

COMPREHENSIVE GENERAL LIABILITY POLICY

(OCCURRENCE FORM)

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Company's Registration No. PB5179

COMPREHENSIVE GENERAL LIABILITY POLICY

Table of Contents

1	COVERAGE	4
1.1	INSURING AGREEMENTS.....	4
2	EXCLUSIONS	5
2.1	AIRCRAFT PRODUCTS.....	5
2.2	ASBESTOS.....	5
2.3	CONSTRUCTION, DEMOLITION, ALTERATION, ADDITION WORKS	5
2.4	CONTRACTUAL LIABILITY	5
2.5	DAMAGE TO IMPAIRED PROPERTY.....	5
2.6	DAMAGE TO PROPERTY	6
2.7	EMPLOYER’S LIABILITY	6
2.8	EMPLOYMENT PRACTICES	6
2.9	EXPECTED OR INTENDED DAMAGE OR INJURY	7
2.10	FAILURE TO PERFORM, EFFICACY.....	7
2.11	FINES, PENALTIES, PUNITIVE DAMAGES, EXEMPLARY DAMAGES ETC.	7
2.12	HUMAN T-CELL LYMPHATROPIC VIRUS, LYMPHADENOPATHY ASSOCIATED VIRUS, ETC	7
2.13	INFRINGEMENT OF PATENT, COPYRIGHT, TRADEMARK, TRADE DRESS ETC	7
2.14	NUCLEAR, RADIOACTIVE CONTAMINATION	7
2.15	OFFSHORE	8
2.16	OWNERSHIP, MAINTENANCE, USE, OPERATION ETC OF WATERCRAFT, AIRCRAFT.....	8
2.17	PATHOGENIC ORGANISMS	8
2.18	POLLUTION.....	8
2.19	PRODUCT GUARANTEE, PRODUCT WARRANTY	8
2.20	PRODUCT RECALL	9
2.21	PROFESSIONAL LIABILITY	9
2.22	TERRORISM	9
2.23	TOBACCO	9
2.24	TRAILER, LICENSED MOTOR VEHICLES.....	9
2.25	VIBRATION, PILE DRIVING, SUBSIDENCE, DEMOLITION ETC	10
2.26	WAR, INVASION, ACT OF FOREIGN ENEMY AND ETC	10
2.27	WORKER’S COMPENSATION OR SIMILAR LAW	10
3	LIMITS OF INSURANCE AND DEDUCTIBLE	11
3.1	LIMITS OF INSURANCE	11
3.2	DEDUCTIBLE	12
4	CONDITIONS	13
4.1	ARBITRATION.....	13
4.2	BANKRUPTCY	14
4.3	CANCELLATION	14
4.4	CONDITION PRECEDENT	14
4.5	CROSS LIABILITY.....	15
4.6	DEFENSE AND SETTLEMENTS	15
4.7	DUTIES IN THE EVENT OF OCCURRENCE, CLAIM OR SUIT.....	15
4.8	EXAMINATION OF THE INSURED’S BOOKS AND RECORDS	16
4.9	FRAUD OR DISHONESTY	16
4.10	INSPECTIONS AND SURVEYS	17
4.11	LEGAL ACTION AGAINST THE COMPANY	17

4.12	NON-ASSIGNMENT OF POLICY	17
4.13	NOTICE	17
4.14	OTHER INSURANCE.....	18
4.15	POLICY MODIFICATIONS.....	18
4.16	PREMIUM ADJUSTMENT.....	18
4.17	REASONABLE CARE.....	18
4.18	RENEWAL	19
4.19	RISK ALTERATIONS	19
4.20	SANCTIONS / EMBARGOES	19
4.21	SOLE AGENT.....	19
4.22	STATUTORY REQUIREMENTS.....	20
4.23	TERMS	20
4.24	TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO THE COMPANY.....	20
4.25	TRANSFER OF THE INSURED'S RIGHTS AND DUTIES UNDER THIS POLICY	20
5	DEFINITIONS.....	21
5.1	AIRCRAFT.....	21
5.2	CLAIM	21
5.3	CLAIMS EXPENSES.....	21
5.4	DEDUCTIBLE.....	21
5.5	EMPLOYMENT PRACTICES	22
5.6	GEOGRAPHICAL LIMITS	22
5.7	IMPAIRED PROPERTY	22
5.8	INSURED.....	23
5.9	INSURED BUSINESS.....	23
5.10	INSURED'S PRODUCTS.....	23
5.11	JURISDICTION LIMITS	24
5.12	LICENSED MOTOR VEHICLE	24
5.13	LIMITS OF INSURANCE.....	24
5.14	LOSS.....	24
5.15	MEDICAL PERSONS.....	24
5.16	OCCURRENCE	24
5.17	OFFSHORE OPERATIONS	25
5.18	PATHOGEN ORGANISMS	25
5.19	PERSONAL INJURY.....	25
5.20	POLICY PERIOD	26
5.21	POLICY YEAR.....	26
5.22	POLLUTANTS	26
5.23	PRODUCT HAZARD	26
5.24	PROPERTY DAMAGE	27
5.25	TERRORISM	27
5.26	WATERCRAFT.....	27
6	POLICY SCHEDULE.....	
7	ENDORSEMENTS.....	

COMPREHENSIVE GENERAL LIABILITY POLICY

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the word "Company" refers to the insurer named in the policy schedule. The word "Insured" means any person or organization qualifying as an **Insured** under DEFINITIONS section of the policy.

Words and phrases that appear in bold face have the special meanings set forth in DEFINITIONS section of the policy. Words that appear in the singular include the plural and words that appear in the plural include the singular.

1 COVERAGE

1.1 Insuring Agreements

Subject to all the terms contained herein and endorsed hereon, the Company will pay to or on behalf of the **Insured Loss** which the **Insured** shall become legally liable to pay as damages in respect of **Personal Injury** or **Property Damage** occurring within the **Geographical Limits** during the **Policy Period** as a result of an **Occurrence** happening in connection with the **Insured Business** described in the policy schedule.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under LIMITS OF INSURANCE section of this policy or any endorsement which forms part of this policy.

This insurance applies only to damages for **Personal Injury** or **Property Damage**, which are determined in a suit on the merits taking place in the **Jurisdiction Limits**, or in a settlement to which the Company agrees.

2 EXCLUSIONS

This insurance does not apply to any:

2.1 Aircraft Products

Loss for which the **Insured** shall become legally liable to pay in respect of **Personal Injury** or **Property Damage** arising out of or in connection with or related to **Insured's Products**, which is manufactured, designed or intended for use in any **Aircraft** and which control, monitor or in any way affect the flying capabilities of any **Aircraft**.

2.2 Asbestos

Loss for which the **Insured** shall become legally liable to pay in respect of **Personal Injury** or **Property Damage** arising out of or in connection with or related to asbestos, asbestos products or use of any materials containing asbestos in whatever form or quantity.

2.3 Construction, Demolition, Alteration, Addition Works

Loss for which the **Insured** shall become legally liable to pay in respect of any liability arising out of or in connection with or related to any project involving the construction of, demolition of, alteration of and/or addition to any building, structure or infrastructure by or on behalf of the **Insured** where the total cost of the project is US\$200,000 or greater.

2.4 Contractual Liability

Loss for which the **Insured** shall become legally liable to pay in respect of **Personal Injury** or **Property Damage** for which the **Insured** is obligated to pay by reason of the assumption, in a contract or agreement, of liability which would otherwise not attach. This exclusion does not apply to liability which would have been imposed by law in the absence of such contract or agreement.

2.5 Damage to Impaired Property

Property Damage to Impaired Property, arising out of or in connection with or related to:

- a) a defect, deficiency, inadequacy, or dangerous condition in **Insured's Products** or work performed by or on behalf of the **Insured** to meet the level of performance, quality, fitness, or durability warranted or represented by the **Insured**; or
- b) a delay or failure by the **Insured** or anyone acting on behalf of the **Insured** to perform a contract of agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to **Insured's Products** or work performed by or on behalf of the **Insured** after **Insured's Products** or works has been put to its intended use.

2.6 Damage to Property

Property Damage or **Loss** for which the **Insured** shall become legally liable to pay in respect of **Property Damage** to:

- a) property the **Insured** owns, rents, or occupies;
- b) premises the **Insured** sells, gives away or abandons, if the **Property Damage** arises out of any part of those premises;
- c) property loaned to the **Insured**;
- d) personal property in the **Insured's** care, custody or control;
- e) property being loaded or unloaded by the **Insured** onto or from any **Aircraft, Watercraft** or **Licensed Motor Vehicle** if the **Property Damage** arises out of the loading or unloading;
- f) that particular part of any property on, at or with which the **Insured** or any contractors or subcontractors working directly or indirectly on the **Insured's** behalf are performing operations, if the **Property Damage** arises out of those operations;
- g) that particular part of any property that must be restored, repaired or replaced because the **Insured's** work was incorrectly performed on it;
- h) **Insured's Products.**

2.7 Employer's Liability

Loss for which the **Insured** shall become legally liable to pay in respect of **Personal Injury** to an employee of the **Insured** or other person under contract of service or apprenticeship with the **Insured** arising out of and in the course of the employment of the employee by the **Insured** or out of such service or apprenticeship, as well as **Personal Injury** to the spouse, child, parent, brother or sister of that employee or other person as a consequence of such **Personal Injury** to that employee or other person. This exclusion applies whether the **Insured** may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the **Personal Injury**.

2.8 Employment Practices

Loss for which the **Insured** shall become legally liable to pay in respect of any liability relating to **Employment Practices**.

2.9 Expected or Intended Damage or Injury

Loss for which the **Insured** shall become legally liable to pay in respect of **Personal Injury** or **Property Damage** expected or intended from the standpoint of the **Insured**. This exclusion does not apply to **Personal Injury** resulting from the use of reasonable force to protect any persons or property.

2.10 Failure to Perform, Efficacy

Loss for which the **Insured** shall become legally liable to pay in respect of any liability arising out of or in connection with or related to the failure of **Insured's Products** or part thereof to perform its intended function or meet the performance requirements.

2.11 Fines, Penalties, Punitive Damages, Exemplary Damages etc.

Fines, penalties (whether civil, criminal or contractual), punitive damages, exemplary damages, treble damages or any other damages resulting from the multiplication of, or in excess of compensatory damages.

2.12 Human T-Cell Lymphotropic Virus, Lymphadenopathy Associated Virus, etc

Loss for which the **Insured** shall become legally liable to pay in respect of any liability arising out of or in connection with or related to any condition directly or indirectly caused by or associated with Human T-Cell Lymphotropic Virus type III (HTLV III) or Lymphadenopathy Associated Virus (LAV) or the mutants derivatives or variations thereof or any way related to Acquired Immune Deficiency Syndrome or any syndrome or condition of a similar kind howsoever it maybe named.

2.13 Infringement of Patent, Copyright, Trademark, Trade Dress etc

Loss for which the **Insured** shall become legally liable to pay in respect of any liability arising out of or in connection with or related to infringement of any patent, copyright, trademark, trade dress, trade name, service mark, misappropriation of a trade secret or other intellectual property.

