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The TransAssurance Clauses

(Applied according to the Decision No. 1700/2016-BM/HH dated 01/12/2016 of the Chief Executive Officer of BaoMinh Insurance Corporation)

BAO MINH – WHOLE HEARTED SERVICE

CONTENTS

I. INTERPRETATION AND DEFINITIONS

1. INTERPRETATION

1.1 References to Clauses or Policy are to Clauses or Policy to this Transassurance Clauses and references to Clauses are to be Clauses of the relevant clause, and the Policy are deemed to be incorporated in this Transassurance Clauses and the reference to "The Transassurance Clauses" includes a reference to the Policy.

1.2 In this Transassurance Clauses:

1.2.1 the contents, page and the clause headings are to be included for convenience only and shall not affect the construction of this Transassurance Clauses;

1.2.2 words denoting the singular shall include the plural and vice versa;

1.2.3 words denoting any gender shall include a reference to each other gender;

1.2.4 references to persons shall be deemed to include references to natural persons, firms, partnerships, companies, corporations, associations, organisations, foundations and trusts (in each case whether or not having separate legal personality).

1.3 References in this Transassurance Clauses to any statute, order, statutory instrument or rules shall include references to any amendment, consolidation, or re-enactment from time to time of such statute, order statutory instrument or rule.

1.4 In the event of any conflict between Clauses of this Transassurance Clauses and any Policy(s) to this Transassurance Clauses, the Policy(s) shall prevail.

2. DEFINITIONS

In this Transassurance Clauses, the Policy(s), any endorsements and any addenda, the words and/or abbreviations and/or phrases set out shall have the meaning ascribed thereto, if not inconsistent with the subject matter of the context.

Freight Forwarder: is an agent for a shipper who dispatches shipments of cargo via air, ocean, or surface to and from places in the world to other places in the world. A freight forwarder prepares and/or checks various shipping documents and arranges for the transportation of cargo on behalf of shippers. A freight forwarder may also act as a common carrier of cargo, either under a tariff or on airway bill issued by them in their own name or a bill of lading issued by them in their own name. A freight forwarder does not operate the conveyances on which the actual ocean or air transportation is provided. However, they may operate the actual truck on which surface transportation is provided. This definition includes: an ocean freight forwarder; air cargo agent (IATA/CNS); domestic freight forwarder (within a country); shipper's

	agent; import freight forwarder, multimodal transport operator; ocean, air or surface consolidator (or principal); a non-vessel operating common carrier by water (N.V.O.C.C); an air freight forwarder or a logistics operator. A freight forwarder may also perform the following incidental business activities: warehousing, packing, crating, trucking, drayage, courier, or delivery services.
Policy:	Transassurance Policy
Accident:	A sudden, fortuitous, unintended, unexpected and unforeseen event.
Aircraft:	A fixed wing aeroplane propelled by mechanical means or a Helicopter or a dirigible powered balloon.
Any One Accident:	Any one accident or occurrence or series of accidents or occurrences arising out of the same event.
Authority:	A legally constituted Court or tribunal or an administrative body or person of competent jurisdiction.
Bullion:	Bars or other bulk form of gold, silver, platinum or other precious metal.
Cargo:	Goods of any description, including packaging and containers supplied by the Principal or Owner of the goods, in respect of which the Insured has contracted to provide a service.
Carriage:	Extends to include awaiting carriage, having been carried or intended to be carried.
Transassurance Clauses:	A Transassurance Clause, Policy, endorsement or any addenda thereto, issued by the Insurer, which evidences the terms and conditions of the Contract of Insurance.
Container:	A unit load device, including an I.S.O. Container or a Tank Container, Flat or Pallet.
Conveyance:	Any means of carriage for the transport of cargo.
Insolvency:	Subject to stipulation of existing Vietnamese Law.
Insurance Broker:	Any agent or intermediary directly or indirectly acting on behalf of the Insured in connection with the placement and servicing of the Policy with the Insurer.
Insured:	The party identified as the Insured in the Policy.
Insured Service(s)	Operations which are specified on the Policy.
Insurer:	BaoMinh Insurance Corporation
N.V.O.C.C.	Non-Vessel Operating Common Carrier who acts as a Principal when providing transportation, forwarding or a similar service and sub-contracts all of the section of transit, unless otherwise agreed and stated in the Policy.
Occurrence:	Includes a number of accidents or occurrences arising out of one event.
Policy Year:	The insurance period stated in the Policy.
Principal:	A Company, Corporation, Person or Group of Persons on

