



## OPEN POLICY

### Domestic Helper Insurance Scheme (LTS/ERB)

- Policy No.** : DMS-23-DS122413(00)
- Policyholder** : Assurance Appraisal Ltd.
- Correspondence Address** : Room 1007, Eastern Harbour Centre, 28 Hoi Chak St., Quarry Bay, H.K.
- Insured** : Respective employers who engage domestic helper for individual long-term job including those whom are arranged by the Employees Retraining Board &/or designated training bodies.
- Domestic Helper** : Means the domestic helper and worker or helper or trainer of home care related service, mainly but not limited to domestic helper service, post-natal care service, infant and childcare service, elderly home care service, escort for out-patient service, personal care service, in-patient care service, discharged patients care service, health care massage service, cooking service, cleaning service, gardening and plant care service, pet care service.
- Insured Person** : Means the long-term domestic helper employer whose employer has participated in the policy as Insured. (Age limit: 16-70 years old)
- Period of Insurance** : (a) Open Policy: 1 October 2023 to 30 September 2024 (Both dates inclusive)  
(b) Individual Job: Either 1 or 3 or 6 month(s) or 1 or 2 year(s) as elected by Insured at the time of applying insurance
- Type of Coverage** : **Plan A**  
**Employees' Compensation Insurance Only**  
Policy Limit of Indemnity HK\$ 100,000,000.00 Any One Accident or Disease

#### **Plan B**

##### **a) Employees' Compensation Insurance**

Policy Limit of Indemnity HK\$ 100,000,000.00 Any One Accident or Disease

##### **b) Personal Accident Benefits**

(Long scale as per Appendix 1 - Table of Benefits)

Benefits	Sum Insured
Personal Accident Benefits	HK\$100,000.00
1. Accidental Death	100%
2. Permanent Disablement	100%
Accident Medical Expenses	HK\$1,000.00

In the event that the Insured Person shall sustain Injury during his/her rest days and not in the course of performance of any duty for the benefit of the employer and such Injury shall result in accidental death or Permanent Total Disablement

within 12 calendar months from the date of the Accident, the compensation payable under this benefit for the Insured Person is the maximum limit as specified in the Table of Benefits. If more than one of the following insured events occurs to the Insured Person, the total amounts payable under this section are limited to 100% of the sum insured and is equal to the maximum limit applicable to this section as specified in the Table of Benefits.

Any sums payable in respect of claims arising from the disability of the Insured Person shall be payable to the Insured Person.

Any sums payable in respect of claims arising from the death of the Insured Person shall be payable to the Insured Person's legal personal representatives.

**c) Personal Liability: HK\$1,000,000.00 (in aggregate)**

The Company will indemnify the Policyholder against all sums including all costs and expenses actually incurred for which the Policyholder shall become legally liable to pay as compensation to a third party arising out of negligence of the Insured Person whilst engaged in the Policyholder's employment up to the maximum limit of \$1,000,000.00

- a) accidental bodily injury or death to any person other than members of the Policyholder's Family;
- b) accidental loss of or damage to property belonging to any person other than members of the Policyholder's Family.

<b>Premium</b>	:	As Specified in the Premium Clause
<b>Participation</b>	:	Each employer of a long-term service domestic helper is eligible to participate in this insurance on a voluntary basis.
<b>Geographic Limit</b>	:	Hong Kong Only
<b>ACCOUNTS</b>	:	Annual
<b>CLAIMS</b>	:	Claims, if any, payable at destination or at Hong Kong by <b>BLUE CROSS (ASIA PACIFIC) INSURANCE LIMITED</b>
<b>CONDITIONS</b>	:	<b>Subject to the following Clauses &amp; Endorsements:</b>

**Monthly Declaration and Adjustment Clause**

It is hereby noted and agreed that the Policyholder shall declare the details of insured helper to the Company on monthly basis and the actual premium shall be calculated thereon at the rate stated in the Premium Table.

**Premium Clause**

The premium will be adjusted according to monthly declaration at the following rate table.

Insurance Period	Plan A (Non-Post-Natal Care Helper)	Plan B (Non-Post-Natal Care Helper)	Plan B (Post-Natal Care Helper)
1 month	-	HK\$100.00	HK\$150.00
3 months	-	HK\$140.00	HK\$230.00
6 months	-	HK\$180.00	HK\$380.00
1 year	HK\$195.00	HK\$250.00	-
2 years or 2 or more employee /annual policy	Less 10% discount	Less 10% discount	-

- Above premiums include all levies and surcharges.
- HK\$20.00 special discount for policy conversion.