2.14 Nuclear, Radioactive Contamination

Loss for which the **Insured** shall become legally liable to pay in respect of **Personal Injury** or **Property Damage** directly or indirectly caused by, contributed to by, or arising out of or in connection with or related to:

- a) ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or any nuclear component thereof;
- c) any nuclear reactor, nuclear power station or plant, premises or facilities whatsoever related to or concerned with the production of nuclear energy or the production or storage or handling of nuclear fuel or nuclear waste;

- d) any other premises or facilities eligible for insurance by any local nuclear pooland/or association

2.15 Offshore

Loss for which the **Insured** shall become legally liable to pay in respect of **Personal Injury** or **Property Damage** arising out of or in connection with or related to operational risks of **Offshore Operations**.

2.16 Ownership, Maintenance, Use, Operation etc of Watercraft, Aircraft

Loss for which the **Insured** shall become legally liable to pay in respect of **Personal Injury** or **Property Damage** arising out of or in connection with or related to the ownership, maintenance, use, operation, loading, unloading or entrustment to others of any **Watercraft** exceeding 8 meters in length or any **Aircraft** owned or operated by or loaned or rented to any **Insured**.

2.17 Pathogenic Organisms

Loss for which the **Insured** shall become legally liable to pay in respect of **Personal Injury** or **Property Damage** arising out of or in connection with or related to any **Pathogenic Organisms**, regardless of any other cause or event that contributed concurrently or in any sequence to that injury or damage.

2.18 Pollution

Loss for which the **Insured** shall become legally liable to pay in respect of any liability arising out of or in connection with or related to directly or indirectly out of the actual, alleged or threatened discharge, dispersal, release, seepage or escape of **Pollutants**, or any **Loss**, cost or expense arising out of any direction or request, whether governmental or otherwise, that the **Insured** evaluate, test for, monitor, clean up, remove, control, contain, treat, detoxify or neutralize **Pollutants**.

2.19 Product Guarantee, Product Warranty

Loss for which the **Insured** shall become legally liable to pay in respect of any liability arising out of, in connection with or related to any **Product Guarantee** or **Product Warranty** given by or on behalf of the **Insured**.

2.20 Product Recall

Damages claimed for any **Loss**, cost or expense incurred by **Insured** or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- a) **Insured's Products**; or
- b) **Impaired Property**; or
- c) work performed by or on behalf of the **Insured**;

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

2.21 Professional Liability

Loss for which the **Insured** shall become legally liable to pay in respect of **Personal Injury** or **Property Damage** arising out of or in connection with or related to the rendering of or failure to render any professional advice or service by **Insured** or any error or omission connected therewith. This exclusion does not apply to liability arising out of the rendering or failure to render medical advice at the **Insured's** premises by **Medical Persons** employed by the **Insured** to provide first aid and ancillary medical services.

2.22 Terrorism

Loss for which the **Insured** shall become legally liable to pay in respect of any liability directly or indirectly caused by, resulting from, happening through or in connection with any act of **Terrorism**, regardless of any other cause contributing concurrently or in any other sequence to the loss, damage or expense.

2.23 Tobacco

Loss for which the **Insured** shall become legally liable to pay in respect of **Personal Injury** arising out of or in connection with or related to tobacco or tobacco smoke or any ingredient or additive present in any articles, items or goods which contain or include tobacco.

2.24 Trailer, Licensed Motor Vehicles

Loss for which the **Insured** shall become legally liable to pay in respect of **Personal Injury** or **Property Damage** caused by or in connection with or arising out of the ownership or possession or use by or on behalf of the **Insured** of any trailer or **Licensed Motor Vehicle**. However, this exclusion does not apply to liability in respect of the loading, unloading or collection of goods onto or from such trailer or **Licensed Motor Vehicle**.

2.25 Vibration, Pile Driving, Subsidence, Demolition etc

Loss for which the **Insured** shall become legally liable to pay in respect of **Property Damage** to land, buildings, or other structures caused by vibration, pile driving, subsidence or demolition or resulting from the removal or weakening of support, and any **Loss** arising in consequence of such **Property Damage**.

2.26 War, Invasion, Act of Foreign Enemy and etc

Loss for which the **Insured** shall become legally liable to pay in respect of **Personal Injury** or **Property Damage** due to war, invasion, act of foreign enemy, hostilities, civil war, insurrection, rebellion, revolution, mutiny, military or usurped power, riot, strike, lockout, military or popular uprising, civil commotion, martial law, or loot, sack or pillage in connection therewith, confiscation or destruction by any government or public authority or any act or condition incident to any of the above, whether war be declared or not.

2.27 Worker's Compensation or Similar Law

Loss for which the **Insured** shall become legally liable to pay in respect of any obligation of the **Insured** under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

3 LIMITS OF INSURANCE AND DEDUCTIBLE

3.1 LIMITS OF INSURANCE

3.1.1 The **Limits of Insurance** shown in the policy schedule and the rules below specify the maximum the Company will pay for **Loss** for any one **Occurrence**, where applicable, regardless of the number of:

- a) **Insureds**; or
- b) **Claims** made; or
- c) claimants

for all **Personal Injury** and **Property Damage** arising out of any one **Occurrence** during each **Policy Year**.

Notwithstanding the above, the total aggregate **Limits of Insurance** during any one **Policy Period** for **Loss** which the **Insured** shall become legally liable to pay as damages arising out of **Product Hazard** shall not exceed the **Limits of Insurance** stated in the policy schedule.

The maximum payment by the Company shall in no case exceed the **Limits of Insurance** less **Deductible**.

3.1.2 The Company will pay **Claims Expenses** in addition to **Limits of Insurance** subject to the following conditions:

- a) All **Claims Expenses** incurred by the Company and/or by the **Insured** with the Company written consent in the settlement or defence of any **Claim** for compensation in respect of which the **Insured** is or would be entitled under this policy.
- b) All **Claims Expenses** recoverable from the **Insured** by claimants in connection with the said **Claims**.
- c) The Company is not obliged to pay any **Claim** or judgments or defend any suit after the **Limits of Insurance** are exhausted by payment of judgments or settlements.
- d) If a payment exceeding the **Limits of Insurance** has to be made to dispose of a **Claim**, the liability of the Company for **Claims Expenses** will be limited to the proportion of the Company's liability under this policy to that payment.
- e) All sums payable under this policy for **Loss** will be paid by the Company in the order that such sums are presented to the Company for indemnification.

3.1.3 Notwithstanding 3.1.2, the **Limits of Insurance** are inclusive of **Claims Expenses** for:

- a) any **Occurrence** in United States of America or Canada and all its territories, possessions and any state of political subdivision thereof; or
- b) any **Claim** brought in a court of law in the United States of America or Canada and all its territories, possessions and any state of political subdivision thereof.

and the **Limits of Insurance** available for damages shall be reduced by any amount that the Company pays on behalf of the **Insured** for **Claims Expenses** or that the Company incurs on behalf of the **Insured** as **Claims Expenses**.

3.2 DEDUCTIBLE

The amount of **Deductible** shall be borne by **Insured**. The Company will only be liable under this policy for **Loss** that exceeds the amount of **Deductible** stated in the policy schedule. In the event that the Company pays part or all of the **Deductible** in settlement of a **Claim**, the **Insured** will promptly reimburse the Company upon notification.

4 CONDITIONS

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

4.1 Arbitration

If any difference shall arise to the quantum payable for any loss or damage under this Policy, such difference shall independently of all other questions be referred to arbitration by notice in writing as provided for herein;

- i. The party who seeks to refer such dispute or difference to arbitration (“the First Party”) shall name the arbitrator appointed by him (“the first arbitrator”) in the notice in writing and send to the other party (“the Other Party”) making such reference and request the Other Party to appoint another arbitrator;
- ii. In the event of the Other, Party fails to appoint another arbitrator (“the second arbitrator”) within thirty (30) days from the date of dispatch of the said notice, the first arbitrator shall act as the sole arbitrator and make a final award as if the parties hereto have jointly appointed him to act as such sole arbitrator.
- iii. The date of dispatch shall mean the date on which such notice is dispatched by registered post and the postal frank or postal receipt shall be the conclusive evidence of proof thereof;
- iv. If the Other Party appoints the second arbitrator, the two arbitrators shall within twenty (20) days of the appointment of the second arbitrator, appoint a Chairman as provided for in section 6 (3) of the Arbitration Act. No 11 of 1995 of Sri Lanka (the Act) shall sit with the first and second arbitrators and preside at their meetings.
- v. In the event of a vacancy of an arbitrator due to resignation or death or otherwise, the party appointed the arbitrator whose position became vacant shall appoint another arbitrator within 21 days from the date on such position became vacant or within 21 days from a written notice by the other party requesting to appoint an arbitrator for the position of vacant arbitrator whichever is later. The failure of such party to appoint an arbitrator after the said notice by the other party to fill the vacancy, the remaining arbitrator and the Chairman shall terminate the arbitration proceedings and the party who failed to appoint an arbitrator in the place of the vacant arbitrator shall not thereafter contest the matter in dispute and or difference which was originally referred to the arbitration. In the event of the position of Chairman becomes vacant, the two arbitrators shall appoint a new Chairman within 21 days from the date on which the position of Chairman became vacant.
- vi. In the event of such dispute or difference arising in respect of any quantum payable under this Policy as aforesaid has not been referred to Arbitration within twelve (12) calendar months from the date of arising of such dispute or difference, the quantum decided by the insurer shall prevail.

- vii. The Arbitration proceedings shall be held in the city of Colombo, the language of the proceedings shall be in English, and unless otherwise agreed between the parties the procedure for the arbitration shall be the procedure stipulated in the Act as far as such procedure is not conflicting with this arbitration agreement. If there is a conflict between the Act and this arbitration agreement, provisions in this arbitration agreement shall prevail over the provisions of the Act.
- viii. The award made at an arbitration held as provided herein shall be final, conclusive, and binding on the parties hereto;

The cost of the arbitrator appointed by each party shall be borne by the party who appointed the respective arbitrator and the cost of the Chairman and any other administrative costs shall be borne by the parties in equal shares. In the event of a sole arbitrator, the cost of the sole arbitrator shall be borne by the parties in equal shares.

4.2 Bankruptcy

Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate will not relieve the Company of the Company's obligations under this policy.

4.3 Cancellation

The first named **Insured** shown in the policy schedule or the Company may cancel this policy by mailing or delivering written notice of cancellation to the other, at least thirty (30) days before the effective date of cancellation. Notice of cancellation will state the effective date of cancellation. The **Policy Period** and **Policy Year** then in effect will end on that date. If this policy is cancelled, the Company will send the first named **Insured** any premium refund due. If the Company cancels this policy, the refund will be pro rata. If the first named **Insured** cancels this policy, premium for the **Policy Year** will be refunded in accordance with the short rate premium table of the Company, a copy of which is available at the request of the **Insured**. The cancellation will be effective even if the Company has not made or offered a refund of premium.

However, no premium refund is applicable if there is a **Claim** or notification of any occurrence which may give rise to a **Claim** prior to the above cancellation date.