	whose behalf the Insured undertakes to provide a Service.
Punitive or Exemplary Damages:	Non compensatory damages awarded by any court of competent jurisdiction to a plaintiff in excess of the actual loss suffered.
Surface vehicle:	A vehicle, having its own motive power, which is licensed to be used on public roads or is intended to be so used.
Ship or Vessel:	Any vessel or structure, including a boat or hover craft that is or can be used in navigation on, under, over or in water.
Ship or Vessel Operator:	The Operator of a Ship or Vessel, including an Owner or Part Owner, Manager or Charterer.
Terms and Conditions:	The Terms and Conditions as they exist or as they may be altered, abrogated or added to and currently in force.
Third Party:	A Person or group of Persons, Entity or Collective Entity not being the Insurer or the Insured
Third Party Property:	Property or Equipment belonging to a Third Party, including a Ship, Aircraft, Road or Rail Conveyance, but excluding Cargo as defined above or any property or equipment belonging to or leased to or chartered to the Insured lease
Trailer:	Any trailer, Wagon, Chassis or similar unit including a Railway Wagon, which is able to be, or is meant to be, towed.
Trading Area:	The geographical limitation of cover as stated on the Policy or on Endorsement.
Trading Conditions:	Trading Conditions and/or Contracts of Carriage or Handling, the terms and conditions thereof having been agreed by the Insurer.

II. INSURABLE SERVICES - INSURABLE RISKS

3. INSURABLE SERVICES

Cover under this Transassurance Clauses is provided only in respect of the Insured Service(s) stated as covered on the Policy. Subject to the Insurer's agreement in writing, insurance may be granted to the following in their capacity:

3.1 As a FREIGHT FORWARDER and/or

3.2 As a N.V.O.C.C and/or

3.3 As a logistics operator

3.4 Other as may be agreed by the Insurer in writing.

4. THIRD PARTY LIABILITY INSURANCE

4.1 Where stated in the Policy, the Insured is covered for losses occurring during the Policy Year within the Trading Area for:

4.1.1 Non-contractual Liabilities at Law: Liability to a Third Party or Third Parties, including costs and expenses, arising out of provision of the Insured Services in respect of:

4.1.1.1 accidental bodily injury to or disease incurred by persons;

4.1.1.2 accidental loss of or damage to material property;

4.1.1.3 consequential loss resulting from Clauses 4.1.1.1 and/or 4.1.1.2 above.

4.1.2 Legally Enforceable Contractual Liabilities:

4.1.2.1 Liability under a Contract or Contracts that have been previously advised to and approved by the Insurer in writing and stated in the Policy and/or

4.1.2.2 Liability assumed by the Insured under contract or agreement which has not been previously advised to and approved by the Insurer, but only insofar such liability would have attached to the Insured in the absence of such agreement.

Cover under Clauses 4.1.2.1 and 4.1.2.2 above is only in respect of liability to a Third Party or Third Parties, including costs and expenses, arising out of provision of the Insured Services in respect of:

4.1.2.3 accidental bodily injury to or disease incurred by persons;

4.1.2.4 accidental loss of or damage to material property;

4.1.2.5 consequential loss resulting from Clauses 4.1.2.3 and/or 4.1.2.4 above.