The amount of levy payable to the Insurance Authority on the premium of this policy would be paid by Blue Cross on your behalf and would be remitted in accordance with the prescribed arrangements. For further information about the levy imposed by the Insurance Authority, please visit [http://bluecross.com.hk/document/general/levy\\_collection](http://bluecross.com.hk/document/general/levy_collection)

**GENERAL DEFINITIONS**

in this POLICY some words have a specific meaning

**1. Accident**

A sudden and unforeseen event that happens unexpectedly and causes Bodily Injury to the Insured Person.

**2. Injury or Bodily Injury**

Injury which is caused solely by violent accidental external and visible means and which independently of any other cause is the sole cause of any one of the event giving rise to a claim or resulting in expenses being necessarily incurred.

**3. Permanent Total Disablement**

Disablement which permanently, completely and continuously prevents the Insured Person from attending to his usual occupation or profession and any other occupation for which he is fitted by knowledge and training, and which has lasted for one year of the Insured Person's lifetime and is at the end of that period proved to our satisfaction to be permanent.

**4. Loss of Sight**

Total loss of sight of an eye which has lasted 3 months of the Insured Person's lifetime and is at the end of that period proved to our satisfaction to be permanent.

**5. Loss of Hearing**

Total loss of hearing which has lasted 3 months of the Insured Person's lifetime and is at the end of that period proved to our satisfaction to be permanent.

**Personal Accident Benefit Exclusions**

The Company shall not be liable for:-

1. Injury occurring not on the rest days of the Insured Person.
2. Engaging in a sport in a professional capacity or where an Insured Person would or could earn income or remuneration from engaging in such sport.
3. Climbing or mountaineering necessitating the use of ropes or guides, hang gliding and parachuting.
4. Racing other than (i) on foot or (ii) swimming.
5. Diving to a sea-depth of more than 30 metres.

### **Personal Liability Exclusions**

The Company shall not be liable for any liability arising out of or in connection with the following:

1. Any agreement unless liability would have attached otherwise.
2. Any ownership, possession or use of any mechanically and/or electrically propelled vehicles and/or accessories, including but not limited to pedal cycles, motorcycles, aircraft and/or watercrafts.
3. Any ownership, possession of livestock, other domestic animals or living creatures, plants or trees and the like.
4. Any occurrence that happens at the Policyholder's residence.
5. Any food and drink poisoning.

### **Employees' Compensation Insurance - Terrorism Endorsement**

Notwithstanding any provision to the contrary in this Policy or any endorsement thereto it is hereby agreed that in respect of any bodily injury or death by accident or disease ("the Loss") directly or indirectly caused by, resulting from or in connection with any act of terrorism or any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the Loss :

- a) the Policy Limit of Indemnity shall be such amount which the Company actually receives from the Government of the Hong Kong Special Administrative Region of the People's Republic of China ("the Government") pursuant to an Agreement for Provision of Facility dated 11th January 2002 between the Government and the Company under which the Government agreed to make available to the Company and other direct insurance companies authorized to underwrite Employees' Compensation insurance business in Hong Kong a facility to enable them to meet claims under Employees' Compensation insurance policies in respect of death and injury arising out of an event of Terrorism ("the Facility Agreement");
- b) the Company will only be required to make payment after it has received from the Government (i) an approval letter confirming that the Company should settle the claim and (ii) payment under the Facility Agreement; and
- c) for the avoidance of doubt, the Company shall have no obligation to make payment if for whatever reason it does not receive payment from the Government under the Facility Agreement, whether or not due to the Government's contention that the Loss does not fall within the scope of the Facility Agreement or the Company's breach of the Facility Agreement.

For the purpose of the above an act of terrorism means the use of force or violence or other means or the threat thereof, of any person or persons, whether acting alone or on behalf of or in connection with any organization or government, for political, religious, or ideological purposes with an intention to influence any government and/or put the public, or any section of the public, in fear.

If the Company alleges that the Loss falls within the scope of this endorsement, the burden of proving the contrary shall be upon the Insured.

