by an **insured**.
- c) However Exclusion 11(b) above does not apply to loss of use of other tangible property resulting from the sudden and accidental damage to or destruction of the **products** after such **products** have been put to use by any person or organisation another than the **insured**.

2.4.11 MOTOR LIABILITY

Any liability arising out of the use of a **motor vehicle** owned by, or in the physical or legal control of the **insured**:

- a) which is required by law to be registered; or
- b) in respect of which insurance is required by virtue of any legislation.
- c) However this Exclusion does not apply to:
 - a **motor vehicle** (other than a **motor vehicle** owned or used by or on behalf of the **insured**) whilst that **motor vehicle** is in a car park owned or operated by the **insured** other than for income or reward as a car park operator;
 - **personal injury** or **property damage** occurring during the loading or unloading of a **motor vehicle** caused by or arising from the collection or delivery of any goods from or to the **motor vehicle** where such **personal injury** or **property damage** occurs beyond the limits of any carriageway or thoroughfare, and where applicable legislation does not require insurance against such liability;
 - accidental or erroneous failure to maintain such statutory insurance; or
 - **personal injury** or **property damage** where insurance is provided by an Underlying **Policy**, but then only to the extent of the cover provided by such **policy**.

2.4.12 POLLUTION

Any liability arising out of:

- a) **personal injury** or **property damage** directly or indirectly arising out of the discharge, seepage, migration, dispersal, release or escape of pollutants into or upon any property, land the atmosphere or any watercourse or body of water (including ground water);
- b) **personal injury** or **property damage** directly or indirectly arising out of the discharge, seepage, migration, dispersal, release or escape of pollutants caused by any product that has been discarded, dumped, abandoned or thrown away by others;
- c) the cost of removing, nullifying or cleaning up pollutants; or

- d) the cost of preventing the escape of pollutants.
- e) Exclusions 13 (a) and (c) above shall not apply where the claim arises from a sudden identifiable, unintended and unexpected from the **insured's** standpoint which takes place in its entirety at a specific time and place during the **period of insurance** and occurs outside of **North America**, however the total aggregate limit of liability during any one **period of insurance** shall not exceed the Limit of Liability.

2.4.13 PROFESSIONAL LIABILITY

Any liability arising out of the rendering or failure to render professional advice or service by the **insured**, or any error or omission in connection with; however this Exclusion shall not apply to:

- a) the **insured's** liability in respect of **personal injury** or **property damage** resulting from the provision of professional advice or services, or any error or omission in connection with the **insured's products** which is not given for a fee; or
- b) the rendering or failure to render professional advice by any **employee** to provide first aid or other medical services at the **insured's** premises.
- c) Medical services excludes advice or services provided by a qualified medical practitioner, nurse or first aid attendant.

2.4.14 RADIOACTIVE CONTAMINATION

Any liability arising out of:

- a) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- c) However this shall not apply to liability arising from radio-isotopes, radium or radium compounds when used away from the place where such are made or produced and when used exclusively incidental to ordinary industrial, educational, medical, scientific or research pursuits.

2.4.15 REPAIR AND REPLACEMENT

Any liability arising out of:

- a) the cost of rectifying defective work carried out by or on behalf of the **insured**;
- b) **property damage** to any of the **insured's products** causing **personal injury** or **property damage**; and
- c) the costs or expenses of recalling, removing, repairing, recovering, altering or replacing the **insured's products** arising from a defect in or an error in connection with the sale or supply of such **products** or the guaranteed performance of the **insured's products** or the unsuitability thereof for the use for which they are supplied.

2.4.16 SPECIFIC PRODUCTS AND SUBSTANCES

Any **products** liability claims arising out of:

- a) urea formaldehyde;
- b) silicon based human implants;
- c) AIDS, HIV or HIV related illness;
- d) contraceptives and RU 486;

- e) human biological materials including extracts thereof (e.g. blood, plasma, plasmaproteins, immunoglobulins, cells, tissue, organs, urine, excretions, etc.);
- f) genetically modified seeds or organisms;
- g) vaccines;
- h) application or use of polychlorinated biphenyls including polychlorinated biphenyl generated dibenofurans and dioxins;
- i) tobacco and tobacco related **products**; or
- j) the manufacture or supply of all pharmaceutical active ingredients including medical implants.