4.2 EXCLUSIONS:

This Insurance does not cover the Insured's liability in any circumstances whatsoever arising directly or indirectly or contributed by, or arising from, or in connection with:

4.2.1 bodily injury to or disease sustained by persons under a contract of employment, service or apprenticeship with the Insured when such bodily injury or disease arises out of and in the course of such employment, service or apprenticeship,

4.2.2 the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle or mobile plant which is required to be licenced or for which compulsory motor insurance or security is required or which is more specifically insured or when in use on public roads in countries where compulsory liability insurance for surface vehicles is not a requirement,

4.2.3 loss of or damage to:

4.2.3.1 property belonging, hired, leased, rented or loaned to the Insured;

4.2.3.2 property held in trust or in the custody or control of the Insured or his employees,

4.2.4 an accident on public roads in the USA or Canada involving a Trailer or a Chassis or a Container owned or leased by the Insured, unless specifically agreed by the Insurer in writing.

4.2.5 Legally Enforceable Contractual Liabilities for liquidated damages, or damages imposed by or payable under any penalty clause.

5. CARGO LIABILITY INSURANCE

5.1 Where stated in the Policy, the Insured is covered for losses occurring during the Policy Year within the Trading Area for:

5.1.1 Liability in respect of loss or destruction of or damage to Cargo under:

5.1.1.1 Approved Trading Conditions and/or;

5.1.1.2 International Convention and/or National, Common or Civil Law that is compulsory or statutorily applicable.

5.1.2 Liability for:

5.1.2.1 consequential loss following loss or destruction of, or damage to Cargo and;

5.1.2.2 accidental delay in delivery of Cargo

5.2 Where the Insured's Trading Conditions and/or Bill of Lading and/or Contract of Carriage contains a provision for Ad Valorem Cargo declaration or the Insured is otherwise requested to increase the contractual limit of liability in respect of a certain Cargo or Cargoes, it is a condition precedent to the Insurer granting an extension of cover, to include such increase in liability, that the Insurer specifically agree the additional exposure.

5.3 During the Policy Year, the Insured must continuously carry on business subject to his Trading Conditions and have in place an effective procedure to advise each customer of these Trading Conditions (not including International Conventions) prior to undertaking work for them. If the Insured fails to advise a customer of his Trading Conditions prior to undertaking work for them because of an isolated error or omission, the Insurer will still cover the Insured providing that the Insured can prove beyond reasonable doubt that he normally complies with this condition and the Insured pays an additional deductible of 10% of the claimed amount.

5.4 In the event of the Insured being requested to enter into a specific contract the terms and conditions of which are other than those stated in Clause 5.1, such terms and conditions must be agreed in writing by the Insurer before signing, otherwise liability insurance may not be in effect or be granted.

6. INSURANCE IN RESPECT OF BREACH OF DUTY AND ERRORS OR OMISSIONS

6.1 Where stated in the Policy, the Insured is covered for any claim which may be made against the Insured during the Policy Year and:

6.1.1 the first discovery of which is during the insured period;

6.1.2 for breach of duty or by reason of any negligent act, error or omission for which the Insured is legally liable, including any claim or claims for breach of warranty or of authority, committed in good faith;

6.1.3 perpetrated by Principals and/or Directors and/or Clerical and/or Office Staff of the Insured or alleged to have been committed on the part of the said Principals, Directors, Clerical or Office Staff or their predecessors;

6.1.4 in the operation of any business conducted by or on behalf of the Insured or their predecessors in business in their professional capacity in providing the Insured Services.

6.2 Additional costs involved in re-routing cargo to the correct destination when such cargo has been misdirected by the Insured whilst providing an Insured Service are to be calculated as follows:

6.2.1 the costs of transporting the cargo from the place of receipt to the place to which it was misdirected plus the costs of onward carriage from the incorrect destination to the correct place of delivery, less;

6.2.2 the freight and/or other charges due from the Insured's customer for transporting the goods from the place of receipt to the correct place of delivery.

6.3 SPECIAL EXCLUSION

The cover provided in this Section 6 shall not apply to any liability that set out in Section 4 (Third party liability), Section 5 (Cargo liability), Section 9 (Packing liability) or Section 10 (Bailee liability) in despite of that liability may arise from the breach of duty, errors or omissions of the Insured or his employees.