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

### **Self-Employed Person & Sole-Proprietor Exclusion**

The Company shall not be liable under this Policy in respect of the Insured's liability to any person including self-employed &/or sole-proprietor who is not an employee of the Insured within the meaning of the Employees' Compensation Ordinance.

### **Total Asbestos Exclusion Clause**

This Policy shall not apply to and does not cover any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

### **Errors, Omission and Misdescription Clause**

The Insured is not to be prejudiced by any unintentional &/or inadvertent omission error or incorrect description of the interest risk or property insured or during the currency of the policy in respect of failure to advised change in any interest risk or property insured provided notice is given to the Company as soon as practicable. upon discovery of any such error omission or failure to give advice.



### Non-Cancellation Clause

It is hereby noted and agreed that cancellation of the Policy shall not be affected by the Policyholder except upon prior notification to the Company in writing giving fourteen (14) days' notice.

### Misrepresentation and Non-Disclosure

If the Proposal or Declaration or any part thereof is untrue, inaccurate or omitted in any material way thereby affecting the risk of this Policy or if any renewal thereof is obtained through any misstatement, misrepresentation or suppression or if any claim made shall be fraudulent or exaggerated or if any false declaration or statement shall be made in support thereof then in any of these cases this Policy shall be void.

### Loss Prevention

The Policyholder shall take all reasonable precautions to prevent Accidents and contraction of Disease and shall comply with all statutory obligations.

### Policy Not Assignable

This Policy is not assignable and the Company shall not be affected by notice of any trust charge lien assignment or other dealing with this Policy.

### Jurisdiction Clause

The indemnity under this Policy shall not apply to:-

- (1) compensation for damages in respect of judgements not in the first instance delivered by or obtained from a court of competent jurisdiction within Hong Kong.
- (2) costs and expenses of litigation recovered by any claimant from the Insured which are not insured in and recoverable in Hong Kong.

### Run Off Clause

It is agreed and understood that this Policy shall continue at the same insurance terms and conditions of the policy covering the works orders issued and commenced within the policy period until final completion of such works provided the cover period for such run off covers shall not exceed the insured employment period.

### Rights of Third Parties Clause

It is hereby noted and agreed that this Policy is subject to the following condition: 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.

### Sanction Limitation and Exclusion Clause

It is hereby declared and agreed that notwithstanding anything to the contrary in this Policy:

(1) The Company may, on such notice in writing as the Company may decide, terminate this Policy at any time, whether with effect from inception of this Policy or otherwise, in circumstances where the Policyholder, the Insured (or Insured Person) or any person or entity connected with this Policy have exposed or may, in the Company's opinion, expose the Company to the risk of being or becoming subject to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, United States of America or any jurisdiction applicable to the Company, or any other applicable economic or trade sanction laws or regulations. The Company shall not thereafter be required to transact any business with the Policyholder and/or the Insured (or Insured Person) and/or any person or entity connected with this Policy, including but not limited to making or receiving any payments under this Policy.

(2) Without prejudice to paragraph (1) above, this Policy shall not be deemed to provide cover and the Company shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Company to any, or any risk of, sanction, prohibition, or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, United States of America or any jurisdiction applicable to the Company, or any other applicable economic or trade sanction laws or regulations.

### Claims Conditions

When an accident occurs or there is a reasonable ground to believe that any occurrence is likely to give rise to a claim under this Policy, You must advise Us in writing within 30 days from the date of accident or date of discovery of the occurrence. You are required to cooperate with Us to provide information for investigation.

You must, at your own expenses, furnish Us with the loss circumstances in writing, all certified information and evidence as the Company may request. All claims shall be supported with documentary proof to the satisfaction of the

Company.

In case of any event pertaining to any Accident to the Insured Person or third party liability, You must report the loss to the police, building management office and/or any other relevant authorities and Us immediately and in any event not later than 24 hours after the above loss occurrence.

For third party liability claims, You must:

- i) notify Us of the possible claim in writing pertaining to the nature of loss and circumstances of the incident;
- ii) furnish Us with any letter, claim, writ, summons, court documents, court orders or decree, correspondence exchanged between legal representatives, letters of demand;
- iii) advise Us immediately when You have knowledge of any impending prosecution inquest or inquiry;
- iv) not to make any admission, offer or promise of payment or payment without our written consent and the Company shall be entitled if the Company does so desire to take over and conduct in your name the defence or settlement or handling of any claim and You shall give all such information and assistance as the Company may require.

