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# **PRODUCTS/COMPLETED OPERATIONS LIABILITY POLICY (I)**

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The Korea Chamber of Commerce & Industry



## **PRODUCTS/COMPLETED OPERATIONS LIABILITY POLICY ( I )**

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 words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under SECTION II - WHO IS AN INSURED.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION V - DEFINITIONS.

### **SECTION I - COVERAGES**

#### **PRODUCTS/COMPLETED OPERATIONS BODILY INJURY AND PROPERTY DAMAGE LIABILITY**

##### **1. Insuring Agreement.**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" Included within the "products-completed operations hazard" to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS. This insurance applies only to "bodily injury" and "property damage" which occurs during the policy period. The "bodily injury" and "property damage" must be caused by an "occurrence." The "occurrence" must take place in the "coverage territory." We will have the right and duty to defend any "suit" seeking those damages. But:
  - (1) The amount we will pay for damages is limited as described in SECTION III- LIMITS OF INSURANCE ;

## Products/Completed Operations Liability Policy( I )

- (2) We may investigate and settle any claim or "suit" at our discretion ; and
- (3) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.
- b. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily Injury."
- c. "Property damage" that is loss of use of tangible property that is not physically injured shall be deemed to occur at the time of the "occurrence" that caused it.

### 2. Exclusions.

This insurance does not apply to :

- a. "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily Injury" resulting from the use of reasonable force to protect persons or property.
- b. "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages :
  - (1) Assumed in a contract or agreement that is an "insured contract" ; or
  - (2) That the insured would have in the absence of the contract or agreement
- c. "bodily injury" or "property damage" for which any insured may be held liable by reason of :
  - (1) Causing or contributing to the intoxication of any person ,
  - (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol ; or
  - (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving of furnishing alcoholic beverages.
- d. Any obligation of the Insured under a workers compensation, disability benefits or unemployment compensation law or any similar law.
- e. "Bodily injury" to :
  - (1) An employee of the insured arising out of and in the course of employment by

## Products/Completed Operations Liability Policy( I )

the insured ; or

- (2) The spouse, child, parent, brother or sister of the employee as a consequence of (1) above.

This exclusion applies :

- (1) Whether the insured may be liable as an employer or in any other capacity ;  
and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract."

- f. "Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War Includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

- g. "Property damage" to :

- (1) Property you own, rent or occupy;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you; or
- (4) Personal property in your care, custody or control.

Paragraph (2) of the exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraph (3) and (4) of this exclusion do not apply to liability assumed under a sidetrack agreement.

- h. "Property damage" to "your product" arising out of it or any part of it.

- i. "Property damage" to "your work" arising out of it or any part of it and included in the "products - completed operations hazard."

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

- j. "Property damage" to "impaired property" or property that has not been physically Injured, arising out of :

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work" ; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract

## **Products/Completed Operations Liability Policy( I )**

or agreement in accordance with terms.

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

- k. Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall inspection, repair, replacement, adjustment, removal or disposal of :
- (1) "Your product ; "
  - (2) "Your work ;" or
  - (3) "Impaired property ; "
- 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.

## **SUPPLEMENTARY PAYMENTS**

We will pay, with respect to any claim or "suit" we defend :

1. All expenses we incur.
2. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
3. All reasonable expenses incurred by the Insured at our request to assist us in the investigation or defense of the claim or "suit," Including actual loss of earnings up to \$100 a day because of time off from work.
4. All costs taxed against the Insured in the "suit."
5. Pre-judgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any pre-Judgment interest based on that period of time after the offer.
- 6, All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited In court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

## **SECTION II- WHO IS AN INSURED**

1. If you are designated in the Declarations as :
  - a. An individual, you and your spouse are Insureds, but only with respect to the conduct of a business of which you are the sole owner.