7. INSURANCE IN RESPECT OF LIABILITIES TO AUTHORITIES

7.1 Where stated in the Policy, the Insured is covered for claims made against them during the Policy Year within the Trading Area for any amount imposed by an Authority which the Insured, or other person acting on the Insured's behalf, becomes legally liable to pay in satisfaction of any claim or claims, fine or other penalty resulting from:

7.1.1 short or over delivery of cargo

7.1.2 breach of import or export regulations

7.1.3 failure to comply with regulations in respect of cargo documentation.

7.2 EXCLUSIONS AND QUALIFICATIONS

7.2.1 The Insured is not covered for any fine or penalty imposed by the Federal Maritime Commission of the U.S.A. for failure to:

7.2.1.1 file a required tariff

7.2.1.2 post a bond

7.2.1.3 appoint an agent.

7.2.2 The Insured is not covered for any fine or penalty or strict liability, arising out of the issuance and/or submission of Customs documents.

8. COSTS AND EXPENSES

8.1 Where stated in the Policy, the Insured is covered for:

8.1.1 all and every additional cost and/or expense necessarily and reasonably incurred in order to prevent or minimise a loss or losses for which the Insured is covered under this Transassurance Clauses,

8.1.2 legal fees and expenses relating to any liability for which the Insured is covered under this Transassurance Clauses, but only to the extent that either such fees and expenses have been incurred with the prior approval of the Insurer in writing or that the Insurer shall at their sole discretion have determined that the fees and expenses should be recoverable;

8.1.3 costs and expenses necessarily incurred by the Insured, with the consent of the Insurer in writing, for removing and/or disposing of cargo belonging to a customer, that has been involved in an accident, whether liability is admitted or not;

8.1.4 exceptional costs and expenses incurred by the Insured for fumigation, disinfection or quarantine, follow an order of an Authority or for which the Insured is legally liable;

8.1.5 liabilities for Cargo's proportion of General Average and/or Salvage:

8.1.5.1 arising out of the Insured being in breach of the Contract of Carriage with the customer, or

8.1.5.2 which the Insured is obliged to pay but is unable to obtain recovery from the customer after exhaustion of all reasonable rights of recourse.

8.2 General Average Guarantees or Salvage Bonds.

8.2.1 The Insurer will, in addition to insurance provided under this Clause 8.1, at the request of the Insured, issue Guarantees or Bonds to enable the Insured to obtain release of the cargo, but the amount of such Guarantee or Bond shall in no event exceed the limit for Clause 8 as defined in the Policy.

8.2.2 In the event of the Insurer issuing Guarantees or Bonds as in Clause 8.2.1 above, the Insured must immediately obtain a completed valuation form in respect of that cargo, and if possible prior to delivery of the cargo, and take all necessary and reasonable steps to obtain counter security from each individual consignee or their respective Marine Insurers.

8.2.3 If, in the judgment of the Insurer, the Insured has exhausted all reasonable measures to obtain counter security or payment from the individual consignee or their respective Marine Insurers, the Insurer may consider to settle the irrecoverable contributions.

9. PACKING LIABILITY INSURANCE

9.1 Where stated in the Policy, the Insured is covered for claims made against them during the Policy Year within the Trading Area for any amount the Insured are required by law to compensate others for cargo that was damaged during transit, shipment, or reshipment as a result of:

9.1.1 improper or insufficient packing or crating performed by the Insured or his subcontractors and/or agents, including but not limited to, improper disassembly of cargo for packing or crating purposes.

9.1.2 improper or insufficient packing, loading, consolidating, stowing, blocking, or bracing into a container, trailer, or similar transportation equipment performed by the Insured or his subcontractors and/or agents.

9.1.3 improper or insufficient markings on crates, boxes, or other containers used to identify contents or to provide care and handling instructions, made by the Insured or his subcontractors and/or agents.