For personal accident claims, You must:

- i) send Us examination reports issued by Medical Practitioners giving details on the nature of Injury and the extent and period of disability;
- ii) submit the police reports where relevant and if death shall have resulted, a copy of the death certificate and the relevant coroner's findings of the death inquest;
- iii) assist Us to make a post-mortem examination of the dead body in the case of death where any reasonable doubt exists as to the cause thereof.

If any claim under this Policy shall be in any respect fraudulent or exaggerated or if any fraudulent means or devices shall be used by the Policyholder, the Insured Person or anyone acting on the Policyholder s/Insured Person's behalf to obtain benefit under this Policy, the Company shall be under no liability in respect of such claim.

The Company is entitled to take over and conduct the defence or settlement or handling of any claim or to decline any claim if there has been a breach of any terms and conditions of this Policy.

Incomplete claim forms will be returned to the Policyholder and any insufficiency of supporting information or documentation will induce delays in processing the claim.

The Company shall not accept liability for any claim if the required information is not received within 30 days from the issue date of any written request from the Company for such further information, and the claim is thereafter deemed to be abandoned.

All payments made are repayable to the Company upon demand in the event that the Policyholder becomes disqualified or is found not to be entitled to indemnity under this Policy due to any breach or violation of the terms and conditions of this Policy, which the Company is or may not be aware of at the time of payment.

#### **Proof of Loss**

It is a condition precedent to any liability of the Company under this Policy that the Policyholder shall at his/her own expense furnish to the Company such certificate information and evidence as the Company may from time to time reasonably require in the form and of the nature described by the Company, and that the Insured Person shall submit himself/herself for medical examination from time to time or in the case of death upon reasonable notice to the Insured Person's legal personal representative to have a post-mortem examination of the body. An official death certificate shall be sufficient evidence to establish the death of a person.

#### **Arbitration**

All differences arising out of this Policy shall be first determined by arbitration in accordance with the Arbitration Ordinance, Chapter 341 of the Laws of Hong Kong. If the parties fail to agree upon the choice of arbitrators, then the choice shall be referred to the Chairman for the time being of the Hong Kong International Arbitration Center. It shall be a condition precedent to any right of action or suit upon this Policy that an arbitration award shall be first obtained. If the Company shall disclaim liability to the Policyholder for any claim and such claim shall not within 12 months from the date of such disclaimer have been referred to arbitration under the provisions herein then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

#### **Avoidance of Certain Terms and Rights of Recovery**

If the Company is obliged by the Ordinance to pay an amount for which the Company would not otherwise be liable under this Policy the Policyholder shall repay such amount to the Company.

#### **Non-Contribution**

This Policy is not to be called upon in contribution and is only to pay any loss thereon if and so far as not recoverable under any other insurance.



**Blue Cross 藍十字**

An **AIA** Company 友邦保險成員公司



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Personal Information Collection Statement



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**Subrogation**

The Policyholder shall at the request and at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from any other parties, to which the Company shall be or would become entitled or subrogated upon its paying or making good any damage under this Policy, whether such acts and things shall be or become necessary or required before or after indemnification by the Company.

**Age Limit**

Unless otherwise specified in the Policy Schedule, no coverage shall be provided for anyone who, at the time coverage would otherwise become effective, is under the age of 16 years or over 70 years of age.

For and on behalf of  
Blue Cross (Asia-Pacific) Insurance Ltd.

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Authorised Signature  
Date of Issue: December 06, 2023  
Agent Code: BR A-064

Appendix 1 - Table of Benefits

**SCHEDULE OF BENEFITS**

Benefits as percentage of the Sum Insured per Insured Person:

<i>Insured Events</i>	<i>Percentage of Sum Insured</i>
1. Accidental Death	100%
2. Permanent Total Disablement	100%
3. Permanent and incurable Paralysis of all Limbs	100%
4. Permanent Total Loss of Sight of both Eyes	100%
5. Permanent Total Loss of Sight of one Eye	50%
6. Loss of or Permanent Total Loss of use of two Limbs	100%
7. Loss of or Permanent Total Loss of use of one Limb	50%
8. Permanent Total Loss of Speech and Hearing	100%
9. Permanent Total Loss of Hearing in	
(a) both Ears	75%
(b) one Ear	15%
10. Permanent Total Loss of Speech	50%
11. Permanent Total Loss of the Lens of one Eye	30%
12. Removal of the Lower Jaw by surgical operation	30%
13. Loss of or Permanent Total Loss of use of Thumb and four Fingers of	
(a) right hand	70%
(b) left hand	50%
14. Loss of or Permanent Total Loss of use of four Fingers of	
(a) right hand	40%
(b) left hand	30%
15. Loss of or Permanent Total Loss of use of one Thumb	
(a) both right joints	30%
(b) one right joint	15%
(c) both left joints	20%
(d) one left joint	10%
16. Loss of or Permanent Total Loss of use of Fingers	
(a) three right joints	10%
(b) two right joints	7.5%
(c) one right joint	5%
(d) three left joints	7.5%
(e) two left joints	5%
(f) one left joint	2%
<i>(Left hand users can have the coverage percentage left and right hand reversed.)</i>	
17. Loss of or Permanent Total Loss of use of Toes	
(a) all – one foot	15%
(b) great – both joints	5%
(c) great – one joint	3%
(d) other – toe	2%
18. Fractured Leg or Patella with established non-union	10%
19. Shortening of leg by at least 5 cm	7.5%

The aggregate total of all percentages payable for Accidental Death and Permanent Total Disablement in respect of any one accident shall not exceed 100% and the eligible benefits payable for Permanent Total Disablement and Accidental Medical Expenses shall not exceed the limit of benefits stated in this Policy.

The total amount payable in respect of any one injury shall not exceed the Sum Insured per Insured Person





**Blue Cross 藍十字**  
An **AIA** Company 友邦保險成員公司



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# EMPLOYEES' COMPENSATION INSURANCE

## Terms and Conditions 條款及細則

Please read these terms and conditions carefully.  
Should you have any queries, please contact us for assistance.  
請詳細閱讀此條款及細則。如有任何查詢，請與我們聯繫。

Blue Cross (Asia-Pacific) Insurance Limited is a subsidiary of AIA Group Limited. It is not affiliated with or related in any way to Blue Cross and Blue Shield Association or any of its affiliates or licensees.

藍十字（亞太）保險有限公司乃友邦保險控股有限公司之子公司，與 Blue Cross and Blue Shield Association 及其任何關聯公司或持牌人並無任何關聯。

## INSURING CLAUSE

**WHEREAS** the Insured carrying on the Business by a Proposal and Declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to the Company for the insurance herein contained and has paid or agreed to pay the Premium specified herein as consideration for such insurance

**NOW THIS POLICY WITNESSETH** that if any Employee in the Insured's immediate employ shall sustain bodily injury or death by Accident occurring or Disease contracted during the Period of Insurance within the Geographical Area and arising out of and in the course of his employment by the Insured in the Business

**THE COMPANY WILL** subject to Policy Limit of Indemnity and to the terms exceptions and conditions contained in or endorsed on this Policy (all of which are hereinafter collectively referred to as "the Terms of this Policy") indemnify the Insured against his legal liability in respect of such bodily injury or death under the Ordinance and independently of the Ordinance to pay compensation and damages and claimant's costs and expenses and also indemnify the Insured against costs and expenses incurred by or on behalf of the Insured with the Company's written consent in connection therewith

**PROVIDED THAT** in the event of any change to the Ordinance during or subsequent to the Period of Insurance altering the legal liability of the Insured under the Ordinance the liability of the Company under this Policy shall be limited to such sums as the Company would have been liable to pay if the Ordinance had remained unaltered

### FURTHER PROVIDED THAT:

- (a) the due observance and fulfilment of the Terms of this Policy in so far as they relate to anything to be done or not to be done or to be complied with by the Insured; and
- (b) the truth of the statements and answers in the Proposal and Declaration and the Estimated Earnings Declaration and the Actual Earnings Declaration

shall be conditions precedent to any liability of the Company to make payment or to provide indemnity under this Policy.

**THE COMPANY WILL ALSO** in the event of the death of the Insured indemnify the Insured's legal personal representatives in the Terms of this Policy in respect of liability incurred by the Insured provided that such legal personal representatives shall as though they were the Insured observe fulfill and be subject to the Terms of this Policy in as far as they can apply.

