



## **MARINE TERMINAL OPERATOR'S LIABILITY**

### **1. Coverage**

In consideration of the premium charged, the Underwriters agree to indemnify the Insured in respect of their legal liabilities to third parties which the Insured may incur as a Marine Terminal Operator arising from the following:

- A. (i) Physical loss of or physical damage to vessels and/or craft including loss of use arising therefrom, their equipment, and cargo (including the cost of or expense of or incidental to the removal of wreck of such property), and to the property of others.
- (ii) Any other physical loss or physical damage to the property and/or equipment of others, while directly under the Insured's care, custody and control and arising out of their loading, unloading and mooring of vessels and/or craft.
- (iii) Loss of life and/or bodily and/or personal injury, resulting from (i) and (ii) above.
- B. By reason of legal costs and/or fees or expenses occasioned by the defence of any claim against the Insured for liability or alleged liability of the Insured covered by the above, provided that such costs, fees and/or expenses are incurred with the prior written consent of these Underwriters which consent shall not be unreasonably withheld.

### **2. Limit of Liability**

The limit of liability under this insurance, in respect of any one accident or series of accident arising out of one occurrence, shall be ...As Herein..., including liability for costs and expenses which are either:

- (a) incurred with the written consent of the Underwriters hereon,  
or  
(b) awarded against the Insured.



**3. Excess**

This insurance shall only pay the excess of ...As Herein...in respect of the Insured's ultimate nett loss resulting from any one accident or series of accidents arising out of one occurrence.

**4. Warranty**

It is a condition precedent to Underwriters liability under this insurance that the Insured will not waive rights of subrogation against, or waive rights of recourse against, or otherwise agree to indemnify or hold harmless in any way the owners, operators, managers or charterers of any vessel or craft calling at the Assureds facilities or any other, third parties unless prior approval has been given by Underwriters on terms to be agreed.

**5. Exclusions**

Notwithstanding anything to the contrary contained herein, it is expressly understood and agreed that this Insurance shall exclude the following:

- (a) any loss or damage to property owned, leased or rented by the Insured. This paragraph (a) shall not apply to any loss or damage to vessels or crafts chartered by the Insured or affiliated or subsidiary company.
- (b) Loss, damage or expense arising out of the operations of any vessel or craft owned by the Insured or any affiliated or subsidiary company.
- (c) Seepage, pollution or contamination however caused;
- (d) Loss or damage caused by or resulting from:
  - (i) war, hostile or warlike action in time of peace of war including action in hindering, combating or defending against any actual, impending or expected attack (1) by any government or sovereign power, (du jure or de facto) or by any authority maintaining or using military, naval or air forces;



- or (2) by military, naval or air forces or (3) by any agent of any government, power authority or forces.
- (ii) any weapon of war employing atomic fusion or radioactive force whether in time of peace or war,
- (iii) insurrection, rebellion, revolution civil war, usurped power or action taken by government authority in hindering combating or defending against such an occurrence seizure or destruction under quarantine or customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.
- (e) fines, penalties, punitive and exemplary damages, treble damages or other damages resulting from the multiplication of compensatory damages;
- (f) any liability assumed under contract or otherwise in extension of the liability imposed upon the Insured by law in the absence of contract;
- (g) any liability arising directly or indirectly under workmen compensation or Employers Liability Acts or any other statutory or common law liability in respect of loss of life, bodily injury to, or illness of any workman or other person employed in any capacity whatsoever by the Insured, his agents or sub-contractors when such loss of life, bodily injury or illness arises out of or in the course of the employment of such workman or other person.
- (h) Bodily injury, personal injury, and/or property damage directly or indirectly caused by or arising out of: asbestos, tobacco, coal dust, polychlorinated biphenyls, silica, benzene, lead, talc, dioxin, pesticides or herbicides, electromagnetic fields, pharmaceutical or medical drugs/products/substances/devices or any substance containing such material or any derivative thereof;
- (i) any liability where vessels and/or craft intentionally take ground and/or are beached for the purpose of loading, unloading, docking undocking and/or mooring;



- (ii) any liability from cargo (i) after cargo passes the first onshore shut off valve during unloading (ii) prior to cargo passing the last onshore shut off value during loading.

## **6. Conditions**

- 6.1 With respect to the inclusion of the Insured's liability for the cost or expenses of or incidental to the removal of wreck as set forth in 1.A (i) it is agreed that such cost or expenses shall be reduced by the net proceeds of salvage that may inure to the benefit of the Insured. These expenses shall be payable even though the Insured may have no statutory, legal or assumed obligation or liability to do so.
- 6.2 In the event of any occurrence which may result in loss, damage and/or expenses, for which these Underwriters are or may become liable under this insurance, notice thereof shall be given to these Underwriters or their representative immediately, and further that any and every process, pleading and paper of any kind relating to such occurrence shall be forwarded promptly to these Underwriters.
- 6.3 In respect of any accident or occurrence likely to give rise to a claim under this Insurance, the Insured is obligated to and shall take such steps to protect its (and these Underwriters) interest as would reasonably be taken in absence of this or similar insurance. This insurance however shall be void and of no force or effect, in respect of any accident or occurrence, in the event the Insured shall make or shall have made any admission of liability either before or after such accident or occurrence or in the event the Insured shall prejudice any negotiations of these Underwriters for settlement or in any legal proceedings in respect of any claim for which Insurers are or may be liable under this Insurance.
- 6.4 Underwriters shall at any time be entitled (but not obliged) to control or take over the conduct of the investigation defence and settlement of any claim suit or proceeding against the Insured which is or is likely to be the subject to indemnity under this insurance.



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- 6.5 It is expressly understood and agreed that no liability shall attach under this Insurance until the liability of the Insured has been determined by final judgement against the Insured or by agreement between the Insured and the Plaintiff with this written consent of these Underwriters; in the event the Insured shall fail or refuse to settle any claim, as authorized by these Underwriters, the liability of these Underwriters to the Insured shall be limited to the amount for which settlement could have been made.
- 6.6 Assignment or transfer of this policy shall not be valid except with the written consent of Underwriters.
- 6.7 In the event of a claim being under this insurance, Underwriters shall be subrogated to all rights and remedies of the Insured.
- 6.8 In the event of an accident/occurrence giving rise to a claim which is or but for the existence of this insurance would be covered under any other indemnity or insurance inuring to the benefit of this Insured, the insurance afforded by this policy shall be in excess of the amount which would be recoverable under such other indemnity or insurance had this insurance not been effected, but only to the extent that the excess amount is covered by this insurance.
- 6.9 This insurance shall be subject to Taiwan jurisdiction.
- 6.10 This insurance may be cancelled by either party on giving the other 90 days notice in writing. In the event of Underwriters giving notice, and this insurance being subject to a minimum and deposit premium, then the words "minimum and" shall be deemed deleted.