4.4 Condition Precedent

It is condition precedent to any liability under this policy that:

- a) for the risk insured, the **Insured** has never had any insurance terminated in the last twelve (12) months due solely or in part to a breach of any premium payment condition; or
- b) if the **Insured** has declared that it has breached any premium payment condition in respect of a previous policy taken up with another insurer in the last twelve (12) months:
 - (i) the **Insured** has fully paid all outstanding premium for time on risk calculated by the previous insurer based on the customary short period rate in respect of the previous policy; and

- (ii) a copy of the written confirmation from the previous insurer to this effect is first provided by the Insured to the Company before cover incepts.

4.5 Cross Liability

Each of the parties comprising the **Insured** as stated in the policy schedule is considered a separate legal entity and the word “Insured” applies to each party as if a separate policy has been issued to each of the said parties but nothing contained in this clause will operate to increase the Company’s liability under this policy.

4.6 Defense and Settlements

With respect to the coverage afforded by this policy, the Company will defend in the name of and on behalf of the **Insured** any **Claim** against the **Insured** alleging such **Personal Injury** or **Property Damage** and seeking damages on account thereof even if such **Claim** is groundless, false or fraudulent, and the Company may make such investigation, negotiation and settlement of any **Claim** as the Company may deem expedient.

Provided that:

- (i) the Company shall not be obliged to pay any **Claim** or judgement or to defend any suit after the **Limit of Insurance** has been exhausted by payment of judgements or settlements,
- (ii) if a payment exceeding the **Limit of Insurance** has to be made to dispose of a **Claim**, the Company's liability to pay any law costs and expenses in connection therewith shall be limited to such proportion of the law costs and expenses as the **Limit of Insurance** bears to the amount paid to dispose of the **Claim**,
- (iii) the Company does not have the duty to defend the **Insured** against any **Claim** to which this insurance does not apply.

The Company shall have the right to recommend that the **Insured** settle such **Claim** for an amount for which the **Claim** can be settled. The **Insured** may decline to settle any **Claim** which the Company so recommends that it settle; provided, however, that in the event the **Insured** shall elect to contest or continue to contest such **Claim** after the Company has recommended it be settled, the Company may withdraw from the matter, and the liability of the Company shall not exceed the sum of the amount of damages for which the **Claim** could have been settled and the amount of **Claims Expenses** incurred with the Company's consent prior to the date on which the Company first recommended settlement.

The Company may in the case of any **Claim** pay to the first Named **Insured** the amount of the Company's applicable **Limits of Insurance** or any lesser sum for which the **Claim** can be settled and the Company will thereafter have no further liability in respect of such **Claim**.

4.7 Duties in the Event of Occurrence, Claim or Suit

The **Insured** must notify the Company in writing immediately and in any event not later than 30 days, of any **Occurrence**, which may result in a **Claim**. Such notice must include:

- a) how, when and where the **Occurrence** took place;
- b) the names and addresses of any injured persons and witnesses;

- c) the nature and location of any injury or damage arising out of the **Occurrence**; and
- d) any other relevant details;

The **Insured** must notify the Company immediately and not later than 30 days of :

- a) any impending prosecution, inquest or fatal accident inquiry; or
- b) any **Claim** made against the **Insured**.

The **Insured** must :

- a) immediately send the Company a copy of any demand, letter, writ, claim, notice of arbitration, process, notice, summons or legal paper received in connection with the **Claim**; and
- b) retain unaltered and unrepaired any machinery, plant, appliances or things in any way causing or connected with any event which might give rise to a **Claim** under this policy for such time as the Company may reasonably require.

Upon the Company's request the **Insured** must :

- a) authorize the Company to obtain records and other information, cooperate with the Company in the investigation, settlement or defense of the **Claim**; and
- b) assist the Company in the enforcement of any right against any person or organization which may be liable to the **Insured** because of **Personal Injury** or **Property Damage** to which this insurance may also apply.

No **Insured(s)** will, except at their own cost, voluntarily make any payment, assume any obligation, or incur any expense without the Company's consent.

4.8 Examination of the Insured's Books and Records

The Company may examine and audit the **Insured's** books and records as they relate to this policy at any time during the **Policy Period** and until the later of three years after termination of this policy or one year after final disposition of all **Claims** arising out of any **Occurrence** notice of which has been given under this policy.

4.9 Fraud or Dishonesty

If any **Claim** under this policy is in any respect fraudulent, or if any false declaration is made or used in support of such **Claim**, or if any fraudulent means or devices are used by the **Insured** or anyone acting on behalf of the **Insured** to obtain any benefit under this policy; or, if the **Loss** or damage is occasioned by the wilful act, or with the connivance of the **Insured**, this policy shall become void and all benefits under this policy shall be forfeited.

4.10 Inspections and Surveys

The Company has the right but is not obligated to:

- a) make inspections and/or surveys, at any time;
- b) give the **Insured** reports on the conditions that the Company finds; and
- c) recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums charged. The Company does not make safety or compliance inspections. The Company does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public, nor does the Company warrant that conditions are safe or healthful or comply with laws, regulations, codes and standards.

4.11 Legal Action against the Company

No person or organization has a right under this policy to join the Company as a party or otherwise bring the Company into a suit asking for damages from an **Insured**.

4.12 Non-assignment of Policy

This Policy and any rights hereunder shall not be assigned without the written consent of the Company.

4.13 Notice

Any notice required to be given under this policy by:

- a) the **Insured** will be given to the Company by mailing or delivering such notice to the Company at the address shown in the policy cover. Notice to the Company's or the **Insured's** agent will not constitute notice to the Company.
- b) the Company will be given by mailing or delivering such notice to the **Insured** first shown in the policy schedule at the address shown therein.

Notice to any agent or knowledge possessed by any agent or any other person shall not effect a waiver or a change in any part of this policy or prevent the Company from asserting any right under the terms of this policy, nor shall the terms of this policy be waived or changed, except by endorsement issued by the Company and made a part of this policy. If notice is mailed, proof of mailing will be sufficient proof of notice.

4.14 Other Insurance

If other valid and collectible insurance is available to the **Insured** for **Personal Injury** or **Property Damage** the Company covers under this policy, other than insurance that is issued specifically as insurance in excess of the insurance afforded by this policy, and irrespective of:

- a) when such other insurance incepts or terminates;
- b) which insurer provides such other insurance;
- c) basis on which such other insurance applies or is triggered;

this policy shall be excess of and shall not contribute with such other insurance. Nothing in this policy shall be construed to make this policy subject to any of the terms of other insurance.

4.15 Policy Modifications

This policy contains all the agreements between the **Insured** and the Company concerning the insurance afforded. This policy's terms can be amended or waived only by endorsement issued by the Company and made a part of this policy.

4.16 Premium Adjustment

If the policy schedule specifies that the premium is an annual advance premium, it is a deposit premium only, and after the close of each **Policy Year**, the Company will adjust the premium by computing the earned premium for that period. If the annual advance premium paid for the **Policy Year** is greater than the earned premium, the Company will return the excess premium to the first named **Insured**, subject to the minimum premium set forth in the policy schedule. If the earned premium for the **Policy Year** is greater than the annual advance premium, the first named **Insured** will pay the difference, the "adjustment premium", to the Company. Adjustment premiums are due and payable on notice to the first named **Insured**.

If the policy schedule specifies that the premium is a flat premium, such premium will not be subject to adjustment.

4.17 Reasonable Care

The **Insured** shall:

- a) Exercise reasonable care that only competent workers are employed and take reasonable measures to maintain all premises (including fittings and plant) owned or occupied by it, in sound condition;
- b) Take reasonable precautions to:
 - (i) prevent **Personal Injury** and/or **Property Damage**;
 - (ii) prevent the manufacture, sale or supply of defective products;

- (iii) comply and ensure that the workers, servants and agents of the **Insured** comply with all statutory obligations, by-laws or regulations which provide for the safety of persons and property.
- c) At the expense of the **Insured** take reasonable action to trace, recall or modify any products containing any defect or deficiency which defect or deficiency the **Insured** has knowledge of or has reason to suspect.

4.18 Renewal

If the **Policy Period** set forth in the policy schedule is at least one (1) year, at the end of such period and on each anniversary thereof, upon prior submission of any underwriting information requested by the Company and payment of the applicable premium, the **Policy Period** may be continued for a period of one (1) year by issuance by the Company of a renewal policy. The Company, however, has no obligation to offer any such renewal or any extension of this policy.

4.19 Risk Alterations

The **Insured** must give immediate notice or in any event not later than 30 days to the Company of any alterations which may materially affect the risk covered by this policy.

4.20 Sanctions / Embargoes

The Company shall not be deemed to provide cover and 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 sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United States of America and/or any other applicable national economic or trade sanction law or regulations.

4.21 Sole Agent

The first named **Insured** shown in the policy schedule shall be the sole agent of all **Insured** under this policy for the purposes of:

- a) ascertaining all information requested in the proposal for this policy;
- b) submitting the proposal and any other underwriting information for this policy or any renewal hereof;
- c) giving and receiving any required notice under this policy;
- d) effecting or accepting any amendment to, or cancellation of this policy;

- e) paying all premiums and receiving any return premiums that may become due under this policy;
- f) keeping records of the information that the Company needs for premium adjustment and sending the Company copies of such records at such times as the Company may request;
- g) accepting any sums paid by the Company to the **Insured** in connection with the Company's liability under this policy; and
- h) submission of a dispute to arbitration.

4.22 Statutory Requirements

The Insured must take reasonable measures to comply with all statutory obligations and regulations imposed by any statutory or governmental authority.

4.23 Terms

All statements made in the proposal for this policy and any material submitted therewith, as a supplement thereto, or required thereby, are the basis of this policy and, together with the policy schedule and any endorsements to this policy, are hereby deemed material and are incorporated into and made a part of this policy and this policy is issued in reliance upon such proposal and other material.

4.24 Transfer of Rights of Recovery against Others to the Company

In the event of any payment under this policy, if the **Insured** has rights to recover all or part of any payment the Company has made under this policy, those rights are transferred to the Company to the extent of its payment. The **Insured** must do nothing to impair such rights. At the Company's request, the **Insured** will bring suit or transfer those rights to the Company and help the Company enforce them.

4.25 Transfer of the Insured's Rights and Duties under this Policy

The **Insured's** rights and duties under this policy may not be transferred without the Company's written consent except in the case of the death of an individual who is an **Insured**.

5 DEFINITIONS

5.1 Aircraft

means any vehicle, craft, device or thing made or intended to fly or move in or through the atmosphere or space.

5.2 Claim

means:

- a) written demand or written allegation against an **Insured**;
- b) civil or arbitral proceeding for monetary or non-monetary relief against an **Insured**, including but not limited to any mediation or similar proceeding.

A **Claim** is first made against an **Insured** when the demand is received by the **Insured** or the proceeding commencing is first served on the **Insured**.

5.3 Claims Expenses

means:

- a) all reasonable and necessary legal fees and other expenses incurred by the **Insured** in accordance with the policy conditions or with the consent of the Company in the investigation, settlement or defense of any **Claim** excluding all salaries of the **Insured's** employees, officers and directors and office expenses, and any such fees and expenses incurred by the Company on behalf of the **Insured** shall be deemed incurred by the **Insured**;
- b) all costs taxed against the **Insured** in the suit;
- c) pre-judgment interest awarded against the **Insured** on that part of any judgment the Company pays; provided that, if the Company makes an offer to pay the applicable **Limits of Insurance**, the Company will not pay any pre-judgment interest based on that period of time after such offer; and
- d) all interest on the full amount of any judgment that accrues after entry of the judgment and before the Company has paid, offered to pay, or deposited in court the part of the judgment that is within the applicable **Limits of Insurance**.