## DEFINITIONS

For the purposes of this Policy:

- (a) "Accident" means an accident or a series of accidents arising out of one event.
- (b) "The Business" means the usual work and activities carried on by the Insured pertaining to his business as specified in the Schedule and no others.
- (c) "The Company" means **BLUE CROSS (ASIA-PACIFIC) INSURANCE LIMITED**
- (d) "The Company's Indemnity" means indemnity provided under this Policy including costs and expenses incurred by or on behalf of the Insured with the Company's written consent.
- (e) "Disease" means a disease contracted by an Employee of the Insured as a result of his exposure to the nature of his employment with the Insured. Such exposure may extend over a period of time and part of which period may fall outside the Period of Insurance under this Policy.
- (f) "Earnings" means all gross wages salaries remunerations commissions bonuses overtime termination payments allowances and the like directors' fees or other benefits whether at piecework rates or otherwise and whether paid in cash or in kind by the Insured to his Employees.
- (g) "Employee" has the same meaning as assigned to that expression in the Ordinance.
- (h) "The Insured" means only the person or persons specified as such in the Schedule and no others.
- (i) "Noise-Induced Deafness" has the same meaning as assigned to that expression in the Occupational Deafness (Compensation) Ordinance (Chapter 469 of the laws of Hong Kong).
- (i) "The Ordinance" means the Employees' Compensation Ordinance (Chapter 282 of the laws of Hong Kong).
- (k) "Pneumoconiosis" and "Mesothelioma" have the same meaning as assigned to those expressions in the Pneumoconiosis and Mesothelioma (Compensation) Ordinance (Chapter 360 of the laws of Hong Kong).



- (l) "The Policy" means this Employees' Compensation Insurance Policy the Schedule and any memoranda and endorsements contained herein or endorsed hereon which shall be read together as one document and any word or expression to which a specific meaning has been assigned shall bear such meaning throughout.
- (m) "The Proposal and Declaration" means any signed proposal form and declaration and any information supplied by or on behalf of the Insured in addition thereto or in substitution therefor.
- (n) Unless the context otherwise requires, words and expressions importing the masculine gender also include the feminine and neuter genders and words and expressions in the singular include the plural and words and expressions in the plural include the singular.

#### **POLICY LIMIT OF INDEMNITY**

- (a) In respect of any Accident or Disease giving rise to a claim or claims against the Insured for which indemnity is provided under this Policy the Company's Indemnity to the Insured shall in the aggregate be limited to the amount specified in the Schedule as "Policy Limit of Indemnity" irrespective of the number of Employees who may sustain bodily injury or death consequent on or attributable to the same occurrence of Accident or Disease.
- (b) In relation to any liability of the Insured in respect of a Disease contracted by an Employee due to the nature of his employment with the Insured which nature of employment applies during a period that extends over more than one policy period of insurance:
  - (i) the aggregate of the Company's Indemnity to the Insured under all insurance policies shall not exceed the limit of indemnity of the insurance policy that was in force at the time the nature of the Employee's employment to which such Disease was due first affected the Employee; and
  - (ii) subject to the limitation of paragraph (b)(i) hereof, the Company's Indemnity to the Insured under this Policy shall be limited to such proportion of the Insured's liability in respect of such Disease as that part of the Employee's period of employment falling within the Period of Insurance of this Policy bears to the total period of his employment to the nature of which such Disease was due.
- (c) If the occurrence of any Accident or Disease results in indemnity hereunder to more than one Insured, the limitations of the Company's liability specified in paragraphs (a) and (b) hereof shall apply to the aggregate of indemnity to all Insureds.
- (d) At any time after the occurrence of any Accident or Disease giving rise to a claim or claims against the Insured for which indemnity is provided under this Policy the Company may pay to the Insured the full amount of the Company's liability specified in paragraph (a) or (b) hereof (after the deduction of any sums already paid) or any lesser amount for which such claim or claims can be settled and shall relinquish the conduct of any defence settlement or proceedings relating to such claim or claims and shall not thereafter be responsible for any compensation damages or costs in respect thereof or for any costs or expenses whatsoever incurred by the Insured after the Company shall have relinquished such conduct or for any loss damage or expenses caused to the Insured in consequence of any act or omission of the Company in connection therewith or of the Company relinquishing such conduct.
- (e) If there should be any shortfall in the actual Earnings declared in accordance with paragraph (b) of INSURANCE PREMIUM of this Policy from the respective actual Earnings, the extent of the Company's Indemnity shall be reduced proportionately by the extent of under-insurance; and the balance shall be borne by the Insured himself. If no declaration of the actual Earnings by the Insured is received by the Company as prescribed, for the purpose of this clause the Earnings estimated by the Insured as at the commencement of the Period of Insurance shall be used in lieu of the actual Earnings that should have been declared to determine the extent of the under-insurance if any.