2.4.17 TERRORISM

Any injury, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This Exclusion also excludes injury, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any **act of terrorism**.

If Underwriters alleges that by reason of this Exclusion, any injury, loss, damage, cost or expense is not covered by this **policy** the burden of proving the contrary shall be upon the **insured**.

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

2.4.18 UNAPPROVED PRODUCTS

Any damages, loss, cost or expense arising out of the actual, alleged or threatened hazardous properties of goods or **products**:

- a) declared unsafe by any governmental or regulatory authority on the basis of such hazardous properties, regardless of whether such goods or **products** were declared unsafe before or after:
 - the goods or **products** were manufactured, constructed, erected, installed, repaired, serviced, treated, sold, supplied or distributed; or
 - Such damages, loss, cost or expense were incurred;
- b) if the **insured** was or should have been aware of such declaration at any material time; or
- c) manufactured, constructed, erected, installed, repaired, serviced, treated, sold, supplied or distributed without approval by the applicable governmental or regulatory authority.
- d) Subparagraph A. does not apply to the **insured products**, to which this insurance applies, if such good or product was manufactured, constructed, erected, installed, repaired, serviced, treated, sold, supplied and distributed before it was declared unsafe, provided it was not declared unsafe before the beginning of the **period of insurance**.

2.4.19 WAR

Any liability arising out of any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

3/ GENERAL CONDITIONS

3.1 ACTION AGAINST UNDERWRITERS

Underwriters shall not be liable unless the **insured** has complied fully with all provisions of this **policy** nor until the amount of **compensation** has been finally determined, either by judgment against the **insured** or by written agreement with the **insured**, the claimant and Underwriters.

The **insured** shall make a definite claim for any **personal injury** or **property damage** for which Underwriters may be liable within a reasonable time after such final determination.

3.2 CANCELLATION

The **insured** may cancel this **policy** at any time by giving notice in writing to us.

Underwriters may cancel this **policy** on 7 days' advance notice to that effect being given in writing to the **Insured's** last known address in which case Underwriters shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation subject to the adjustment under General Condition 18.

Upon cancellation by the **insured** a refund of premium will be allowed pro rata of 80% of the premium for the unexpired **period of insurance**; Upon cancellation by Underwriters, a refund of premium will be allowed pro rata for the unexpired **period of insurance**.

3.3 CHANGE IN RISK

Every change materially affecting the facts or circumstances existing at the commencement of or during the course of this **policy**, or at any subsequent renewal date, shall be notified to Underwriters as soon as such change comes to the **insured's** notice. Underwriters reserves the right to accept or deny coverage at the time of such notification and to establish a separate rate and premium for any such coverage.

3.4 CLAIMS ASSISTANCE AND COOPERATION

The **insured** must assist and cooperate with Underwriters fully and promptly in relation to a claim, including:

- a) supplying us with all information and assistance **we** may reasonably require;
- b) allowing us to negotiate, defend or settle the claim:
 - in the **insured's** name and on the **insured's** behalf; or
 - in the name of and on behalf of any other party covered by the **insured's policy**.
- c) sending to us any claim, writ, summons, or full details of other relevant legal or other proceedings such as an impending prosecution or inquest the **insured** receives or become aware of; and

- d) as far as possible, preserve any product, appliance, plant or other items which might prove necessary or useful as evidence until Underwriters has had an opportunity of inspection.

3.5 CONTRACTS (RIGHTS OF THIRD PARTIES) ORDINANCE

Any person or entity who is not a party to this **policy** shall have no rights under the Contracts (Rights of Third Parties) Ordinance (Cap 623 of the Laws of Hong Kong) to enforce any terms of this **policy**.

3.6 CONTROL OF CLAIMS

The **insured** shall not, without Underwriters' written consent, admit or repudiate liability, negotiate or make any offer, promise or payment in connection with any claim.

Underwriters shall be entitled, but not obliged, to take over and conduct in the **insured's** name, the defence or settlement 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.