5.4 Deductible

means the amount stated as **Deductible** in the policy schedule.

5.5 Employment Practices

means:

- a) unfair or wrongful dismissal, termination or discharge of employment, either actual or constructive;
- b) harassment including bullying;
- c) discrimination;
- d) retaliation, including lockouts;
- e) employment related misrepresentations to an employee or applicant for employment;
- f) employment related humiliation, defamation or invasion of privacy, denial of natural justice;
- g) wrongful failure to employ or promote;
- h) wrongful deprivation of career opportunity;
- i) wrongful failure to grant tenure;
- j) negligent evaluation or unfair discipline;
- k) failure to provide accurate references;
- l) failure to comply with employment policies or procedures;

solely relating to an employee or prospective employee of the Company.

5.6 Geographical Limits

means the country or countries stated as **Geographical Limits** in the policy schedule.

5.7 Impaired Property

means any tangible property not physically injured, other than **Insured's Products**, that cannot be used or is less useful because:

- a) it incorporates **Insured's Products** that is known or thought to be defective, deficient, inadequate or dangerous; or
- b) **Insured** has failed to fulfill the terms of a contract agreement;

If such property can be restored to use by:

- a) the repair, replacement, adjustment or removal of **Insured's Product**; or
- b) **Insured** fulfilling the terms of the contract or agreement.

5.8 Insured

means:

- a) the **Insured** named in the policy schedule;
- b) any subsidiary company (including subsidiaries thereof) of the **Insured** and any other organisation under the control of the **Insured** and over which it is exercising active management;
- c) any new organisation acquired by the **Insured** during the **Policy Period** through consolidation, merger, purchase of the assets of or assumption of control and active management, provided that:
 - (i) such acquisition or assumption is notified to the Company in writing within ninety (90) days; and
 - (ii) the Company gives notice in writing to the **Insured** that such new organisation shall be covered by the policy; and
 - (iii) the **Insured** pays any additional premium that may be required by the Company in respect of such new organization.
- d) any director, officer, employee, partner or shareholder of the **Insured**, but only whilst acting within the scope of their duties in such capacity;
- e) any principal in respect of that principal's vicarious liability for the acts or omissions of the **Insured** in the **Insured's** performance of work for that principal;
- f) any social and/or sporting clubs, first aid, fire and ambulance services formed with the consent of the **Insured** including any office bearer or member thereof in their respective capacities as such; and person
- g) any director or senior executive of the **Insured** in respect of private work undertaken by the **Insured's** employees for such director or senior executive.

5.9 Insured Business

means operations of the **Insured** which are stated as **Insured Business** in the policy schedule including related activities.

5.10 Insured's Products

means:

- a) any goods or products, stated as **Insured's Products** in the policy schedule, designed, manufactured, supplied, sold, handled, distributed, erected, installed, repaired, serviced, treated, assembled, dispatched, delivered or disposed of by the **Insured** or under the **Insured's** name;

- b) containers (other than **Licensed Motor Vehicles**), materials, parts or equipment furnished in connection with such goods or products;
- c) does not include vending machines, other property rented to or located for the use of others but not sold, and goods or products that are still in **Insured's** physical possession.

5.11 **Jurisdiction Limits**

means the country or countries stated as **Jurisdiction Limits** in the policy schedule where the Company will have a duty to defend the **Insured** against any **Claim** seeking damages. However, the Company will have no duty to defend the **Insured** against any **Claim** seeking damages in any country not designated in the policy schedule.

5.12 **Licensed Motor Vehicle**

means any type of machine designed to travel on wheels or on self-laid tracks and to be propelled by other than manual or animal power, and which is subject to licensing by a public authority and/or compulsory motor insurance.

5.13 **Limits of Insurance**

means the amount stated as **Limits of Insurance** in the policy schedule.

5.14 **Loss**

means damages, interest, settlements and judgments and **Claims Expenses**.

5.15 **Medical Persons**

means qualified medical practitioners, ancillary medical workers and dentists.

5.16 **Occurrence**

means a fortuitous event, including continuous, intermittent or repeated exposure to substantially the same general harmful conditions.

For the purposes of this policy, where a series of, and/or several **Personal Injuries** or **Property Damages** arise out of, are a result of or are attributable directly or indirectly to the same actual or alleged defect, hazard, failure to warn, event, condition or cause, all such **Personal Injuries** and/or **Property Damages** shall be deemed to have been caused by the same single **Occurrence**, irrespective of the period or area over which the **Personal Injuries** or **Property Damages** occur.

All **Personal Injury** or **Property Damage** arising out of the same single **Occurrence** will be deemed to have taken place wholly during the **Policy Year** in effect at the time of the commencement of the first of such **Personal Injury** or **Property Damage** arising out of such **Occurrence**. In the event of any **Personal Injury** or **Property Damage** arising from continuous, intermittent or repeated exposure to substantially the same general harmful conditions including but not limited to continuous, intermittent or repeated inhalation, ingestion or application of any substance and/or where the **Insured** and the Company cannot agree when the **Personal Injury** or **Property Damage** took place, then:

- a) **Personal Injury** will be deemed to have taken place when the claimant first consulted a medical practitioner in respect of such injury; and
- b) **Property Damage** will be deemed to have taken place when it first became evident to the claimant even if the cause is unknown.

5.17 Offshore Operations

means:

- a) fixed or mobile production facilities for the production of oil and gas; or
- b) offshore drilling installations

5.18 Pathogen Organisms

means any bacteria, yeasts, mildew, virus, fungi, mould or their spores, mycotoxins or other metabolic products.

5.19 Personal Injury

means:

- a) bodily injury, death, illness, disability, shock, fright, mental anguish or mental injury;
- b) false arrest, detention, false imprisonment, malicious prosecution or humiliation;
- c) wrongful entry or wrongful eviction or other invasion of the right to private occupancy;
- d) assault and battery not committed by or at the direction of the **Insured** unless committed for the purpose of preventing or eliminating danger to persons or property;

- e) the publication or utterance of libel or slander, or of other defamatory or derogatory material, or a publication or utterance in violation of any individual's rights of privacy except:
 - (i) when the first such publication or utterance is related to any publication or utterance made prior to the commencement of this Policy; or
 - (ii) when any of such publication or utterance is made in the course of or is related to advertising, broadcasting, telecasting or publishing activities conducted by or on behalf of the **Insured**.

5.20 Policy Period

means the period of time commencing on the inception date and terminating on the expiration date shown in the policy schedule, both days at 12:01 standard time at the address of the **Insured**, provided, however, that such expiration date may be modified in accordance with the condition of the policy.

5.21 Policy Year

means the period of one (1) year, within the **Policy Period**, ending each year on the day and month shown in the expiration date in the policy schedule. If the period between the inception date and the expiration date shown in the policy schedule is less than one (1) year, then such period shall be deemed to be the only **Policy Year**.

If the period between the inception date and the expiration date is greater than one (1) year, then such period shall be deemed to be the initial **Policy Year** of the **Policy Period** and if this policy is renewed, a new **Policy Year** (of one (1) year's duration) shall commence on the first day after the expiration date shown in the policy schedule.

5.22 Pollutants

means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. The term "waste" as used in this definition includes materials, which are to be or are being disposed of, recycled, reconditioned or reclaimed.

5.23 Product Hazard

means a defect, deficiency, inadequacy, or dangerous condition in **Insured's Products**, but only where such **Personal Injury** or **Property Damage** occurred:

- a) away from premises owned or occupied by the **Insured**; and
- b) after physical possession of the **Insured's Product** has been relinquished to others.

5.24 Property Damage

means physical injury to tangible property, including all resulting notification of use of that property; or loss of use of tangible property which has not been physically injured or destroyed, provided such loss of use is caused by physical damage of other tangible property.

5.25 Terrorism

means an act of violence or an act dangerous to human life, tangible or intangible property or infrastructure with the intention or effect to influence any government or to put the public or any section of the public in fear.

5.26 Watercraft

means any ship or vessel of whatever type, whether self-propelled or not, including but not limited to cargo vessels, passenger vessels, other vessels used for transport, towboats, barges, storage vessels, tanker vessels, drill ships and offshore drilling platforms.

6 POLICY SCHEDULE

Insurer: **Allianz Insurance Lanka Limited**

Policy Number: **PLI/ 31708 End No - 4152**

Insured

Name:

Hayleys PLC

Address:

No.400, Deans Road, Colombo 10

Insured Business

Diversified Conglomerate

Insured's Products

Not Applicable

Limits of Insurance

USD XXXX per event & USD XXXXX in aggregate

Deductible

ROW - 10% of loss or minimum USD XXXX per occurrence, whichever is higher.
(Including Claims Expenses)

USA/Canada - 10% of loss or minimum USD XXXX on per occurrence, whichever is higher.
(Including Claims Expenses)

Policy Period

From: 30th September 2025 (Inception Date)

To: 29th September 2026 (Expiration Date)

Geographical Limits

Sri Lanka, Republic of Maldives, Myanmar, Indonesia, Bangladesh, Thailand

Jurisdiction Limits

Worldwide Including USA/Canada

Annual Premium

USD XXXX (without tax)

USD XXXXX (with tax)

Flat

Advanced

Adjustable at a rate of 0% based on the actual turnover figures achieved during the **Policy Year** Minimum & Deposit Premium:

Annual Turnover

As per the declared information at the quote stage.

Remarks

This policy shall not be effective unless countersigned below.