#### **JURISDICTION CLAUSE**

The Company shall not be liable under this Policy in respect of judgments against the Insured which are not in the first instance delivered by or obtained from a court of competent jurisdiction of Hong Kong.

#### **EXCEPTIONS**

The Company shall not be liable under this Policy in respect of:

- (a) the Insured's liability to employees of contractors to the Insured;
- (b) any liability of the Insured which attaches by virtue of an agreement but which would not have attached in the absence of such agreement;

- (c) any sum which the Insured would have been entitled to recover from any party but for an agreement between the Insured and such party;
- (d) any liability arising from Pneumoconiosis or Mesothelioma or Noise-Induced Deafness;
- (e) the Insured's liability to any person who is not an employee of the Insured within the meaning of the Ordinance;
- (f) any late payment surcharge fines penalties or punitive aggravated or exemplary damages for which the Insured may become liable under the Ordinance or independently of the Ordinance;
- (g) any injury by Accident or Disease attributable to war invasion act of foreign enemy hostilities or warlike operations (whether war be declared or not) civil war mutiny rebellion revolution insurrection or military or usurped power;
- (h) any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
  - (i) nuclear weapons material;
  - (ii) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel and for the purposes of this Exception combustion shall include any self-sustaining process of nuclear fission;
- (i) any injury by Accident or Disease where the Company has not been given sufficient notice of the institution of proceedings in a court or tribunal to enable the Company to be added as a party to the proceedings.

#### **AVOIDANCE OF CERTAIN TERMS AND RIGHT OF RECOVERY**

If the Company is obliged by the Ordinance to pay an amount for which the Company would not otherwise be liable under this Policy the Insured shall forthwith repay such amount to the Company.

#### **INSURANCE PREMIUM**

- (a) Prior to the commencement of the Period of Insurance, the Insured shall supply the Company with a declaration estimating the Earnings of the Employees employed in the Business during the Period of Insurance (which declaration is referred to herein as "the Estimated Earnings Declaration") on the basis of which a deposit premium becomes payable to the Company.
- (b) The Insured shall within ninety (90) days after the expiry of the Period of Insurance or upon cancellation of the Policy supply the Company with a completed Premium Adjustment and Declaration of Earnings Form stating the actual Earnings of Employees and provide the relevant supporting documents during the Period of Insurance (which declaration is referred to herein as "the Actual Earnings Declaration"). If the actual Earnings shall differ from the estimated Earnings the difference in premium shall be met by a further proportionate adjustment premium to be paid to the Company or by a premium refund to the Insured as the case may be.
- (c) It is hereby declared that the Premium payable by the Insured in consideration of the indemnity provided under this Policy is the sum of the deposit premium and the adjustment premium calculated pursuant to paragraphs (a) and (b) hereof.
- (d) The name Hong Kong Identity Card number class of employment and Earnings of every Employee of the Insured employed in the Business from time to time during the Period of Insurance shall be properly recorded by the Insured and retained in a safe place so that a record exists of all persons who are Employees of the Insured for the purpose of this Policy and the Insured shall at all reasonable times allow the Company to inspect and obtain copies of such records.
- (e) If the Insured fails to cooperate with the Company in submitting the completed Premium Adjustment and Declaration of Earnings Form, without prejudice to any other rights of the Company, the Company shall retain the discretion not to renew this insurance upon expiry of the Policy.

#### **CLAIMS SETTLEMENT CONDITIONS**

- (a) **Claims Notification Demands etc.** In the event of any occurrence which may give rise to a claim under this Policy the Insured shall immediately give notice thereof in writing to the Company with full particulars.

The Insured shall also give the Company notice in writing immediately the Insured becomes aware of any intention to prosecute the Insured any impending prosecution inquest or fatal inquiry in connection with any occurrence which may give rise to a claim under this Policy. Every letter claim writ summons and process shall be forwarded to the Company immediately on receipt.