9.1.4 improper selection of the wrapping, cushioning, packing compartmentalisation, or other means utilised inside a crate, box, or other container selected by the Insured or his subcontractors and/or agents.

9.1.5 improper selection, design, and/or construction of the crate, box, or other container by the Insured or his subcontractors and/or agents.

9.1 EXCLUSION

This Clause 9 does not cover the Insured's liability in any circumstances whatsoever arising directly or indirectly from, or contributed by, or in connection with physical loss of or damage to customers' cargo arising out of the issuance of the Insured's bill of lading or similar transport documents when conducting business of the Insured as a freight forwarder (principal).

10. BAILEE LIABILITY INSURANCE

10.1 Where stated in the Policy, the Insured is covered for liabilities required by law in respect of loss of or damage to property of others, occurring during the Policy Year within the Trading Area, including cargo, trailers, containers, and similar transportation equipment, not owned, rented, or leased by the Insured while in his care, custody, and/or control when:

10.1.1 in transit in a Surface vehicle owned or leased by the Insured or his employees;

10.1.2 at that portion of the building(s) located at the address(es) shown in the Policy which is(are) occupied by the Insured as a warehouse and within one hundred (100) feet thereof, but not to include any public street, any waterway, or any other adjacent land and/or properties.

Cargo in the care, custody, and/or control of subcontractors and/or agents of the Insured will not be considered in the care, custody, or control of the Insured.

10.2 EXCLUSION

This Clause 10 does not cover the Insured’s liability in any circumstances whatsoever arising directly or indirectly from, or contributed by, or in connection with physical loss of or damage to customers' cargo arising out of the issuance of the Insured’s bill of lading or similar transport documents when conducting business of the Insured as a freight forwarder (principal).

11. GENERAL EXCLUSIONS AND QUALIFICATIONS

Notwithstanding the exclusions specified in the above covers, the following exclusions and qualification will be applied:

11.1 EXCLUSIONS

The Insurer shall not be liable to reimburse the Insured for:

11.1.1 Any amount adjudged or awarded against the Insured for Punitive or Exemplary Damages or agreed to be paid by the Insured for Punitive or Exemplary Damages.

11.1.2 Any liability resulting from or arising out of or connected in any way whatsoever with the Insured’s involvement in the operation, management or chartering of a Ship or Vessel or an Aircraft or a Surface vehicle unless covered by Clause 10 (Bailee liability insurance).

11.1.3 Any claim resulting from or arising out of, or connected in any way whatsoever with the Insolvency or financial default of the Insured.

11.1.4 Any liability for the following cargoes:

11.1.4.1 bloodstock, livestock, plants, flowers, treasury notes, bullion, cash, bonds, deeds, stamps, securities, manuscripts, documents and plans;

11.1.4.2 Computers and parts including micro chips, memory boards and hard disk drives; mobile phones and parts including SIM card; tobacco, cigars, cigarettes, spirits, works of art, jewellery.

11.1.5 All of liabilities, costs and expenses resulting from:

11.1.5.1 Force majeuce;

11.1.5.2 Seizure or forfeiture under legal process;

11.1.5.3 Inherent liability to wastage in bulk or weight, latent defect or inherent defect, vice or natural deterioration of the goods;

11.1.5.4 Rust, oxidisation and discolouration;

11.1.5.5 Any claim resulting from the improper or insufficient packing (including but not limited to packing, crating, disassembling, marking, addressing of cargo, loading, consolidating, stowing, bloking, bracing cargo into a container, trailer or similar equipment, selection, design and/or construction of the crate, box or other container) performed by the Insured or his subcontractors and/or agents, unless covered by Clause 9 (Packing liability insurance).

11.1.5.6 Consignee not taking or accepting delivery within a reasonable time after the consignment has been tendered;

11.1.6 Loss of or damage to the property owned, occupied, leased, or rented by the Insured or his subcontractors and/or agents regardless of cause.

11.1.7 Loss or damage caused by mysterious disappearance or unexplained loss or shortage upon taking the inventory, regardless of when or how caused.