Signature

Place: Sri Lanka

Date: 30.09.2025

By _____
Signature of Authorized Representative

6 ENDORSEMENTS

01. Claims Expenses Inclusive Clause
02. Premium Payment Warranty - 60 days
03. Advertising Injury extension - Sub Limited to USD XXXXX
04. Car park liability including valet parking extension - Sub Limited XXXX per event and USDXXXXX
05. Loading & Unloading from insured's Vehicle extension - Full Limit
06. Neon & Signboards extension - Full Limit
07. Fire Brigade & Water Damage extension - Full Limit
08. Alterations and Repairs extension - Full Limit
09. Defective sanitary arrangements extension - Full Limit
10. Non Manual Overseas business visits - Including USA/Canada
11. Goods in care custody and control of the insured
12. Passenger liability extension (Owned/Non Owned and hired watercrafts speed boat transfers, Banana rides, glass bottom boat rides. River & sea rides) – USD XXXXX per any one occurrence and USD XXXX in the aggregate In excess of underlying insurance or minimum self insured retention of USD XXXX occurrence whichever is higher. Subject to boat length not exceeding 30 meters
13. Passenger liability extension (Owned/ Non owned hired vehicles) in excess of primary cover under motor insurance, Sub Limited to maximum of USD XXXXX per passenger. Excess USD XXXXX
14. Injuries and damages caused by registered/unregistered vehicles & machinery within the premises/plant extension.
15. Food and/or drink poisoning extension - Sub Limited to USD XXXXX in the aggregate
16. Innkeeper's liability extension - Sub Limited to USD XXXXX per event & USD XXXX in aggregate.
17. Theft of guests property from insured's safe either in room or at the reception covered for an aggregated sub limit of USD XXXX in the aggregate
18. Tenant's legal liability cover extension - covered up to a sublimit of USD XXXX in the aggregate.
19. Indemnity to Principals cover extension - Full limit
20. Fire and Explosion extension - Full limit
21. Bursting of boilers and pressure vessels extension - Full limit
22. Liability for clothes for dry cleaning and laundering (Applicable only to Hotels & Resorts) extension - Sub Limited to USD XXXX per event and USD XXXXX in aggregate.
23. Lifts, Escalators, Hoists & Elevators extension - Full Limit
24. Liability arising out of animal/insect/reptile bites or attacks within hotel premises extension - Full
25. Liability arising out of operation of Hydro power plants - USD XXXX in the aggregate, Subject to "Failure to supply" Exclusion
26. Liquor Liability - USDXXXXX any one occurrence and in aggregate.
27. Sudden & Accidental pollution extension - Full
28. Activities organized by the hotel & resorts - USD XXXXX any one occurrence and USD XXXXX in aggregate
29. Incidental Medical Costs - USD XXXX for Hayley's hotels in Sri Lanka & Maldives
30. Contractual Liability extension

31. Waiver of subrogation clause against named additional insured/principal
32. Damages for guests' inconvenience - up to the limit of USD XXXXX in the aggregate with deductible of 50% on each and every loss.
33. Liability arising out of operation in trade fair, exhibitions, demonstrations, conferences, and sales promotions extension.
34. Customer premises under custody and control of the insured (contractual relationship).
35. Activities organized by the leisure sector (Applicable only to leisure sector) in respect of outsourced activities the coverage in excess of service providers - USD XXXX In aggregate.

- Ayurvedic Spa & Treatments
- Abseiling
- Air rifle shooting
- Archery
- Badminton
- Bird watching
- Banana Boat riding
- Camping
- Canoeing
- Catamaran Sailing
- Cultural shows
- Cycling Tours
- Discotheque
- Darts
- Elephant rides
- Fireworks displays
- Fishing Excursions
- Glass Bottom boat
- Hair & beauty saloons
- In-house doctor and clinic
- Internet Services
- Island Hopping
- Jet skies
- Jewelry Boutique
- Karaoke
- Kayaking
- Kite Surfing
- Live band Music organized by Hotel
- Leadership/ Team building activities
- Massage
- MICE Facilities (Meetings, Incentives, Conferences, Exhibitions)
- Night fishing
- Para sailing/ Para gliding
- Racquet Squash
- Sailing
- Sauna/ Steam bath
- Scuba diving
- Sea bathing
- Snooker/ Billiard
- Snorkeling
- Souvenir Boutique
- Spa

- Surfing
- Swimming - Pool, Sea, Freshwater
- Table Tennis
- Tennis
- Travel Counter
- Trekking tours
- Tree house stays
- Use of Dhonies
- Use of Gymnasium
- Volleyball
- Wake Boarding
- Water skiing
- White water rafting
- Wildlife safaris
- Windsurfing

36.Work Away clause

37.Deliveries of food from hotel to customers – In excess of insurance obtained by delivery partners sub limited to **USD XXXX** in the aggregate

38.Medical Malpractice Exclusion

39.Sexual Harassment and Molestation exclusion

40.EMF/EMR Exclusion

41.Warehouseman liability exclusion

42.Freight forwarders liability exclusion

43.Aviation & Airport liability exclusions

44.Liability arising out of providing shipping, freight forwarding or any marine services etc under Hayleys PLC's Transportation & Logistics sector excluded

45.Marine liability exclusions

46.North American Jurisdiction clause

47.Contagious Disease Exclusion

48. Cyber Liability Exclusion

49.Sanction Clause inclusive of Iran, Russia and Belarus

50. Product Liability Exclusion

51. PFAS Exclusion

52. Russisa/ Belarus/ Ukraine Exclusion

53. Iran Exclusion

01. Claims Expenses Inclusive Clause

It is hereby declared and agreed that the **Limits of Insurance** available for damages shall be reduced by any amount that the Company pays on behalf of the **Insured** for defense costs and expenses or that the Company incurs on behalf of the **Insured** as **Claims Expenses**.

The total amount including **Claims Expenses** payable by the Company under this Policy will not exceed the **Limits of Insurance** stated in the policy schedule subject to the following conditions:

(a) **Claims Expenses** incurred by the Company and/or by the **Insured** with the Company written consent in the settlement or defense of any **claim** for compensation in respect of which the **Insured** is or would be entitled to indemnity under this Policy.

(b) **Claims Expenses** recoverable from the **Insured** by claimants in connection with the said **claims**.

(c) The Company is not obliged to pay any **claim** or judgments or defend any suit after the Company **Limits of Insurance** are exhausted by payment of judgments or settlements.

02. Premium Payment Warranty – 60 days

1. Notwithstanding anything herein contained but subject to clause 2 and 3 hereof, it is hereby agreed and declared that the full premium due and payable in respect of this insurance is required to be settled to the Insurer (*The Company*) on or before the premium due date specified in the Schedule of this Policy, Renewal Certificate, Endorsement or Cover Note (which shall be a date not exceeding 60 days from the date of inception of the policy) and in the absence of any such premium due date, the full settlement of the premium is required to be made or effected on or before the expiry of the 60th day from the date of inception of this Policy, Renewal Certificate, Endorsement or Cover Note (hereinafter referred to as the “due date”). For the purpose of this warranty the “due date” shall be recognized from the date of inception or commencement of the coverage.

2. It is also declared and agreed that the settlement of the full premium on or before the due date shall operate as a condition precedent to the insurer’s (*The Company’s*) liability or an obligation to settle a claim under this Policy, Renewal Certificate, Endorsement or Cover Note. In the event any claim arises between date of commencement of this insurance and the “due date” for the settlement of premium, the insurer (*The Company*) may defer any decision on liability or postpone the settlement of any such claim until full settlement of the premium is effected on or before the “due date”.

3. It is also declared and agreed that where the full premium payable hereunder remains outstanding as at the closure of business of the insurer on the “due date”, then the cover under this insurance and any obligations assumed or imputed under this insurance shall stand to be cancelled, ceased and revoked immediately.

However such cancellation will not prejudice the rights of the insurer (*The Company*) to invoke any legal defenses or to recover the full or any part of the defaulted premium attributable to the expired period of the insurance.

03. Advertising Injury extension – Sub Limited to USD XXXX

It is hereby declared and agreed that this Policy is extended to cover the **Insured's** legal liability in respect of any **Claim** against the **Insured** seeking damages arising out of, in connection with or in any way related to "Advertising Injury".

This insurance does not apply to "Advertising Injury":

- 1). arising out of a publication or utterance of a libel or slander, or of other defamatory or derogatory material, or a publication or utterance in violation of an individual's right of privacy, if the first such publication or utterance is related to any publication or utterance made prior to the commencement of this Policy;
- 2). which the **Insured** is in the business of advertising, broadcasting, publishing or telecasting;
- 3). which the **Insured** is obligated to pay by reason of the assumption, in a contract or agreement, of liability which would otherwise not attach;
- 4). with respect to any injury arising out of any act committed by the **Insured** with actual malice;
- 5). arising out of the wilful violation of a penal statute or ordinance committed by or with the knowledge or consent of the **Insured**;
- 6). arising out of libel or slander or the publication or utterance of defamatory or disparaging material concerning any person or organization or goods, products or services, or in violation of an individual's right of privacy, made by or at the direction of the **Insured** with knowledge of the falsity thereof;
- 7). arising out of the conduct of any partnership or joint venture of which the **Insured** is a partner or member and which is not designated in the schedule of the Policy as an **Insured**;
- 8). arising out of :
 - a). failure of performance of contract, but this exclusion does not apply to the unauthorized appropriation of ideas based upon alleged breach of implied contract, or
 - b). infringement of trademark, service mark or trade name, other than titles or slogans, by use thereof on or in connection with goods, products or services sold, offered for sale or advertised, or
 - c). incorrect description or mistake in advertised price of goods, products or services sold, offered for sale or advertised; or
 - d). the failure of goods, products or services to conform with advertised quality or performance.

For the purpose of this Endorsement the following additional Definition applies:

"Advertising Injury" means injury arising out of an offense committed during the **Policy Period** occurring in the course of advertising **Insured's** goods, products or services, if such injury arises out of libel, slander, defamation, violation of right of privacy, piracy, unfair competition, or infringement of copyright, title or slogan.

The **Limit of Insurance** applicable to this endorsement is at USD 250,000 any one occurrence and in the aggregate during the **Policy Period**.

Subject otherwise to terms and conditions of this Policy.

04. Car park liability including valet parking extension – Sub Limited USD XXXXX per event and USD XXXX

It is hereby declared and agreed that this Policy is extended to cover the **Insured's** legal liability arising out of, in connection with or in any way related to the vehicles under the control of the **Insured** or the **Insured's** parking attendants whilst in the Car Park of the **Insured's** premises.

Provided always that:

- 1) The Company shall not be liable for any such **Loss** or damage insofar as such **Loss** or damage is covered by any other insurance.
- 2) The total liability of the Company under this Policy in respect of any such **Loss** or damage and under the Policy in respect of any **Loss** shall not in any case exceed the **Limits of Insurance** specified in the Schedule.

Subject otherwise to the terms and conditions of this Policy.

05. Loading & Unloading from insured's Vehicle extension – Full Limit

It is hereby declared and agreed that this Policy is extended to cover **Insured's** legal liability caused by or arising from beyond the limits of any carriageway or thoroughfare in connection with

- a) bringing on the load to such vehicle for loading thereon;
- b) the taking away the load from such vehicle after unloading therefrom

by any authorised employees of the Insured.

Subject otherwise to the terms and conditions of this Policy.

06. Neon & Signboards extension – Full Limit

It is hereby declared and agreed that this Policy is extended to cover the **Insured's** legal liability arising out of, in connection with or in any way related to the accidents caused by or through the advertising/neon signs of the **Insured** and located upon or about the premises.

Warranted that the **Insured** shall comply with all statutory enactments by-laws and regulations and shall at all times ensure that the advertising/neon signs are kept in a proper state of repair. If there is any defects discovered, the **Insured** shall forthwith cause such defect to be made good and prevention of accident as the circumstances may require and no alteration in the

position of the neon/ advertising signs shall be made without the consent of the Company so far as is reasonably practicable no alteration or repair shall without the consent to the Company.

Subject otherwise to the terms and conditions of this Policy.

07.Fire Brigade & Water Damage extension - Full Limit

It is hereby declared and agreed that this Policy is extended to cover **Insured's** legal liability arising out of, in connection with or in any way related to **Property Damage** caused by or arising out of the use of water or chemicals by the fire brigade to extinguish a fire on the **Insured's** premises.

Subject otherwise to the terms and conditions of this Policy.