## Products/Completed Operations Liability Policy( I )

- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. An organization other than a partnership or joint venture, you are an insured. Your executive officers and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
2. Each of the following is also insured :
- a. Your employees, other than your executive officers, but only for acts within the scope of their employment by you. However, none of these employees is an insured for :
    - (1) "Bodily injury" to you or to a co-employee while in the course of his or her employment ; or
    - (2) "Bodily Injury" arising out of his or her providing or failing to provide professional health care services ; or
    - (3) "Property damage" to property owned or occupied by or rented or loaned to that employee, any of your other employees, or any of your partners or members(if you are a partnership or joint venture).
  - b. Any person (other than your employee) or any organization while acting as your real estate manager.
  - c. Any person or organization having proper temporary custody of your property if you die, but only :
    - (1) With respect to liability arising out of the maintenance or use of that property , and
    - (2) Until your legal representative has been appointed.
  - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will be deemed to be a Named Insured if there is no other similar insurance available to that organization. However :
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier ; and
  - b. Coverage does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or

## **Products/Completed Operations Liability Policy( I )**

past partnership or joint venture that is not shown as a Named Insured in the Declarations.

### **SECTION III - LIMITS OF INSURANCE**

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of :
  - a. Insureds ;
  - b. Claims made or "suits" brought ; or
  - c. Persons or organizations making claims or bringing "suits."
2. The Aggregate Limit is the most we will pay for damages because of injury and damage included in the "products - completed operations hazard."
3. Subject to 2. above, the Each Occurrence Limit is the most we will pay for damages because of all "bodily injury" and "property damage" arising out of any one "occurrence .

The limits of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

### **SECTION IV - TERMS AND CONDITIONS**

#### **1. Bankruptcy.**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

#### **2. Duties in The Event Of Occurrence, Claim Or Suit.**

- a. You must see to it that we are notified promptly of an "occurrence" which may result in a claim. Notice should include :
  - 1) How, when and where the "occurrence" took place ; and
  - 2) the names and addresses of any Injured persons and witnesses
- b. If a claim, is made or "suit" is brought against any insured, you must see to it that

## **Products/Completed Operations Liability Policy( I )**

we receive prompt written notice of the claim or "suit."

c. You and any other involved insured must :

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit,"
- (2) Authorize us to obtain records and other information ;
- (3) Cooperate with us in the investigation, settlement or defense of the claim or "suit; " and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

### **3. Legal Action Against Us.**

No person or organization has a right under this Coverage Part :

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured ; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

### **4. Other Insurance.**

If other valid and collectible insurance is available to the insured for a loss we cover under this coverage part, our obligations are limited as follows.

a. Primary Insurance

This insurance is primary. Our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in b. below.

b. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will

## **Products/Completed Operations Liability Policy( I )**

contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all Insurers .

### **5. Premium Audit.**

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

### **6. Representations.**

By accepting this policy, you agree :

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us ; and
- c. We have issued this policy in reliance upon your representations.

### **7. Separation Of Insureds.**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to the first Named Insured, this insurance applies :

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

### **8. Transfer Of Rights Of Recovery Against Others To Us.**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

### **9. Cancellation**

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least :

## Products/Completed Operations Liability Policy( I )

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium ; or
  - (2) 30 days before the effective date of cancellation if we cancel by reason of following items. However, we may not cancel the contract if 30 days have passed from the time of our becoming aware of the fact, or if we have failed to learn of it by our own gross negligence :
    - 1) If, with respect to matters to be declared In the application for the contract, the facts have not been correctly declared, by wilful act or gross negligence on the part of the policyholder, the insured or any person acting on their behalf ; or
    - 2) If the duty to give notice in respect of a change of a material increase in the risk has not been fulfilled ; or
    - 3) If the insured's wilful act or gross negligence increase or change the risk materially ; or
    - 4) If the insured refuses or avoids our inspection in Condition 12. Inspection and Surveys.
- c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata, If the first Named Insured cancels, the balance remaining after the deduction of the premium calculated at the short-term rate for the period already elapsed will be refunded. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

### 10. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations Is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

### 11. Examination of your books and records

We may examine and audit your books and records as they related to this policy at any time during the policy period and up to within one year from the date of the receipt of claim payment request.