- (b) **Claims Control by the Company.** The Company shall be entitled upon notice to the Insured to take over and conduct in the Insured's name the defence or settlement of any claim demand or proceedings against the Insured. In that event:
- (i) the Insured shall provide all such information and assistance including the latest earnings of all employees duly certified as being correct by an independent auditor and forward all such documents and other records to the Company for the conduct of such claim demand or proceedings as the Company in its discretion may from time to time require; and
  - (ii) the Insured shall not without the written consent of the Company incur any expenditure in connection with any such claim demand or proceedings or make any payment admission offer or enter into any settlement whatsoever.
- (c) **Claims Payments by the Insured.** Where the Insured pays all or any part of a claim for which he is liable and for which indemnity is provided by this Policy the Insured shall obtain duly witnessed signed receipts for such payments and shall retain in a safe place all such signed receipts and records and documents relating to such payments and the Insured shall at all reasonable times allow the Company to inspect and obtain copies of such records and documents.
- (d) **Other Insurance.** If at the time a claim is made by the Insured under this Policy there is any other insurance covering the same liability the Company shall not be liable to pay or contribute more than its ratable proportion of any such claim and costs and expenses in connection therewith.
- (e) **Waiver of Claims.** The Insured shall not become a party to any agreement the effect of which is that the Insured waives any claim which the Insured would otherwise have against any person in respect of or arising out of any occurrence resulting in liability on the part of the Insured for which indemnity is provided by this Policy or whereby any such claim is limited or qualified in any way.
- (f) **Subrogation.** The Company shall be entitled at its sole discretion to prosecute in the name of the Insured any claim for damages costs indemnity contribution or otherwise against any person who may be liable to the Insured in respect of any liability on the part of the Insured for which indemnity is provided by this Policy and shall have full discretion in the conduct of any such proceedings and in the settlement of any such claim. The Insured shall give all such information and assistance as the Company may from time to time require and execute any necessary documents for the purpose of vesting such rights in the Company. Any moneys recovered pursuant to the exercise of such rights shall be applied firstly for the benefit of the Company to the extent of the amount paid by the Company in respect of any claim including any costs and expenses paid or incurred by the Company and costs and expenses incurred in prosecuting such recovery action.

#### GENERAL CONDITIONS

- (a) **Notices.** Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company and in the case of notice or communication to the Insured to his address specified in the Schedule.
- (b) **Precautions.** The Insured shall take all reasonable precautions to prevent Accidents and Diseases and shall comply with all relevant statutory requirements and obligations including but not limited to the provisions of the Factories and Industrial Undertakings Ordinance (Chapter 59 of the laws of Hong Kong) and any Regulations Rules or Notices issued made or promulgated thereunder.
- (c) **Changes in Risk.** The Insured shall immediately notify the Company in writing of any material change in the risk insured hereunder made by the Insured or any other person during the Period of Insurance including but not limited to:
- (i) any merger with or acquisition of another company or business;
  - (ii) the Insured or any subsidiary or holding company of the Insured being placed in voluntary liquidation receivership or liquidation or entering into a composition with its creditors or being unable to pay its debts from its own resources; or
  - (iii) any material change in the nature of the Business or in the number of the Insured's Employees.
- (d) **Right of Inspection.** The Company shall have the right and opportunity at all reasonable times to inspect the works machinery plant and appliances used in the Business.
- (e) **Assignment.** No assignment of interest under this Policy shall bind the Company unless the written consent of the Company is first obtained and endorsed hereon.
- (f) **Cancellation.** This Policy may be cancelled by the Company or the Insured by written notice of cancellation from one party to the other. Cancellation shall take effect seven (7) days after the date of posting the notice of cancellation and in such event the Premium shall be adjusted in accordance with the provisions of "Insurance Premium".

- (g) **Arbitration.** All differences arising out of this Policy shall be determined by arbitration in accordance with the Arbitration Ordinance as amended from time to time. If the parties fail to agree upon the choice of the arbitrator, then the choice shall be referred to the Chairman for the time being of the Hong Kong International Arbitration Centre. It is expressly stipulated that it shall be a condition precedent to any right of action or suit upon this Policy that an arbitration award shall be first obtained. If the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
- (h) **Governing Law.** This Policy is subject to the exclusive jurisdiction of Hong Kong and is to be construed according to the laws of Hong Kong.