08.Alterations and Repairs extension- Full Limit

It is hereby declared and agreed that this Policy shall not be invalidated by any **Claim** arising out of any workmen doing repairs; minor alterations or general maintenance work on the premises.

Subject otherwise to the terms and conditions of this Policy, including all standard exclusions.

09.Defective Sanitary Arrangements Extension- Full Limit

It is hereby declared and agreed that this Policy is extended to cover the **Insured's** legal liability against all sums for which the Insured shall become legally liable consequent upon death, **Personal Injury**, illness, **Loss** or damage as within defined caused through defective drains, sewers or sanitary arrangements.

Provided always that the liability of the **Company** under this Endorsement shall not in any way exceed *USD XXX per event and in USD XXXX in aggregate..*

Subject otherwise to the terms and conditions of this Policy.

10.Non Manual Overseas business visits – Including USA/Canada extension

It is hereby declared and agreed that this Policy is extended to cover **Insured's** legal liability arising out of, in connection with or in any way related to **Personal Injury** or **Property Damage** caused by the fault and negligence of the **Insured's** employees or directors whilst engaged in **Insured Business** anywhere in the world including United States of America or Canada and all its territories, possessions and any state of political subdivision thereof.

Provided always that coverage under this Endorsement shall not apply to manual works and offshore works.

Subject otherwise to the terms and conditions of this Policy.

11. Goods in care custody and control of the insured extension

Notwithstanding anything contained herein to the contrary of the Policy, it is hereby declared and agreed that this Policy is extended to cover damage to property in the care, custody and control of the Insured (except for buildings temporarily occupied for work thereon and damage to Aircraft and Watercraft).

Coverage provided under this endorsement does not extend to that part of any property or product upon which the insured is or has been working.

Provided the Limits of Insurance shall not exceed USD XXXXX any one Occurrence and USD 2,500,000.00 in the aggregate during the Policy Period.

The Deductible applicable for the above is Rest of the world - 10% of loss or minimum USD XXX on each and every claim, whichever is higher. (Including Claims Expenses) & USA/Canada - 10% of loss or minimum USD XXX on each and every claim, whichever is higher. (Including Claims Expenses) each & every Occurrence.

Subject otherwise to the terms and conditions of this Policy.

12. Passenger liability extension (Owned/Non Owned and hired watercrafts speed boat transfers, Banana rides, glass bottom boat rides. River & sea rides) – USD XXXX per any one occurrence and USD XXXX in the aggregate In excess of underlying insurance or minimum self insured retention of USD XXXX occurrence whichever is higher. Subject to boat length not exceeding 30 meters

The coverage is extended to the legal liability of the Insured for Personal Injury and Property Damage arising out of any **Owned/Non Owned and hired watercrafts speed boat transfers, Banana rides, glass bottom boat rides. River & sea rides** by the insured whilst being used by an Insured in connection with the Business.

This coverage is only valid in excess of the mandatory insurance policy and in addition in excess of any other existing liability insurance.

The Insurer shall not be liable for

a) Personal Injury and Property Damage arising while such **watercrafts speed boat transfers, Banana rides, glass bottom boat rides. River & sea rides** is being driven by any person who does not hold a valid license to operate or is disqualified from holding or obtaining such a license

b) Loss or damage to any such **watercrafts speed boat transfers, Banana rides, glass bottom boat rides. River & sea rides.**

13. Passenger liability extension (Owned/ Non owned hired vehicles) in excess of primary cover under motor insurance, Sub Limited to maximum of USD XXXX per passenger. Excess USD XXXXX

The coverage is extended to the legal liability of the Insured for Personal Injury and Property Damage arising out of any Automobile hired or not owned by the insured whilst being used by an Insured in connection with the Business.

This coverage is only valid in excess of the mandatory automobile insurance policy and in addition in excess of any other existing automobile liability insurance.

The Insurer shall not be liable for

- a) Personal Injury and Property Damage arising while such vehicle is being driven by any person who does not hold a valid license to drive or is disqualified from holding or obtaining such a license
- c) Loss or damage to any such vehicle

14. Injuries and damages caused by registered/unregistered vehicles & machinery within the premises/plant extension.

The coverage is extended to the legal liability of the Insured for Personal Injury and Property Damage arising out of **registered/unregistered vehicles & machinery within the premises/plant** by the insured whilst being used by an Insured in connection with the Business.

This coverage is only valid in excess of the mandatory insurance policy and in addition in excess of any other existing liability insurance.

The Insurer shall not be liable for

- a) Personal Injury and Property Damage arising while such vehicle is being driven by any person who does not hold a valid license to drive or is disqualified from holding or obtaining such a license
- d) Loss or damage to any such vehicle

15. Food and/or drink poisoning extension – Sub Limited to USD XXXX

It is hereby declared and agreed that this Policy is extended to cover **Insured's** legal liability arising out of, in connection with or in any way related to **Personal Injury** caused by foreign or deleterious matter in food or drinks supplied by the **Insured** at their premises.

Subject otherwise to the terms and conditions of this Policy.

16. Innkeeper's liability extension – Sub Limited to USD XXXX per event & USD XXXX in aggregate.

It is hereby declared and agreed that this Policy is extended to cover the **Insured's** legal liability against all **Claims** for which the Named **Insured** as an Innkeeper may be held legally liable to pay in respect of damage to property of guests or visitors to the premises.

Provided always that:

(1) the liability of the Company for all sums payable

(a) to a claimant or any number of claimants in respect of or arising out of any **Occurrence**, or in respect of or arising out of all **Occurrences** of a series consequent on or attributable to one source or original cause shall not exceed the **Limits of Insurance** stated below.

(b) in respect of all **Claims** occurring during the **Policy Period** shall not exceed the **Limits of Insurance** stated below.

(2) the Company shall not be liable for any damage occurring beyond the **Policy Period**.

It is declared and agreed that the **Limits of Insurance** in respect of this extension is limited to **USD XXXX** per event and **USD XXXX** in Annual Aggregate.

It is further declared and agreed that the **Deductible** is *Rest of the World - 10% of loss or minimum USD 500 on each and every claim, whichever is higher, (Including Claims Expenses) & USA/Canada - 10% of loss or minimum USD XXXX on each and every claim, whichever is higher. (Including Claims Expenses).*

Subject otherwise to the terms, exclusions and conditions of this Policy.

17. Theft of guests property from insured's safe either in room or at the reception covered for an aggregated sub limit of USD XXXX

It is hereby declared and agreed that this Policy is extended to cover Insured's legal liability arising out of, in connection with or in any way related to Loss or damage to the personal effects of the Insured's guests at Insured's premises.

Provided always that the liability of the Company under this endorsement shall not in any way exceed USD 25,000.00 any one guest in the aggregate.

For the purpose of this endorsement, Deductible is not applicable.

Subject otherwise to the terms and conditions of this Policy.

18.Tenant’s legal liability cover extension – covered up to a sublimit of USD XXXX in the aggregate.

It is hereby declared and agreed that this Policy is extended to cover the **Insured’s** legal liability for **Loss** or damage caused to:-

- 1) any building or premises or part thereof not belonging to but whilst under the occupation of the **Insured**.
- 2)the contents, fixtures and fittings the aforesaid buildings or premises or part thereof not belonging to but in the charge or control of the **Insured**.

Provided always that this extension does not apply to liability assumed by the **Insured** under a tenancy or other agreement, unless such liability would attach even in the absence of such agreement.

Subject otherwise to the terms and condition of this Policy.

19.Indemnity to Principals cover extension – Full limit

It is hereby declared and agreed that this Policy is extended to cover Principals for whom the **Insured** is carrying out works but only in respect to liability arising out of, in connection with or in any way related to works performed by **Insured** or on behalf of the **Insured** and in connection with **Insured Business**.

Provided always that:

- a) the total liability of the Company under this Policy in respect of any such **Loss** under the Policy shall not in any case exceed the **Limits of Insurance** specified in the policy schedule; and
- b) the Principal shall observe, fulfill and be subject to the terms and conditions of this Policy in so far as they can apply; and
- c) the Company shall have the full conduct and control of all claims covered by this Endorsement

Subject otherwise to the terms and conditions of this Policy

20.Fire and Explosion extension – Full limit

It is hereby declared and agreed that this Policy is extended to cover **Insured’s** legal liability arising out of, in connection with or in any way related to injury or damage caused by or in connection with or arising from fire and/or explosion.

Provided always that this Endorsement shall not apply to **Insured’s** legal liability in respect of fire and/or explosion caused by any steam boiler or any economiser or any vessel or apparatus intended to operate under steam pressure.

Subject otherwise to the terms and conditions of this Policy.

21. Bursting of boilers and pressure vessels extension – Full limit

It is hereby declared and agreed that this Policy is extended to cover **Insured's** legal liability arising out of, in connection with or in any way related to **Personal Injury** or **Property Damage** caused by explosion of boiler vessel or apparatus designed to operate under steam pressure. This is provided that the **Insured** shall have taken reasonable precautions to comply with all legal requirements relating to inspection that apply to any boiler vessel or apparatus from which the explosion arises.

Subject otherwise to the terms and conditions of this Policy.

22. Liability for clothes for dry cleaning and laundering (Applicable only to Hotels & Resorts) extension – Sub Limited to USD XXXX per event and USD XXXX in aggregate.

The indemnity granted shall extend to indemnify the Insured against all sums for which the Insured is legally liable to pay in respect of damage to clothes of guests or visitors for dry cleaning and laundering (included in Property under Care, Custody and Control Clause).

Subject otherwise to the terms and conditions of this Policy.

23. Lifts, Escalators, Hoists & Elevators extension – Full Limit

It is hereby declared and agreed that this Policy is extended to cover **Insured's** legal liability arising out of, in connection with or in any way related to accidental **Personal Injury** to any person whilst entering or leaving any lift, elevator or escalator caused by the fault or negligence of the **Insured** or any person in the **Insured's** service whilst engaged in the **Insured Business**.

Provided always regular inspection and maintenance of the lifts, elevator or escalator shall be carried out by authorized contractors.

Subject otherwise to the terms and conditions of this Policy.

24. Liability arising out of animal/insect/reptile bites or attacks within hotel premises extension – Full

It is hereby understood and agreed that this policy is extended to cover any liability arising due to Animals/Insect/Reptile Bites / Wasp and mosquito attack (Dengue) within the insured's premises.

Subject otherwise to the terms and conditions of this Policy.

25. Liability arising out of operation of Hydro power plants – USD XXXX in the aggregate, Subject to “Failure to supply” Exclusion

It is hereby understood and agreed that this policy is extended to cover any liability arising due to **operation of Hydro power plants** within the insured’s premises.

Subject otherwise to the terms and conditions of this Policy.