The **insured** shall give all such information and assistance as Underwriters may require.

3.7 CROSS LIABILITY

Subject to General Condition 13. 'Joint **insured**' for the purpose of this **policy**, when an **insured** consists of more than one party, the **insured** shall be considered as a separate **insured** as though a separate **policy** had been issued to each of the said parties but nothing herein contained shall operate to increase **our** Limits of Liability.

3.8 DATA PRIVACY

The **insured** agrees that:

- a) We may use the personal data collected during the application process or administration of this **policy** for the purposes of underwriting and administering this insurance **policy** or any renewal thereof, including obtaining reinsurance, underwriting renewals, data matching, **claim** processing, investigation, payment and subrogation;
- b) We may transfer the personal data to the following classes of persons (whether based in Hong Kong or overseas) for the purpose identified:
 - third parties providing services related to the administration of this **policy** including reinsurers;
 - financial institutions for the purpose of processing this **policy** and obtaining **policy** payments;
 - in the event of a **claim**, loss adjustors, assessors, third party administrators, emergency providers, legal services providers, retailers, medical providers and travel carriers;
 - another member of the Circles Group;

An insured person may gain access to, or request correction of their personal data by writing to Circle Asia Ltd., Unit 1207, Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong SAR or info@circlesgroup.asia. (Depending on the scope of work required to accommodate a request, **we** may charge a reasonable fee). The same addresses may be used to contact **us** with any comments in relation to **our** services.

3.9 DISCHARGE OF ANY LIABILITY

- a) Underwriters may at any time pay the Limits of Liability (after deduction of sum or sums already paid), or any lesser sums for which any claim or claims can be settled, and shall then be under no further liability in respect thereof except for the payment of Additional Payments incurred prior to such payment.
- b) In the event of a claim or series of claims arising from an **occurrence** resulting in liability of the **insured** to pay a sum in **excess** of the Limit of Liability, Underwriters' liability for such Additional Payments shall not exceed an amount being in the same proportion as Underwriters' payment bears to the total payment made by or on behalf of or to be made by the **insured** in satisfaction of the claim or claims.

3.10 DUTY OF DISCLOSURE

Before entering into a contract of general insurance with Underwriters, the **insured** has a duty to disclose every matter it knows, or could reasonably be expected to know, that is relevant to **our** decision whether to insure it and, if so, on what terms. This applies to all persons to be covered under this contract of insurance.

The **insured** has the same duty to disclose those matters to Underwriters before renewing, extending, varying or reinstating a contract of general insurance. The **insured's** duty however, does not require disclosure of a matter that:

- a) diminishes the risk to be **insured**;
- b) is of common knowledge;
- c) **we** know or in the ordinary course of **our business** **we** ought to know;
or
- d) **we** indicate to the **insured** that **we** do not want to know.

3.11 FRAUD

If any claim upon this **policy** be in any respect fraudulent, or if any fraudulent means or devices be used by the **insured**, or if any damage be occasioned by a wilful act of the **insured** or with their connivance, all benefit under this **policy** shall be forfeited and the **policy** void.

3.12 HEADINGS

Headings have been included for ease of reference, but do not form part of the **policy**.

3.13 INSPECTION AND AUDIT

Underwriters shall be permitted but not obligated to inspect the **insured's** person's property and operations at any reasonable time. Neither **our** right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking on behalf of or for the benefit of an **insured** or others to determine or warrant that such property or operations are safe or healthy, or are in compliance with any law, rule or regulation.

Underwriters may examine and audit the **insured's** books and records at any time during the **period of insurance** and within three years after the final termination of the **policy**, as far as they relate to the subject matter of this insurance.

3.14 JOINT INSURED

Where the **insured** is comprised of more than one legal entity, information supplied to us shall be deemed to have been furnished by and on behalf of all such entities, and any information supplied to us or any omission or non-disclosure in relation to any renewal or extension hereof, shall likewise be deemed to have been furnished, omitted or withheld on behalf of all such entities.

3.15 JOINT RESPONSIBILITY AND LIABILITY

- a) Any and all **insureds** and any persons deriving benefit under this insurance are jointly liable and responsible for any breach of any terms of this **policy** and/or misrepresentation and/or non-disclosure and/or fraud.
- b) For the avoidance of doubt this clause survives avoidance of the **policy**.