**12. Inspection and surveys**

We have the right but are not obligated to :

- a. Make inspections and surveys at any time ;
- b. Give you reports on the conditions we find ; and
- c. Recommend changes.

Any inspections, surveys, reports or recommendation related only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions :

- a. Are safe or healthful ; or
- b. comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

**13. Premiums**

The first Named Insured shown in the Declarations :

- a. Is responsible for the payment of all premiums ; and
- b. Will be the payee for any return premiums we pay.

**14. Transfer of your rights and duties under this policy**

Your rights and duties under this policy may not be transferred Without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

**SECTION V - DEFINITIONS**

- 1. "**Auto**" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment."
- 2. "**Bodily injury**" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- 3. "**Coverage territory**" means :

## Products/Completed Operations Liability Policy( I )

- a. Any country stated in the policy ;
  - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above ; or
  - c. All parts of the world if:
    - (1) The injury or damage arises out of goods or products made or sold by you in the territory described in a. above ; and
    - (2) The insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
4. **"Impaired property"** means tangible property, other than "your product" or "your work," that cannot be used or is less useful because -
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous ; or
  - b. You have failed to fulfill the terms of a contract or agreement ;
- if such property can be restored to use by :
- a. The repair, replacement, adjustment or removal of "your product" or "your work," or
  - b. Your fulfilling the terms of the contract or agreement.
5. **"Insured contract"** means
- a. A lease of premises ;
  - b. A sidetrack agreement ;
  - c. An easement or license agreement in connection With vehicle or pedestrian private railroad crossings at grade ;
  - d. Any other easement agreement, except in connection with construction or demolition operations on or Within 50 feet of a railroad ;
  - e. An indemnification of a municipality as required by ordinance, except in connection with work for a municipality ;
  - f. An elevator maintenance agreement , or
  - g. That part of any other contract or agreement pertaining to your business under which you assume the tort liability of another to pay damages because of "bodily injury" or "property damage" to a third person or organization, if the contract or agreement is made prior to the "bodily Injury" or "property damage." Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

An "insured contract" does not include that part of any contract or agreement.

- a. That indemnifies an architect, engineer or surveyor for injury or damage arising

## Products/Completed Operations Liability Policy( I )

out of ;

(1) Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specification ; or

(2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

b. Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failing to render professional services, including those listed in a. above and supervisory, inspection or engineering services.

6. "**Loading or unloading**" means the handling of property :

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto;"

b. While it is in or on an aircraft, watercraft or "auto;" or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered ;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto."

7. "**Mobile equipment**" means any of the following types of land vehicles, including any attached machinery or equipment

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads ;

b. Vehicles maintained for use solely on or next to premises you own or rent ;

c. Vehicles that travel on crawler treads ;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted :

(1) Power cranes, shovels, loaders, diggers or drills ; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types :

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment ; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

## Products/Completed Operations Liability Policy( I )

However, self-propelled Vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos;"

(1) Equipment designed primarily for:

- a) Snow removal;
- b) Road maintenance, but not construction or resurfacing ;
- c) Street cleaning ;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers ; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and Well servicing equipment.

8. "**Occurrence**" means an accident including continuous or repeated exposure to substantially the same general harmful conditions.

9. a. "Products-completed operations hazard" includes all "bodily injury" and "property damage" occurring away from Premises you own or rent and arising out of "your product" or "your work" except :

- (1) Products that are still In your physical possession ; or
- (2) Work that has not yet been completed or abandoned.

b. "Your work" will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

c. This hazard does not Include "bodily injury" or "property damage" arising out of :

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading or unloading" of it;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials ;
- (3) Products or operations for which the classification in this Coverage Part or in our manual of rules includes products or completed operations.