26. Liquor Liability extension – Sub Limited to USD XXX per event and in aggregate.

It is hereby declared and agreed that this Policy is amended as follows:

1. Endorsement Schedule

The following is added to the policy schedule only for the purpose of this Endorsement:

Sub-Limits of Insurance	USD XXXXXX any one Loss and in the aggregate for the Policy Period
Deductible	<p>Rest of the World - 10% of loss or minimum USD XXX on each and every claim, whichever is higher. (Including Claims Expenses)</p> <p>USA/Canada - 10% of loss or minimum USD XXXX on each and every claim, whichever is higher. (Including Claims Expenses)</p>

2. Coverage

- a) Subject to all Definitions, Conditions and Exclusions of this policy, the Policy is extended to cover **Loss** that the **Insured** shall become legally liable to pay as damages by reason of the selling, serving or furnishing of any alcoholic beverage, provided that such **Claim**:
- (i) occurs within the **Geographical Limits**; and
 - (ii) is in connection with **Insured’s Product** provided in the normal course of the **Insured Business**; and
 - (iii) occurs during the **Policy Period**; and
- b) Any number of **Claims** against the **Insured** which arise out of or are attributable to or connected in any way with a single or the same or a series of the same, related, interconnected or continuous **Occurrence**, shall constitute a single **Claim** for the purpose of this endorsement.

- d) Notwithstanding anything contained in this Policy, the Sub-Limits of Insurance in the Endorsement Schedule shall be inclusive of **Claims Expenses** incurred pursuant to cover under this Endorsement.
- e) The Company has the right but not the duty to defend the **Insured** against any **Claim**. The Company's obligations hereunder end when the applicable "Sub-Limits of Insurance" have been used up.

3. Exclusions

This cover for this Endorsement does not apply to:

- a) **Personal Injury** expected or intended from the standpoint of the **Insured**;
- b) Any obligation of the **Insured** under workers compensation, disability benefits or unemployment compensation law or any similar law;
- c) **Personal Injury** to:
 - (i) an employee of the **Insured** or other person under contract of service or apprenticeship with the **Insured** arising out of and in the course of the employment of the employee by the **Insured** or out of such service or apprenticeship
 - (ii) the spouse, child, parent, brother or sister of that employee or other person as a consequence of (i) above

This exclusion applies whether the **Insured** may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the **Personal Injury**.

- d) **Personal Injury** arising out of any alcoholic beverage sold, served or furnished while any required license is suspended or after such license expires, is cancelled or revoked.
- e) **Personal Injury** arising out of **Insured's Product**.

This exclusion does not apply to **Personal Injury** for which the **Insured** may be held liable for reason of:

- (i) Causing or contributing to the intoxication of any person;
 - (ii) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
 - (iii) Any statute, ordinance or regulation relating to the sale, gift, distribution or use or alcoholic beverages.
- f) Any **Personal Injury** with respect to which other insurance is afforded, or would be afforded but for the exhaustion of the limits of insurance.

This exclusion does not apply if the other insurance responds to liability for **Personal Injury** imposed on the **Insured** by reason of the selling, serving or furnishing of any alcoholic beverage.

4. Definitions

For the purpose of this Endorsement the following additional Definition apply:

a)“Sub-Limits of Insurance” means the Sub-Limits of Insurance stated in the Endorsement Schedule.

Subject otherwise to the terms and conditions of this Policy.

27.Sudden & Accidental pollution extension – Full – Applicable to Sri Lanka Only

1.0 It is hereby declared and agreed that exclusion (2.18) is replaced with the following:

any bodily injury or **Property Damage** arising out of or in connection with or related to the discharge, dispersal, “Release” or escape of smoke, vapors, soot, fumes, acid, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or **Pollutants** into or upon land, the atmosphere or any water course or body of water, but this exclusion does not apply if such discharge, dispersal, “Release” or escape meets all five (5) of the following conditions:

(a) The discharge, dispersal, “Release” or escape must be neither expected nor intended by the **Insured** and

(b) The beginning of the discharge, dispersal, “Release” or escape must take place during the **Policy Period** and

(c) The discharge, dispersal, “Release” or escape must be physically evident to the **Insured** or other parties within 72 hours of the beginning of the discharge, dispersal, “Release” or escape and

(d) The initial bodily injury or **Property Damage** caused by the discharge, dispersal, “Release” or escape must ensue within 72 hours of the beginning of the discharge, dispersal, “Release” or escape.

(e) **Insured’s** duties in the event of **Occurrence, Claim** or lawsuit or any other policy conditions, all **Claims** made against the **Insured** under this coverage must be reported to the Company immediately but not later than 30 days of any **Occurrence**.

2.0 For the purpose of this Endorsement, the following additional definition applies:

“Release” includes, but is not limited to any spilling, leaking, pumping, pouring, emitting, emptying, injection, dumping, or disposing.

3.0 For the purpose of this Endorsement, the following additional condition applies:

If the **Insured** and the Company should disagree with regards to when a discharge, dispersal, “Release” or escape begins or becomes evident, the burden of proving that all five (5) enumerated above conditions are met rests with the **Insured**, at the **Insured’s** own expense. Until such proof is accepted by the Company, the Company may, at its discretion defend any **Claim**.

4.0 Notwithstanding anything contained herein to the contrary of the Policy, it is hereby declared and agreed that this insurance does not apply to any expense incurred by the **Insured** of whatsoever nature directly or indirectly involving:

- (a) the cost of removing, nullifying or cleaning-up seeping, discharged, dispersed, released, escaped, polluting or contaminating substances.
- (b) fines, penalties, punitive or exemplary damages.

5.0 For the purpose of this Endorsement, the **Limits Of Insurance** shall not exceed **USD XXXX** any one **Occurrence** and **USD XXXX** in the aggregate during the **Policy Period**. The **Deductible** applicable for the above is rest of the world - 10% of loss or minimum **USD XXX** on each and every claim, whichever is higher.

Subject otherwise to the terms and conditions of this Policy.

28. Activities organized by the hotel & resorts extension – Sub Limited to USD XXXX per event and USD XXX in aggregate.

It is hereby declared and agreed that this Policy is extended to cover the **Insured** in respect of the **Insured's** legal liability for **Personal injury** and **Property Damage** as defined within this Policy caused by or arising out of or in connection or in any way related to any social recreational or welfare activities organized supervised and managed by the **Insured** for its invited participants including employees, their families and friends anywhere in Sri Lanka.

The word "Insured" wherever appearing includes as an **Insured** any person who is a member of the organizing or management committee for such social recreational or welfare activities but only while acting within the scope of their duties as such.

It is further declared and agreed that the cover granted under this Policy is also extended to apply to **Occurrences** during the **Policy Period** caused by, arising out of, in connection with or in any way related to drinks beverages or food served by the **Insured** during such social recreational or welfare activities.

In the event of a **Claim** the Company will not raise the defense that such participants and employees are not considered third parties.

Provided that if the **Claim** so submitted is covered by any other more specific insurance then this Policy shall not insure the same except only as regards to any excess beyond the **Limits Of Insurance** covered by more specific insurance.

Subject otherwise to the terms and conditions of this Policy.

29. Incidental Medical Costs extension – Sub Limited to USD XXXX for Hayley's hotels in Sri Lanka & Maldives

It is hereby declared and agreed that this Policy will pay to or for each person who sustains bodily injury caused by accident incurred within one year from the date of the accident on account of such bodily injury, provided such bodily injury arises out of: -

1. a condition in the **Insured** premises or;
2. operations with respect to which the **Insured** is afforded coverage for bodily injury liability under this Policy.

The Company will pay reasonable medical expenses for:-

- (a) first aid at the time of an accident;
- (b) necessary medical, surgical, x-ray and dental services including prosthetic devices; and
- (c) necessary ambulance, hospital and professional nursing and funeral services

The **Limit of Insurance** applicable to this endorsement is at USD XXXXXX any one occurrence and in the aggregate during the **Policy Period**.

Subject otherwise to the terms and conditions of this Policy.

30.Contractual Liability Extension

It is hereby declared and agreed that this Policy is extended to cover the **Insured's** legal liability for any **Loss** to which this insurance applies, imposed by law or assumed by the **Insured** under any written contract (provided such contract is declared within 60 days after entering into such contract and excluding those in which the **Insured** assumed liability for the "Sole Negligence" of others), for any **Loss** caused by an accident even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and settlement of any **Claim** or suit as it deems expedient.

The Company shall not be obligated to pay any **Claim** or judgement after the applicable **Limits of Insurance** as specified under the Policy has been exhausted by payment of judgements or settlements.

Subject otherwise to the terms and conditions of this Policy.

31.Waiver of subrogation clause against named additional insured/principal extension.

It is hereby declared and agreed that the Company waives its rights of subrogation against borrower, lender and tenants of the property for any injuries which may be caused by employees of borrower, lender and tenants of the property subject to the following endorsement:

It is hereby agreed that the Company waives any rights of subrogation acquired against borrower, lender and tenants of the property for whom the **Insured** is operating under a contract where such contract requires a waiver of subrogation by reason of any payment under

this Policy, except that such waiver shall not extend to **Losses** caused by acts of Principals of **Insured** which are not connected with the operations of the **Insured** covered by this Policy.

It is hereby declared and agreed that the Company agreed to waive all rights of subrogation or action which they may have or acquire against any insured parties being part of or subsidiary of the **Insured** as listed in the Policy Schedule arising out of any **Occurrence** in respect of which any **Claim** is made hereunder.

Nothing contained in this clause will operate to increase the Company's liability under this policy.

Subject otherwise to the terms and conditions of the Policy.

32. Damages for guests' inconvenience extension – Sub Limited to USD XXXX in the aggregate with deductible of 50% on each and every loss.

1. We will pay for **Guest Inconvenience Expense** caused by **Personal Injury** and **Property Damage** at the described premises by a Covered Cause of Loss, up to the limits shown above.

As respects this endorsement, **Guest Inconvenience Expense** means the expenses incurred by your paying guests for whom prearranged hotel accommodations at the described premises cannot be honored. These expenses are as follows:

- a. Extra expenses incurred to secure and use other comparable lodging accommodations of a type as close as possible to the described premises;
- b. Extra expenses incurred while traveling from the described premises to a premises where the comparable accommodations are secured; and
- c. Prepaid amounts spent for activities away from the described premises which are lost because other accommodations within 60 miles from the described premises are unavailable.

2. We will pay for **Guest Inconvenience Expense** incurred for the period of time:

a. Beginning on the later of the following dates the paying guest's prearranged accommodations at the described

- (1). Scheduled to begin, but cannot begin; or
- (2). Interrupted

due to loss or damage to the Covered Property by a Covered Cause of Loss; and

b. Ending on the earliest b. of the following dates:

- (1). The date the paying guest's prearranged accommodations at the described premises are scheduled to end;
- (2). The date the damaged property at the described premises should be repaired, rebuilt or replaced with reasonable speed and with similar quality;

- (3). The date the damaged property at the described premises is actually repaired, rebuilt or replaced; or
- (4). 14 days after the date determined in a. above.

c. We will only pay for **Guest Inconvenience Expense** that exceeds **USD XXX** in any one occurrence. We will then pay the actual amount of **Guest Inconvenience Expense** up to the limits shown in the schedule of this endorsement.

The limits applicable to this Additional Coverage are in addition to the limits of insurance shown on the Declarations of this policy.

33. Liability arising out of operation in trade fair, exhibitions, demonstrations, conferences, and sales promotions extension

It is hereby declared and agreed that this Policy is extended to cover **Insured's** legal liability arising out of, in connection with or in any way related to any demonstrations & exhibitions or promotions organized by the **Insured**, held within Sri Lanka, Republic of Maldives, Myanmar, Indonesia, Bangladesh, Thailand only which they may be responsible.