3.16 LIABILITY NOT TO BE ADMITTED

The **insured** shall not admit liability for or offer to or agree to settle any claim without Underwriters' written consent. Underwriters shall be entitled to take over and defend, any claim with full discretion in the conduct of that claim.

3.17 MEDIATION AND ARBITRATION

All disputes arising out of or in connection with this agreement, or in respect of any legal relationship associated with or derived from this agreement, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force. The appointing authority shall be the Hong Kong International Arbitration Centre. The place of arbitration shall be in Hong Kong at the Hong Kong International Arbitration Centre. There shall be only one arbitrator to be jointly appointed by the parties, and if this shall fail, shall be appointed by the Chairman of the Hong Kong International Arbitration Centre. The language to be used in the arbitral proceedings shall be English.

3.18 NO COVER UNDER THIS POLICY

Where the **insured** is not entitled to be indemnified under this policy, Underwriters owes no duty of any kind and has no liability of any kind to the **insured**.

3.19 NON-DISCLOSURE OR MISREPRESENTATION

If the **insured** makes a misrepresentation to us, or if the **insured** does not comply with the Duty of Disclosure and **we** issue the policy with terms and conditions that are different to the terms and conditions that would have been issued had there not been any misrepresentation, or the **insured**'s Duty of Disclosure had been complied with, then Underwriters may:

- a) reduce the cover provided so that **we** are placed in the same position as **we** would have been in, had there not been any misrepresentation and the **insured**'s duty of disclosure had been complied with; and
- b) also cancel the **insured**'s policy; or
- c) treat the **insured**'s policy as if it never existed if the misrepresentation or non-compliance with the **insured**'s Duty of Disclosure was fraudulent.

3.20 NOTICE AND PROOF OF CLAIM

Upon the discovery of any **personal injury**, or **property damage** loss or circumstance giving rise or which may give rise to a claim (whether or not the **insured** believes the claim amount might fall below the applicable **excess**) under this policy, the **insured** shall:

- a) give notice in writing to Underwriters as soon as practicable after the **insured** becomes aware of such loss or circumstance and within 30 days thereafter provide, at the **insured**'s own expense, a written statement detailing or relevant information;
- b) advise of the cause and the amount of loss and any other proof or information with respect to the claim that may be reasonably required;
- c) furnish to us details of any other insurance covering or which may cover the same loss;
- d) take reasonable steps to prevent further loss; and
- e) at all reasonable times permit us or its agents to inquire into, investigate and examine the circumstances of any loss.

3.21 PREMIUM

- a) Unless otherwise stated, the premium is adjustable. The **insured** shall, within 30 days after the expiry of each **period of insurance**, provide such information as Underwriters may require to adjust the premium.
- b) Any difference in premium shall be paid by or allowed to the **insured**, provided that the adjusted premium will not be less than any minimum premium specified in the **particular conditions**. The **insured** shall at all times allow Underwriters to inspect such records.

3.22 PREMIUM PAYMENT WARRANTY

If the **period of insurance** is 60 days or more, any premium due must be paid and actually received in full by Underwriters (or the intermediary through whom this Policy was effected) within 60 days of the:

- a) inception date of the coverage under the policy, Certificate or Cover Note; or
- b) effective date of each Endorsement, if any, issued under the Policy, Certificate or Cover Note.

In the event that any premium due is not paid and actually received in full by Underwriters (or the intermediary through whom this Policy was effected) within the 60-day period referred to above, then:

- a) the cover under the Policy, Certificate, Cover Note or Endorsement is automatically terminated immediately after the expiry of the said 60-day period
- b) the automatic termination of the cover shall be without prejudice to any liability incurred within the said 60-day period;
- c) Underwriters shall be entitled to a pro-rate time on risk premium subject to a minimum of HKD 200.00.

If the **period of insurance** is less than 60 days, any premium due must be paid and actually received in full by Underwriters (or the intermediary through whom this Policy was effected) within the **period of insurance**.