10. "**Property damage**" means :

- a. Physical injury to tangible property, including all resulting loss of use of that property, or

## Products/Completed Operations Liability Policy( I )

b. Loss of use of tangible property that is not physically injured.

11. "**Suit**" means a civil proceeding in which damages because of "bodily injury" or "property damage" to which this insurance applies are alleged. "Suit" includes an arbitration proceeding alleging such damages to which you must submit or submit with our consent.

12. "**Your product**" means :

a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by :

(1) You :

(2) Others trading under your name ; or

(3) A person or organization whose business or assets you have acquired : and

b. containers(other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

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

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

13. "**Your work**" means :

a. Work or operations performed by you or on your behalf : and

b. Materials, part or equipment furnished in connection With such work or operations.

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

**ADDITIONAL INSURED(CONCESSIONAIRES) CLAUSE**

**SCHEDULE**

Concessionaire :

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement).

WHO IS AN INSURED(Section II) is amended to include as an insured the concessionaire(s) shown in the Schedule but only with respect to their liability as a concessionaire trading under your name.

**ADDITIONAL INSURED(VENDORS) CLAUSE**

**SCHEDULE**

Name of Person or Organization (Vendor) :

Your Products :

(If no entry appears above, information required to complete this endorsements will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an Insured any person or organization (referred to below as "vendor") shown in the Schedule, but only With respect to "bodily injury" or "property damage" arising out of "your products" shown in the Schedule which are distributed or sold in the regular course of the vendor's business, subject to the following additional provisions :

1. The insurance afforded the vendor does not apply to :
  - a. "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.  
This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement ;
  - b. Any express warranty unauthorized by you;
  - c. Any physical or chemical change in the product made intentionally by the Vendor;
  - d. Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container ;
  - e. Any failure to make such inspections, adjustments, tests of servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products ;
  - f. Demonstration, installation, servicing or repair operations, except such operations

## **Products/Completed Operations Liability Policy( I )**

- performed at the vendor's premises in connection with the sale of the product ;
- g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor.
2. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into accompanying or containing such products.

### **DESIGNATED PRODUCTS EXCLUSION CLAUSE**

#### **SCHEDULE**

Designated Product(s):

(If no entry appears above, Information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement).

This insurance does not apply to "bodily injury" or "property damage" included in the "products - completed operations hazard" and arising out of any of "your products" shown in the Schedule.

### **DESIGNATED WORK EXCLUSION CLAUSE**

#### **SCHEDULE**

Description of your work :

(If no entry appears above, Information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

This insurance does not apply to "bodily injury," "property damage," "personal injury" or "advertising injury" arising out of "your work" shown in the Schedule.

### **EXPLOSION, COLLAPSE AND UNDERGROUND PROPERTY DAMAGE HAZARD EXCLUSION CLAUSE (Specified Operations)**

#### **SCHEDULE**

Location & Description  
of Operations

Excluded Hazard(s)

## Products/Completed Operations Liability Policy( I )

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

1. The following exclusion is added to COVERAGE A(Section I) .

This insurance does not apply to "property damage" Included Within the "explosion hazard", the "collapse hazard" or the "underground property damage hazard" if any of these hazards is entered as an excluded hazard on the Schedule.

This exclusion does not apply to :

- a. Operations performed for you by others ; or
- b. "Property damage" included within the "products completed operations hazard:"

2. The following additional definitions apply :

"Explosion hazard" includes property damage arising out of blasting or explosion. The "explosion hazard" does not include "property damage" arising out of the explosion of air or steam vessels, piping under pressure, prime movers, machinery or power transmitting equipment.

"Collapse hazard" Includes "structural property damage" and any resulting "property damage" to any other property at any time.

"Structural property damage" means the collapse of or structural injury to any building or structure due to:

- (1) Grading of land, excavating, borrowing, filling, backfilling, tunneling, pile driving, cofferdam work or caisson work ; or
- (2) Moving, shoring, underpinning, raising or demolition of any building or structure or removal or rebuilding of any structural support of that building or structure.