34. Customer premises under custody and control of the insured (contractual relationship) extension

It is hereby declared and agreed that this Policy is extended to cover the **Insured's** legal liability arising out of, in connection with or in any way related to any third parties **Personal Injury &/or Property Damage** arising out of contract works performed anywhere in Sri Lanka, Republic of Maldives, Myanmar, Indonesia, Bangladesh, Thailand.

Provided that

- (a) Contract works are not covered under any insurance taken up by Main Contractors of project.
- (b) Contract works of each project shall not exceed **USDXXX** per event & **USD XXX** in aggregate in value.
- (c) This insurance shall be excess insurance over any other valid and collectible insurance.
- (d) The Named **Insured** shall be responsible for the first Rest of the *Rest of the world - 10% of loss or minimum USD 500 on each and every claim, whichever is higher. (Including Claims Expenses) USA/Canada or 10% of loss or minimum USD 2,500 on each and every claim, whichever is higher. (Including Claims Expenses)* in respect of third party property damage.

The **Insured** shall declare all contracts to be covered under this extension on a quarterly basis and any additional premium shall be adjusted at the end of the **Policy Year**.

35. Activities organized by the leisure sector (Applicable only to leisure sector) in respect of outsourced activities the coverage in excess of service providers extension - Sub Limited to USD XXXXXXX

- Ayurvedic Spa & Treatments
- Abseiling
- Air rifle shooting

- Archery
- Badminton
- Bird watching
- Banana Boat riding
- Camping
- Canoeing
- Catamaran Sailing
- Cultural shows
- Cycling Tours
- Discotheque
- Darts
- Elephant rides
- Fireworks displays
- Fishing Excursions
- Glass Bottom boat
- Hair & beauty saloons
- In-house doctor and clinic
- Internet Services
- Island Hopping
- Jet skies
- Jewelry Boutique
- Karaoke
- Kayaking
- Kite Surfing
- Live band Music organized by Hotel
- Leadership/ Team building activities
- Massage
- MICE Facilities (Meetings, Incentives, Conferences, Exhibitions)
- Night fishing
- Para sailing/ Para gliding
- Racquet Squash
- Sailing
- Sauna/ Steam bath
- Scuba diving
- Sea bathing
- Snooker/ Billiard
- Snorkeling
- Souvenir Boutique
- Spa
- Surfing
- Swimming - Pool, Sea, Freshwater
- Table Tennis
- Tennis
- Travel Counter
- Trekking tours
- Tree house stays
- Use of Dhonies
- Use of Gymnasium
- Volleyball
- Wake Boarding

- Water skiing
- White water rafting
- Wildlife safaris
- Windsurfing

36.Work Away clause

Notwithstanding anything contained herein to the contrary of the Policy, it is hereby declared and agreed that this Policy shall be extended to cover the **Insured's** legal liability whilst working away from their premises for the purpose of carrying out work in their course of their business activities from time to time during the **Policy Period**.

Subject otherwise to the terms and conditions of this Policy.

37.Deliveries of food from hotel to customers extension – In excess of insurance obtained by delivery partners sub limited to USD XXXX

It is hereby understood and agreed that this policy is extended to cover any liability arising due to **Deliveries of food from hotel to customers** within the insured's premises.

Subject otherwise to the terms and conditions of this Policy.

38.Medical Malpractice Exclusion

It is hereby declared and agreed that this Policy does not apply to any liability arising directly or indirectly out of, caused by, in any way related to or in connection with:

- (1) the rendering of or the failure to render
 - i)medical, surgical, dental, X-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith;
 - ii)any service or treatment conducive to health or of a professional nature; or
 - iii)any cosmetic or tonsorial service or treatment;
- (2)the furnishing or dispensing of drugs or medical, dental or surgical supplies;
- (3)the handling of or performing post-mortem examination on human bodies;
- (4)service by any person as a member of a formal accreditation, standard review or similar professional board or committee of the Insured or a person charged with executing the directive of such board or committee.

39.Sexual Harassment and Molestation exclusion

This Policy excludes all liability arising directly or indirectly, caused by, out of or in connection with any sexual assault and/or molestation and/or any sexual interference with any person including but not limited to minors.

Further the Company will have no duty to defend any allegation, claim, or litigation arising out of the above.

40.EMF/EMR Exclusion

This Agreement shall not apply to loss of or damage to arising from or in the consequences of disease or any other disturbance (Whether physical or non-physical) in human beings or due to diminution of the value of property if such loss damage is caused by an Elector Magnetic Field (EMF) and/or Electro Magnetic Radiation (EMR) of any kind, including but not limited to exposure of EMF/EMR emitted by electrical power lines or by electrical products of any kind.

41.Warehouseman liability exclusion

This agreement shall not apply to losses or damages arising out of **Warehouseman activities**.

Subject otherwise to the terms and conditions of this Policy.

42.Freight forwarders liability exclusion

This agreement shall not apply to losses or damages arising out of **Freight forwarders activities**.

Subject otherwise to the terms and conditions of this Policy.

43.Aviation & Airport liability exclusions

This agreement shall not apply to losses or damages arising out of **Aviation & Airport activities**.

Subject otherwise to the terms and conditions of this Policy.

44.Liability arising out of providing shipping, freight forwarding or any marine services etc under Hayleys PLC's Transportation & Logistics sector excluded.

This agreement shall not apply to losses or damages arising out of **Liability arising out of providing shipping, freight forwarding or any marine services etc under Hayleys PLC's Transportation & Logistics sector activities**.

Subject otherwise to the terms and conditions of this Policy.

45.Marine liability exclusions

Notwithstanding anything contained herein to the contrary of the Policy, it is hereby declared and agreed that this Policy does not apply to any liability arising directly or indirectly out of, caused by, in any way related to or in connection with marine and/or water borne liability which includes but not limited to:

- Charterer's Liability
- Collision Liability
- Protection And Indemnity
- Safe Berth Liability
- Stevedores' Liability
- Towers' Liability
- Transit Liability
- Terminal Operators Liability
- Wharfinger's Liability

It is further agreed that this Policy shall not apply to:

1. Liability arising out of the ownership, maintenance, use, operation, loading or unloading, fueling or entrustment to others of any **Watercraft**;
2. Damage to or destruction of any dock, pier, harbour, bridge, buoy, beacon, cable, breakwater structure or lighthouse;
3. Liability for cost or expenses of or incidental to the removal of the wreck of any **Watercraft**; Liability arising out of injury to any passenger on any **Watercraft** operated by or on behalf of the **Insured**.

46.North American Jurisdiction clause

It is hereby declared and agreed that cover is extended to include, subject to Policy terms and conditions, any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part), the following terms and exclusions apply:

1) this insurance shall not apply to awards or damages of a punitive or exemplary nature, whether in the form of fines, penalties, multiplication of compensatory awards or damages, or in any other form whatsoever.

2) this insurance shall not apply to:

(i) Injury or Damage directly or indirectly caused by seepage, pollution or contamination.

(ii) the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances.

3) Defense costs shall be included within the Limits of Insurance.

Subject otherwise to terms, exclusions and conditions of this Policy.

47. Contagious Disease Exclusion

1. This insurance agreement excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease (e.g. any action taken in controlling, preventing or suppressing a Communicable Disease) regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - 2.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - 2.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - 2.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.
3. Notwithstanding the foregoing, losses directly caused by any otherwise covered peril under subject Policies and not otherwise excluded under this insurance agreement shall be covered.

48. Cyber Liability Exclusion

It is hereby declared and agreed that this Policy does not apply to any liability arising directly or indirectly out of, caused by, in any way related to or in connection with **Insured Business** or profession or any activities or any transactions via:

- internet, intranet, extranet, **Insured's** own website, web address; and/or
- transmission of electronic mail or documents by electronic means

49. Sanction Clause inclusive of Iran, Russia and Belarus

The Company shall not be deemed to provide cover and 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 sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, Sri Lanka, United States of America and/or any other applicable national economic or trade sanction law or regulations.

This policy does not provide any cover, and does not include any liability to pay any claim or provide any benefit hereunder, in respect of any risk related to Iran.

This policy does not provide any cover, and does not include any liability to pay any claim or provide any benefit hereunder, in respect of any risk related to Russia.

50. Product Liability Exclusion

Notwithstanding anything contained herein to the contrary of the policy, it is hereby declared and agreed that this Policy does not apply to any "Product Hazard" liability arising out of, in connection with or in any way related out of "Insured's Product".

For the purpose of this Endorsement, the following definitions apply:

- (a) "Product Hazard" means any Bodily Injury or Property Damage arising out of "Insured's Product" or its use, but only where such Bodily Injury or Property Damage occurred:
 - (i) away from premises owned or occupied by the Insured; and
 - (ii) after physical possession of the "Insured's Product" has been relinquished to others.
- (b) "Insured's Products" means:
 - (i) any goods or products, stated as "Insured's Products" in the policy schedule, designed, manufactured, supplied, sold, handled, distributed, erected, installed, repaired, serviced, treated, assembled, dispatched, delivered or disposed of by the Insured or under the Insured's name;
 - (ii) containers (other than "Licensed Motor Vehicles"), materials, parts or equipment furnished in connection with such goods or products;
 - (iii) does not include vending machines, other property rented to or located for the use of others but not sold, and goods or products that are still in Insured's physical possession.
- (d) "Licensed Motor Vehicle" means any type of machine designed to travel on wheels or on self-laid tracks and to be propelled by other than manual or animal power, and which is subject to licensing by a public authority and/or compulsory motor insurance.

51. PFAS Exclusion

The Underwriters shall not be liable to indemnify the Insured under the Policy in respect of any liability, claim, loss, costs or expenses of whatsoever nature directly or indirectly arising out of, caused by, resulting from, in consequence of, in connection with or in any way involving any of the following, regardless of any other cause or event contributing concurrently or in any other sequence:

- (1) any perfluorinated compounds (PFCs) including, but not limited to, perfluoroalkyl and polyfluorinated alkyl substances (PFAS), perfluorooctane sulfonate (PFOS), perfluorooctanoic acid (PFOA), perfluoroether carboxylic and sulfonic acids (PFECAs and PFESAs, respectively), and any related products and chemicals, including any constituents of, additives to, derivative of or degradation by products thereof;
- (2) any hexafluoropropylene oxide dimer acid (HFPO-DA), GenX, and any other replacement PFOA or any chemical included on the U.S. Environmental Protection Agency's PFAS Research List, Regulations Amending the Prohibition of Certain Toxic Substances Regulations, 2012 (Canada), European Chemical Agency (ECHA), or any similar federal, state, local or foreign act, statute, regulation, ordinance, requirement or law

(including additions and amendments thereto).

52. Russia/Belarus/Ukraine Exclusion

This policy does not provide any cover, and does not include any liability to pay any claim or provide any benefit hereunder, in respect of any risk related to Russia and/or Belarus.

53. Iran Exclusion

This policy does not provide any cover, and does not include any liability to pay any claim or provide any benefit hereunder, in respect of any risk related to Iran.

Subject otherwise to the terms and conditions of this Policy.