3.23 PRIVACY

- a) **We** need to collect personal information from the **insured** for the primary purpose of providing them with insurance **products**, services, processing and assessing claims.
- b) If the **insured** does not to provide us with the information, **we** may not be able to process their application or assess their claims.
- c) By providing us with the **insured's** information, the **insured** consents to us disclosing their information to other insurers, **our** service providers, **our business** partners or as required by law.

3.24 POLICY INTERPRETATION

The construction, interpretation and meaning of the provisions of this policy shall be determined in accordance with Hong Kong law.

In the event of any dispute arising under this policy including, but not limited, to its construction and/or validity and/or performance and/or interpretation, the **Insured** will submit to the exclusive jurisdiction of any competent Court in Hong Kong.

3.25 REASONABLE PRECAUTIONS

It is a condition precedent to Underwriters' liability under this policy that the **insured** shall, at its own expense:

- a) take, and cause to be taken, reasonable precautions to prevent **personal injury, property damage** and/or **advertising liability**;
- b) comply with all statutory or local authority law, obligations and requirements or equivalent;
- c) to prevent the manufacture, sale or supply of defective **products**; and
- d) the **insured** shall at its own expense withdraw, inspect, repair, replace, trace, recall or modify any of the **products** containing any defect or deficiency of which the **insured** has knowledge or has reason to suspect.

3.26 SANCTIONS

Underwriters shall not be required to provide any coverage, pay any claim or provide any other benefit hereunder to the extent that provision of such coverage, payment of such claim or provision of such other benefit would be in violation of any trade or economic sanctions laws or regulations applicable in Underwriters' jurisdiction of domicile or with which the insurer is legally obligated to comply.

3.27 SUBROGATION

Underwriters waives all rights of subrogation under this policy against:

- a) any corporation or organisation the majority of whose capital stock is owned or controlled by the **insured**.
- b) Any corporation, organisation or person which or who owns or controls the majority of the capital stock of any corporation or organisation which or to whom protection is afforded under this policy, except that if such corporation, organisation or person is protected from such loss by any other policy of indemnity or insurance, Underwriters' right of subrogation is not waived to the extent and up to the amount of such other policy.

3.28 VALUATION AND FOREIGN CURRENCY

All premiums, limits, retentions, indemnity and other amounts referred to in this policy are expressed and payable, where due, in Hong Kong currency. Unless where otherwise provided, if judgment is rendered, settlement is denominated or an element of loss under this policy is stated in a currency other than Hong Kong dollars, payment under this policy shall be made in Hong Kong dollars at the cash rate of exchange for the purchase of Hong Kong dollars as reported in the South China Morning Post on the date the final judgment is reached, the amount of the settlement is agreed upon or the element of loss is due, as the case may be.

4/ DEFINITIONS

Words with special meanings are defined here or in the section of this policy where they are used. Where a word is defined in another section of this policy, it shall have the specific meaning given to it by that section for the purposes of the cover provided by that section and the General Conditions. Words that use the masculine gender include the feminine and vice versa. Words using the singular include the plural and vice versa.

The following words have the following meaning where used throughout this policy:

Act of terrorism

act of terrorism means any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- a) involves violence against one or more persons;
- b) involves damage to property;
- c) endangers life other than that of the person committing the action;
- d) creates a risk to health or safety of the public or a section of the public;
- or
- e) is designed to interfere with or to disrupt an electronic system.

Advertising liability

advertising liability means:

- a) infringement of copyright of, or passing off of a title or slogan;
- b) unfair competition, piracy or idea misappropriation contrary to an implied contract;
- c) invasion of privacy; or
- d) defamation, libel, slander,

committed or alleged to have been committed during the **period of insurance** in any advertisement, publicity article, broadcast or telecast arising out of the **insured's** advertising activities or any advertising activities conducted on the **insured's** behalf of the, in the course of advertising the **products**, goods or services related to those **products**.

Aircraft

aircraft shall mean any vessel, craft or thing made, or intended, to fly or move in or through the atmosphere or space.