"Underground property damage hazard" includes "underground property damage" and any resulting "property damage" to any other property at any time.

"underground property damage" means property damage to wires, conduits, pipes, mains, sewers, tanks, tunnels, any similar property, and any apparatus used with them beneath the surface of the ground or water, caused by and occurring during the use of mechanical equipment for the purpose of grading land, paving, excavating, drilling, borrowing, filling, back-filling or pile driving.

### **EXPLOSION, COLLAPSE AND UNDERGROUND PROPERTY DAMAGE HAZARD EXCLUSION CLAUSE (Specified Operations Excepted)**

#### **SCHEDULE**

Location & Description  
Operations

Covered Hazard(s)

## **Products/Completed Operations Liability Policy( I )**

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

1. This insurance does not apply to "property damage" arising out of the "explosion hazard," the "collapse hazard" or the "underground property damage hazard."

This exclusion does not apply to :

- a. Operations performed for you by others ;
- b. "Property Damage" included within the "products- completed operations hazard" ; or
- c. Any operation described in the Schedule above, if any of these hazards is entered as a covered hazard

2. The following additional definitions apply:

"Explosion hazard" includes property damages arising out of blasting or explosion. The "explosion hazard" does not include "property damage" arising out of the explosion of air or steam vessels, piping under pressure, prime movers, machinery or power transmitting equipment.

"Collapse hazard" includes "structural property damage" and any resulting "property damage" to any other property at any time.

"Structural property damage" means the collapse of or structural injury to any building or structure due to :

- (1) Grading of land, excavating, borrowing, filling, backfilling, tunneling, pile driving, cofferdam work or caisson work ; or
- (2) Moving, shoring, underpinning, raising or demolition of any building or structure or removal or rebuilding of any structural support of that building or structure.

"Underground property damage hazard" includes "underground property damage" and any resulting "property damage" to any other property at any time.

"Underground property damage" means property damage to wires, conduits, pipes, mains, sewers, tanks, tunnels, any similar property, and any apparatus used with them beneath the surface of the ground or water, caused by and occurring during the use of mechanical equipment for the purpose of gradingland, paving, excavating, drilling, borrowing, filling, back - filling or pile driving.

## **PREMIUM ADJUSTMENT CLAUSE**

It is further understood and agreed that :

- (A) The Premium for Product Hazards stated in SCHEDULE as attached to the Policy is a minimum and deposit premium only, and upon the termination of this Policy, the actual premium shall be computed in basis of the actual "sales" (or "turnover") during the Policy Period, and if the adjusted Premium thus computed exceed the

## Products/Completed Operations Liability Policy( I )

minimum and deposit premium paid, the Insured shall additional pay the excess to the Company.

- (B) In consideration of the foregoing terms, the Named Insured shall furnish the Company with the written reports attaching the relevant supporting documents for the actual sales (or turnover) during the Policy Period immediately after the expire of the Policy.

### PREMIUM/CLAIM PAYMENT CLAUSE

It is understood and agreed that :

- (A) Premiums shall be payable in Won Currency converted into by T. T. Selling Rate at the time of the payment of the premium.
- (B) Claims shall be payable either In Won Currency converted into by T. T. Buying Rate at the time of the payment of the claims or in Foreign Exchange Certificate equivalent to ( ) Currency.

### DEDUCTIBLE LIABILITY INSURANCE CLAUSE

#### SCHEDULE

Coverage	Amount and Basis of Deductible	
Bodily Injury Liability	\$	per claim
	\$	per occurrence
Property Damage Liability	\$	per claim
	\$	per occurrence
Bodily Injury Liability and Property	\$	per claim
Damage Liability Combined	\$	per occurrence

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

APPLICATION OF ENDORSEMENT (Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all "bodily injury" and "property damage", however caused) :-

1. Our obligation under the Bodily Injury Liability and Property Damage Liability

## Products/Completed Operations Liability Policy( I )

Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages, and the limits of insurance applicable to "each occurrence" for such coverages will be reduced by the amount of such deductible. "Aggregate" limits for such coverages shall not be reduced by the application of such deductible amount.