11.1.8 Loss or damage caused by or resulting from loss of use, business interruption, delay, loss of profit or loss of market.

11.1.9 Loss or damage caused by processing or any work upon the property done by the Insured or his subcontractors/agents.

11.1.10 Loss of or damage to the property of others in physical care, custody, and/or control of the Insured unless covered by Clause 10 (Bailee liability insurance).

11.1.11 Loss or damage caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretence.

11.1.12 Liability, loss or damage of whatsoever nature, incurred by the Insured arising out of deliberate or reckless conduct by the Insured or any of their employees, which increases the likelihood of incurring such liability, loss or damage beyond that which would have existed in the absence of such conduct. Unless, and to the extent that, the Insurer may in his absolute discretion agree to indemnify the Insured.

11.1.13 Loss or damage caused by criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by: (1) the Insured; (2) others who have an interest in the property; (3) others to whom the Insured entrust the property; (4) partners, officers, directors, trustees, or joint ventures of the Insured; or (5) the employees or agents of (1) through (4) above, whether or not they are at work.

11.1.14 Loss or damage caused by mechanical or electrical breakdown, derangement, or malfunction.

11.1.15 Loss of or damage to cargo in which it is illegal to trade or liabilities arising from the Insured's knowing involvement in the handling of such cargo.

11.1.16 Any additional liability incurred by the Insured as a result of foregoing rights of subrogation against a sub contractor or any other party without the prior agreement of the Insurer in writing.

11.1.17 Any liability of whatsoever nature arising out of or connected in Pollution and/or Contamination.

11.1.18 Any liability, loss or damage of whatsoever nature which at the time of the attachment of liability or the occurrence of such loss or damage is insured by any other existing Policy or Policies. The benefit of insurance under the Policy shall in no circumstances whatsoever be given to Sub-Contractors or their insurers.

11.1.19 Any liability of whatsoever nature assumed by the Insured under a "Time Penalty Clause", "Declaration of special interest in delivery or agreed delivery dates", "Ad Valorem Clause" or similar provision in a contract to provide an Insured Service, unless and to the extent that such a clause or provision has been agreed by the Insurer in writing.

11.1.20 Any liability, loss or damage of whatsoever nature directly or indirectly occasioned by, happening through or in consequence of or in any way contributed by war, invasion, acts of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, confiscation, nationalisation, requisition or destruction of or damage to property by or under the order of any government or public or local authority.

11.1.21 Damage to any property or any loss or expense whatsoever resulting or arising therefrom, or connected in any way whatsoever with, or any consequential loss directly or indirectly caused by or contributed to by or arising from:

11.1.21.1 any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force;

11.1.21.2 ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;

11.1.21.3 the radioactive, toxic, explosive or other hazardous properties of any explosive, nuclear assembly or nuclear component thereof.

11.1.22 In no case shall this insurance cover any loss, damage, expense or liability of whatever nature which might otherwise be recoverable under this insurance arising out of or in any way connected with, whether directly or indirectly, the use or operation of any computer, computer system, computer software, programme or process or any electronic system where any such loss, damage, expense or liability arises, whether directly or indirectly, as a consequence of any change or modification to any such computer, computer system, computer software, programme or process of any electronic system in relation to any such date change.

11.2 QUALIFICATIONS

11.2.1 It is an Insured's duty to act as though uninsured. Failure to comply with this duty may prejudice the Insured's ability to obtain reimbursement of a claim, wholly or in part, from the Insurer.

11.2.2 Insurance shall not be invalidated by any act or omission or by any alteration unknown to or beyond the control of the Insured, provided that the Insured shall give notice to the Insurer immediately it comes to the notice of the Insured and any required additional contribution is paid.

11.2.3 The Insured should take all reasonable steps to ascertain the reputation for reliability and honesty of agents and subcontractors employed by the Insured and that such agents and sub-contractors hold and maintain an adequate current insurance or will be financially able to meet liability for the loss or damage to cargo in their care, custody or control. Failure to comply with this obligation may prejudice the Insured's right of claim, wholly or in part, from the Insurer.