Business

business means all activities and operations specified in the **particular conditions** and includes:

- a) the provision and management of catering, social, sports, welfare, childcare, theatrical and related facilities including galas for the benefit of **employees**;
- b) the provision of fire, first aid, ambulance and security services;
- c) at the **insured**'s discretion, private work carried out by a **employee** for a director or partner or **employee** of the **insured**'s;
- d) the ownership, maintenance, repair and occupation of premises or facilities belonging to the **insured**;
- e) attendance at or participation in trade fairs, shows and exhibitions by any **employee** or director in connection with their employment; and
- f) provision of sponsorship.

Compensation

compensation means monies paid or agreed to be paid by judgment or settlement for:

- a) personal injury;
- b) property damage; and
- c) advertising liability.

Computer virus

computer virus means an executable program or computer code segment that is self-replicating, requires a host program or executable segment in which it can be contained, and which destroys or alters the host, program or other computer code or data, causing undesired program or computer system operation.

Coverage territory

Unless specifically stated otherwise in the **particular conditions coverage territory** means anywhere in the world, except **North America**, where the policy will only apply in respect of **products** exported into those countries.

Electronic data

Electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD_ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

Employee

employee means:

- a) any person under a contract of service or apprenticeship with the **insured**;
- b) any labour master or person supplied, or any person supplied by a labour only sub-contractor;
- c) any self-employed person working under contract with the **insured** and under its direction;
- d) any person hired by the **insured** from another employer subject to a written agreement under which the person is deemed to be employed by the **insured**;
- e) any student or person undertaking work for the **insured** under a work experience or similar scheme; or
- f) any voluntary helper,

whilst engaged in connection with the **business**.

Employment Practices

employment practices means any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, sexual harassment or discrimination in respect of employment by the **insured**.

Excess

the amount specified in the **particular conditions** for which the **insured** will first bear in relation to each **occurrence**.

The **excess** applies to all amounts payable under this policy including the indemnity provided under additional payments.

means the amount stated in the **particular conditions**.

Hovercraft

hovercraft means any vessel, craft or device made to float on or in or travel on or through the atmosphere or water on a cushion of air provided by a downward blast.

Insured

insured means the **Insured** named in the **particular conditions**, and includes:

- a) any of the **insured's** subsidiary companies (including subsidiaries thereof) and any other entity under the **insured's** control, and over which the **insured** exercises active management;
- b) any of the **insured's** directors, officers, **employees** or partners but only whilst acting within the scope of their duties in such capacity;
- c) any person, principal, organisation, trustee or estate to whom or to which the **insured** is obligated by virtue of a written contract to provide insurance as is afforded by this policy, but only to the extent that is required by such contract and in any event only for such coverage and Limits of Liability as provided in this policy;
- d) any social and/or sporting clubs, first aid, fire and ambulance services formed with the **insured's** consent and includes any office bearer or member thereof in their respective capabilities as such; and any of the **insured's** directors or senior executives in respect of private work undertaken by the **insured's employees** for such director or senior executive.
- e) any partnership or joint venture but only if designated in the Declarations as a Named **Insured**.

If the **Insured** is designated in the Declarations as a partnership or joint venture, any partner or member thereof, but only with respect to their liability incurred in the operation of that partnership or joint venture.

Internet operations

internet operations means:

- a) transfer of computer data or programmes by use of electronic mail systems by the **insured** or the **insured's employees**, including for the purpose of this definition only, part-time and temporary staff, contractors and others within the **insured's** organisation whether or not such data or programmes contain any malicious or damaging code,

including but not limited to **computer virus**, worm, logic bomb, or trojan horse;

- b) access through the **insured's** network to the world wide web or a public internet site by the **insured** or the **insured's employees**, including for the purposes of this definition only, part-time and temporary staff, contractors and others within the **insured's** organisation;
- c) access to the **insured's** intranet (meaning internal company information and computing resources) which is made available through the world wide web for the **insured's** customers or others outside the **insured's** organisation; and
- d) the operation and maintenance of the **insured's** web site.

Motor vehicle

motor vehicle means any type of machine and attachments thereto including a trailer designed for use on land only, and which travels on wheels or on self laid tracks and is propelled by other than manual or animal power.