2. The deductible amounts stated in the Schedule apply as follows :

A. PER CLAIM BASIS- if the deductible is on a "per claim" basis, the deductible amount applies :

- 1) Under the Bodily Injury Liability or Property Damage Liability Coverage, respectively :
  - a. To all damages because of "bodily injury" sustained by one person, or
  - b. To all damages because of "property damage" sustained by one person or organization as the result of any one "occurrence."
- 2) Under Bodily Injury Liability and Property Damage Liability Coverage combined to all damages because of "bodily injury" and "property damage" sustained by one person or organization as the results of any one "occurrence."

B. PER OCCURRENCE BASIS-if the deductible is on a "per occurrence" basis, the deductible amount applies '

- 1) Under the Bodily Injury Liability or Property Damage Liability Coverage, respectively :
  - a. To all damages because of "bodily injury as the result of any one "occurrence," or
  - b. To all damages because of "property damage" as 7he result of any one "occurrence".regardless of the number of persons or organizations who sustain damages because of that "occurrence".
- 2) Under Bodily Injury Liability and Properly Damage Liability Coverage combines to all damages because of "bodily injury" and "property damage" as the result of any one "occurrence" regardless of the number of persons or organizations who sustain damages because of that "occurrence."
- 3) The terms of this insurance, including those with respect to :
  - (a) Our right and duty to defend any "suits" seeking those damages ; and
  - (b) Your duties in the event of an "occurrence," claim, or suit apply irrespective of the application of the deductible amount.
- 4) We may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

**CO-INSURANCE CLAUSE**

It is further understood and agreed that:

1. The words "the Company" wherever used in this policy means the subscribing companies listed below.
2. This policy shall be liable only for its below designated proportion of any obligation assumed or expenses incurred under this policy.

Portion of 100%	Subscribing Companies
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**PREMIUM INSTALLMENTS CLAUSE**

1. Notwithstanding that this policy is issued as a contract for a period of twelve months, it is hereby understood and agreed that the premium shall be payable in the following installments:

Installments:

1st Installment due and payable at inception :	( %)
2nd Installment due and payable on :	( %)
3rd Installment due and payable on :	( %)
4th Installment due and payable on :	( %)

Nevertheless it is further understood and agreed that:-In the event of any installment not being paid until its above due date, the Company shall not be liable for any loss as occurred during the period from such due date to the date when such due installment is paid.

2. In the event of a claim arising hereunder which exceeds the installment premiums paid on this Policy the installments of premium then outstanding shall become due and payable forthwith.

**PUNITIVE DAMAGES EXCLUSION CLAUSE**

This insurance does not cover any liability for fines, penalties, punitive or exemplary damages.

### **SANCTION LIMITATION AND EXCLUSION CLAUSE**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall 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 that (re)insurer 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 or United States of America.

### **NOSE COVERAGE ENDORSEMENT CLAUSE**

It is hereby understood and agreed that coverage is extended to include claims which are first made against any Insured and subject to each of following conditions:

1. The claim is first made against any Insured within the period from inception to expiration of this policy
2. The claim arises solely out of occurrence taking place within the period from (        ) to (        )
3. The claim arises out of products insured in this policy and distributed through (designated or all vendors)
4. The sub-limit for this coverage is (        ) per occurrence and in the aggregate. The inclusion of this coverage shall not increase the Limit of Insurance as described in this policy

#### **Definition of "Claim"**

1. The word " Claim" as used in the endorsement means a written demand made on the insured by a third party – a person or organization, for monetary damages.
2. A claim by a person or organization seeking damages will be deemed to have been made when notice of such claim is received and recorded by any insured or by us, whichever comes first.
3. All claims for damages because of "bodily injury" to the same person, including damages claimed by any person or organization for care, loss of service, or death resulting at any time the first of those claims is made against any insured.
4. All claims for damages because of "property damage" causing loss to the same

## **Products/Completed Operations Liability Policy( I )**

person or organization as a result of an “occurrence” will be deemed to have been made at any time the first of those claims is made against any insured.