III. POLICY CONDITIONS

12. INFORMATION

12.1 The Insured shall declare to the Insurer all material information, whether or not requested by the Insurer, that the Applicant could reasonably be expected to know would affect the judgement of the Insurers in accepting the risk or in imposing special terms and conditions.

12.2 It is warranted that all particulars and information given by the Insured are true in so far as the same are within the Insured's knowledge or could with reasonable diligence have been ascertained.

12.3 All particulars and information given at the time of application for insurance shall form the basis of the Contract of Insurance and if such particulars and information are false, or misleading, the Insurer has the right to avoid the insurance.

13. CANCELLATION

The Policy may be cancelled at any time by either party giving 30 days notice in writing to the other party. If the policy is cancelled, providing there has been no claim during the policy period, 80% of the premium paid in respect of the unexpired policy period will be returned.

14. CLAIMS

14.1 14.1.1 Unless otherwise agreed by the Insurer, it is a condition precedent that in the event of an accident or occurrence, the Insured shall as soon as possible, but in any case no later than two days after becoming aware of the accident or event likely to give rise to a claim, give notice thereof to the Insurer, or their named claims representative, together with all known details. Every letter, notice, writ, summons and process relating thereto shall be notified or forwarded to the Insurer or their claims representative immediately on receipt.

14.1.2 No admission, offer, promise, payment or indemnity shall be made or given by, or on behalf of the Insured without the written consent of the Insurer or their claims representative.

14.1.3 The Insurer shall be entitled to take and conduct, in the name of the Insured, the defence of any claim or to prosecute in the name of the Insured for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings or in the settlement of any claim.

14.1.4 The Insured shall at all times do and concur in doing and permit to be done all such acts as may be necessary or required by the Insurer for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity, especially to ensure that time extensions are requested in an endeavour to prevent claims becoming time barred, from other parties against whom the Insurer could or would become entitled to be subrogated upon settling any claim arising under insurance granted to the Insured, whether such acts shall become necessary or required before or after indemnification of the Insured by the Insurer.

14.2 Insurance hereunder is a Contract of Indemnity and unless the Insurer otherwise decide, it is a condition precedent to an Insured's right to obtain indemnity under this Transassurance Clauses that the Insured shall become liable to pay and shall in fact have paid such claim.

14.3 14.3.1 In the event of a recovery being obtained from another party in respect of any claim, the Insurer shall be reimbursed or credited with the proceeds of such recovery up to the full amount paid or payable by the Insurer. Should the recovery proceeds exceed the amount paid or payable by the Insurer, any such surplus shall be reimbursed or credited to the Insured up to the full amount so paid or payable by the Insured.

14.3.2 If any recovery obtained exceeds the amounts paid or payable by both the Insurer and the Insured, such surplus shall be equitably divided between the Insurer and the Insured after assessing the interest that could have been earned on any amounts lost or expected.

14.4 If the Insured shall make any claim knowing the same to be false or fraudulent, as regard to the amount or otherwise, insurance shall become void and shall cease forthwith. All other claims shall be forfeited.

14.5 EMPLOYMENT OF LAWYERS AND OTHER PERSONS

14.5.1 Without waiving any of the Insurer's rights or remedies hereunder, the Insurer may at any time appoint and employ on behalf of the Insured, on any terms they may consider to be appropriate, lawyers, surveyors or other persons (notwithstanding that such lawyers, surveyors or other persons have previously been appointed by the Insured) for the purpose of dealing with any matter likely to give rise to a claim under the Insured's insurance cover, including, but not limited to, investigating, or advising on any matters and taking or defending legal or other proceedings connected therewith. The Insurer may also discontinue such employment as they may consider to be necessary

14.5.2 The costs and expenses incurred in connection with a particular case shall only be recoverable from the Insurer on the condition that all lawyers, surveyors and other persons employed in connection therewith are appointed with the prior consent of the Insurer, or by the Insurer in accordance with the preceding Clause 14.5.1.