North America

North America means:

- a) the United States of America and Canada; and
- b) any state or territory incorporated in, or administered by, the United States of America or Canada.

Occurrence

occurrence means an event, including continuous or repeated exposure to conditions, which results in **personal injury**, **property damage** or **advertising liability** neither expected nor intended from the **insured's** standpoint, during the **period of insurance**.

With respect to **personal injury** or **property damage**, all such exposure to substantially the same general conditions shall be deemed one **occurrence**.

With respect to **advertising liability** all damages involving the same injurious material or act, regardless of the frequency or repetition thereof, the number and kind of media used and the number of claimants, shall be deemed to arise out of one **occurrence**.

Particular conditions

particular conditions means the **particular conditions** attaching to and forming part of this policy, including any **particular conditions** substituted for the original **particular conditions**.

Period of insurance

The time for which this policy is in force as shown in the particular conditions.

Personal injury

personal injury means:

- a) bodily injury, death, disease, illness, disability, nervous shock, mental anguish or mental injury or loss of consortium;
- b) false arrest, false detention, wrongful imprisonment, malicious prosecution or humiliation;
- c) wrongful entry or wrongful eviction or other invasion of privacy;

- d) defamation, libel or slander; and
- e) assault and/or battery committed by or at the direction of the **insured** whilst engaged in the **business** and for the purpose of preventing or eliminating danger to persons or property.

Policy

policy means this **policy** wording which is the contract of insurance between Underwriters and the **insured**; and is made up of:

- a) this **policy** wording;
- b) the **insured**'s submission provided to Underwriters;
- c) the **insured**'s most current **particular conditions** issued by Underwriters; and
- d) all other written changes otherwise advised by Underwriters in writing (such as Endorsements), and which may vary or modify (a), (b) or (c) above.

Policyholder

means the entity named in the **particular conditions**.

- a) any of the **insured**'s subsidiary companies (including subsidiaries thereof) and any other entity under the **insured**'s control, and over which the **insured** exercises active management;
- b) any of the **insured**'s directors, officers, **employees** or partners but only whilst acting within the scope of their duties in such capacity;
- c) any person, principal, organisation, trustee or estate to whom or to which the **insured** is obligated by virtue of a written contract to provide insurance as is afforded by this **policy**, but only to the extent that is required by such contract and in any event only for such coverage and Limits of Liability as provided in this **policy**;
- d) any social and/or sporting clubs, first aid, fire and ambulance services formed with the **insured**'s consent and includes any office bearer or member thereof in their respective capabilities as such; and any of the **insured**'s directors or senior executives in respect of private work undertaken by the **insured**'s **employees** for such director or senior executive.
- e) any partnership or joint venture but only if designated in the Declarations as a Named **Insured**.
- f) If the **Insured** is designated in the Declarations as a partnership or joint venture, any partner or member thereof.

Pollution

pollution means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acid, alkalis, chemicals or waste. Waste includes but is not limited to material to be recycled, reconditions or reclaimed.

Property damage

property damage means:

- a) physical damage to, or loss of or destruction to tangible property, including the subsequent loss of use of that property;
- b) loss of use and/or loss of value of tangible property that has not been physically damaged, physically lost or physically destroyed provided such loss of use and/or loss of value is caused by physical damage to,

physical loss of or physical destruction of other tangible property; and includes denial of access to property, premises, services of facilities, interference with or stoppage of vehicular or pedestrian traffic; and
c) trespass, nuisance or interference with right of way or right to light air or water, easement or quasi-easement.

For this purposes of this **policy**, **electronic data** is not tangible property.

Products

products means any goods or **products** manufactured, grown, extracted, produced, processed, treated, altered, handled, sold, supplied, distributed, imported, exported, repaired, services, installed, assembled, erected or constructed by the **insured** (including packaging and containers) in connection with the **business** in or from the **coverage territory**, and after it has ceased to be the **insured**'s property, or in the **insured**'s custody or legal control.

Watercraft

watercraft means any vessel, craft or thing made, or intended to float on or in, or travel on or through or under water.

We

The insurance company named in the **particular conditions** (“**us**”, “**our**” and “**ours**” also have the same meaning wherever they are used).



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