### **ASBESTOS EXCLUSION CLAUSE**

In consideration of the premium charged, it is hereby understood and agreed that this policy does not apply to personal injury, bodily injury, or property damage arising out of asbestos including but not limited to :

1. inhaling, ingesting or physical exposure to asbestos or goods or products containing asbestos; or
2. the use of asbestos in constructing or manufacturing any goods, products, or structures; or
3. the removal of asbestos from any goods, products or structures; or
4. the manufacture, encapsulation, transportation, storage, handling, distribution, sale, application, mining, consumption or disposal of asbestos or goods or products containing asbestos

### **ELECTRONIC MAGNETIC FIELD EXCLUSION (EMF EXCLUSION)**

This Policy Excludes all liability directly or indirectly caused by or alleged to be caused by or contributed to in whole or in part by electro-magnetic fields the diminution in the value of property resulting from electro-magnetic fields any obligation to defend any claim or suit against the Insured alleging Personal Injury or Property Damage resulting from electro-magnetic fields.

### **EXCLUSION OF TERRORISM**

This endorsement modifies insurance provided under all Coverage Parts :

#### **TERRORISM EXCLUSION**

We will not pay for loss or damage caused directly or indirectly by terrorism, including

## **Products/Completed Operations Liability Policy( I )**

action in hindering or defending against an actual or expected incident of terrorism. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Terrorism means activities against persons, organizations or property of any nature :

1. That involves the following or preparation for the following :
  - a. Use or threat of force or violence; or
  - b. Commission or threat of a dangerous act; or
  - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies :
  - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
  - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

Regardless of the amount of damage and losses, in addition to items 1. and 2. above, this Terrorism Exclusion also applies to any incident of terrorism :

1. That involves the use, release or escape of nuclear materials, or that directly or indirectly results in nuclear reaction or radioactive contamination; or
  2. That is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
  3. In which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.
- ※ Notwithstanding the above, this exclusion shall not be applied to any bodily injury caused by person accident risk.

## **INEFFICACY CLAUSE**

The indemnity provided by the policy excludes liability arising from the failure of the Product (or any part thereof) to fulfill the purpose of which it was designed or to perform as specified, warranted or guaranteed. Subject otherwise to the terms, conditions and exclusions of the policy.

### **MILLENNIUM EXCLUSION CLAUSE**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the following shall apply to this insurance:

1. Insurer(s) will not pay for Damage or Consequential Loss directly or indirectly caused by, consisting of, or arising from, the failure of any computer, data processing equipment or media, microchip, operating systems, microprocessors(computer chip), integrated circuit or similar device, any computer software, or any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed above, whether the property of the insured or not, that results from any actual or alleged failure, malfunction or inadequacy due to inability to correctly recognize, process, distinguish, interpret or accept any date as its true calendar date.
2. It is further understood that we will not pay for the repair or modification of any part of an electronic data processing system or its related equipment, to correct deficiencies or features of logic operation.
3. It is further understood that we will not pay for Damage or Consequential Loss arising from the failure, inadequacy or malfunction of any advice, consultation, design evaluation, inspection, installation, maintenance, repair or supervision provided or done by Insured or for Insured to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in A above.

Such damage or Consequential Loss described in A, B, C above, is excluded regardless of any other cause that contributed concurrently or in any other sequence.