14.5.3 All lawyers, surveyors and other persons appointed by the Insurer on behalf of an Insured or appointed by an Insured with the prior written consent of the Insurer shall at all times be and be deemed to be appointed and employed on the condition:

14.5.3.1 that (without prejudice to their right to withdraw from the matter on any other grounds) they shall be entitled to withdraw from the matter if either the Insurer or the Insured so requests or if such person considers that a conflict of interest has arisen or may arise between the Insured and the Insurer so that he ought to withdraw from the matter;

14.5.3.2 that they have been instructed by the Insured at all times (both while so acting and after having withdrawn from the matter) to give advice and to report to the Insurer in connection with the matter without prior reference to the Insured;

14.5.3.3 that they are to produce to the Insurer without prior reference to the Insured any documents or information in their possession or power relating to such matter;

as if such person had been appointed to act and had at all times been acting on behalf of the Insurer and notwithstanding that any such advice, reports, documents or information would otherwise be the subject of legal or any other form of privilege.

15. LIMITS OF INDEMNITY

15.1 The Insurer's liability to indemnify the Insured for loss and/or damage and/or liability insured, arising out of any one accident or occurrence, shall be subject to such limits as shown in the Policy.

15.2 When different limits of indemnity are applicable to various Sections of the Insured's cover, in the event of an accident or occurrence causing loss and/or damage and/or involving liability of the Insured, the lower limits of indemnity will apply to the specific Sections subject to the overall higher limit of indemnity.

16. DEDUCTIBLES

16.1 Insurance hereunder will be subject to deductibles shown in the Policy.

16.2 The deductible shall apply to each accident or occurrence, unless specifically shown to the contrary.

16.3 In the event of an accident or occurrence giving rise to a single claim where several different deductibles are applicable, the total deductible to be applied shall be no greater than the highest applicable deductible.

17. ASSIGNMENT OF INSURANCE

17.1 An Insured shall not assign or give the benefits of its cover to sub contractors or any other person and no such purported assignment or subrogation shall bind the Insurer in any way whatsoever.

17.2 No assignment of any interest under the Policy shall have any effect unless and until the Assignor shall have notified the same to the Insurer and the Insurer shall in its absolute discretion have approved the assignment in writing.

18. GOVERNING LAW AND DISPUTES

18.1 This Transassurance Clauses and any other contract of insurance between the Insurer and an Insured shall be governed in every respect by and construed exclusively in accordance with Vietnamese Law including, without limitation, its formation validity, breach or termination.

18.2 Any dispute or difference between the Insurer and an Insured hereunder shall be determined by The People's Court of Hochiminh.

19. INSPECTION OF RECORDS

The books of the Insured, so far as they concern the risks falling within the scope of this Transassurance Clauses, shall be open to the inspection of an authorised representative of the Insurer during normal office hours, subject to prior notice. Such inspection shall take place at the offices of the Insured during the continuance of this Insurance.

20. AMENDMENTS AND ALTERATIONS

Any amendments and/or alterations to this Transassurance Clauses that are agreed shall be automatically binding hereon and unless otherwise agreed by the parties hereto shall be formally documented by an exchange of correspondence signed by the parties or by the issue of an endorsement or addendum which shall be considered to form an integral part hereof.

21. SEVERABILITY

If for any reason any portion of this Transassurance Clauses shall be held invalid or unenforceable, it is agreed that the same shall not affect the validity or enforceability of the remainder hereof. Further, the parties hereto agree that if any provisions hereof shall be adjudicated to be invalid or unenforceable, such provision or provisions shall be deemed deleted herefrom for purposes of enforcing this Transassurance Clauses and such deletion shall apply only with respect to the operation of such provision in the particular jurisdiction in which such adjudication is made; provided, further, to the extent any provision hereof is deemed unenforceable by limitations thereon, the parties hereto agree that the same shall be enforceable to the fullest extent permissible under the laws and public policies applied in such jurisdiction in which enforcement is sought.