### **NUCLEAR ENERGY LIABILITY EXCLUSION CLAUSE**

In consideration of the premium charged, it is hereby understood and agreed that ;

1. The insurance does not apply:
  - A. Under any Liability Coverage, to "bodily injury" or "property damage:"
    - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance

## Products/Completed Operations Liability Policy( I )

Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material," if:

(1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured;" or

(3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction maintenance, operation or use of any "nuclear facility," but if such facilities located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties;

"Nuclear material" means "source material," "Special nuclear material" or "by-product material;"

"Source material," "special nuclear material," and "by-product material" have the

## **Products/Completed Operations Liability Policy( I )**

meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

“Spent fuel” means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a “nuclear reactor;”

“Waste” means any waste material (a) containing “by-product material” other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its “source material” content, and (b) resulting from the operation by any person or organization of any “nuclear facility” included under the first two paragraphs of the definition of “nuclear facility.”

“Nuclear facility” means:

(a) Any “nuclear reactor;”

(b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing “spent fuel,” or (3) handling, processing or packaging “waste;”

(c) Any equipment or device used for the processing, fabricating or alloying of “special nuclear material” if at any time the total amount of such material in the custody of the “insured” at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of “waste;” and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

“Nuclear reactor” means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

“Property damage” includes all forms of radioactive contamination of property.

## **TOTAL POLLUTION EXCLUSION CLAUSE**

In consideration of the premium charged, it is understood and agreed that this policy does not apply to:

## **Products/Completed Operations Liability Policy( I )**

1. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants:

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured;

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations:

(i) if the pollutants are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor; or

(ii) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants.

Subparagraphs(a) and (d) (i) do not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire.

As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

2. Any loss, cost or expense arising out of any:

(a) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

## **COSTS & EXPENSES ENDORSEMENT**

Notwithstanding the 'SUPPLEMENTARY PAYMENTS' in 'SECTION I', It is hereby understood and agreed that all the costs & expenses(includes interest) that are listed on the the 'SUPPLEMENTARY PAYMENTS' in 'SECTION I' are included within the Limit of Liability



## **Products/Completed Operations Liability Policy( I )**

statutes of the country where this policy is applicable. In this case, the insurer shall be liable to repay on demand a ratable proportion of the premium for the unexpired term from the date of such termination.

### **“TIE-IN” LIMITS ENDORSEMENT**

This Endorsement modifies insurance provided under SECTION III – LIMITS OF INSURANCE.

In consideration of the premium charged, it is hereby agreed that the combined Limit of Liability that the Company shall be liable for on any claim involving both this policy and also policy as below shall be Limit of Liability XXX.- any one claim / 000.- aggregate.

The Total Liability of the Company under this and all policies identified in this Endorsement shall not exceed such amount and such condition is only valid subject to all the policies provided to same Insured(s).

All other terms and conditions of the Policy remain unchanged.

### **CORONAVIRUS EXCLUSION**

This insurance does not cover any claim in any way caused by or resulting from:

- a) Coronavirus disease (COVID-19);
- b) Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2);
- c) any mutation or variation of SARS-CoV-2;
- d) any fear or threat of a), b) or c) above.

### **PANDEMIC/INFECTIOUS DISEASE EXCLUSION**

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto, it is agreed that this insurance shall exclude all loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, arising out of, resulting from or in connection with an actual, or perceived, or fear of, an epidemic, pandemic, or infectious or contagious disease, including, but not limited to, a virus, bacterium, parasite or other organism, including any mutation thereof, regardless of any other cause or event contributing concurrently or in any other sequence to the

## Products/Completed Operations Liability Policy( I )

loss. This insurance also excludes any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, arising out of, resulting from or in connection with any action taken, or failure to take action, to control, monitor, prevent, suppress, recover from, or in any way relating to such epidemic, pandemic, or infectious or contagious disease.

### COMMUNICABLE DISEASE ENDORSEMENT

1. This policy, subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical damage occurring during the period of insurance. Consequently and notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
  - 2.1. for a Communicable Disease, or
  - 2.2. any property insured hereunder that is affected by such Communicable Disease.
3. 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:
  - 3.1. 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
  - 3.2. 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
  - 3.3. 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 insured hereunder.
4. This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the policy remain the same.