



兆豐產物保險股份有限公司  
Chung Kuo Insurance Company, Limited

**Chung Kuo Commercial Excess Liability Insurance**

**(Claims Made Follow Form)**

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本公司財務及業務等公開資訊，歡迎至本公司網站 (<https://www.cki.com.tw>) 查閱，或親蒞本公司(10044台北市中正區武昌街一段五十八號)及各分支機構洽詢。  
免費申訴電話: 0800-053-588

114年1月21日兆產備字第1134300942號函備查

This is a Claims Made Form. Read your policy CAREFULLY.

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

Throughout this policy the Insured is the first Named Insured shown in the Declarations. The words “we”, “us” and “our” refer to the COMPANY providing the insurance.

In consideration of the payment of the premium and in reliance upon the statements in the Declarations made a part hereof and subject to the limits of liability, exclusions, conditions and other terms of this policy, the Company issuing this policy agrees with the Insured named in the Declarations as follows:

**INSURING AGREEMENTS**

**SECTION I. COVERAGE**

A. We will pay on behalf of the Insured that portion of the loss which the Insured will become legally obligated to pay as compensatory damages (excluding all fines, penalties, punitive or exemplary damages) by reason of exhaustion of all applicable Limits of Insurance, whether collectible or not, as specified in the Declarations, subject to:

1. the terms and conditions of the underlying policy, AND
2. our Limit of Liability as stated in the Declarations.

Except as regards: (a) the premium; (b) the obligation to investigate and defend, including costs and expenses thereto; (c) the limit of liability; (d) the renewal agreement, if any; (e) the extended reporting period provision; (f) the notice of occurrence, claim, or suit provision; (g) any other provision therein inconsistent with this policy; the provisions of the underlying policy are hereby incorporated as part of this policy.

B. Except with respect to claims made under automobile liability, this insurance applies only if a claim for such damages;

1. is first made in writing against the Insured and reported to us during the policy period, AND
2. is attributable to an occurrence which occurred on or after the Retroactive Date shown in the Declarations and prior to the expiration date of the Policy Period.

C. Notice of occurrence, claim, or suit:

1. notice of occurrence – The Insured shall immediately notify us in writing of any occurrence which may reasonably be expected to result in a claim against this policy. The Insured will notify us on the assumption that an Insured is liable and that an Insured is liable for any amount claimed. Notice shall include:

- a. how, when and where the occurrence took place; and
- b. the names and addresses of any injured persons and any witnesses.

Notice of an occurrence is not notice of claim.

2. Notice of claim or suit:

- a. It is a condition of this insurance that, in order for coverage to apply, the first Named Insured must give us immediate written notice of any claim or suit which is reasonably likely to involve this policy. In determining whether any such claim is likely to involve this policy, the first Named Insured shall assume that the Insured is liable for the full amount claimed.

Further, it is also condition of this policy that, in order for coverage to apply, the first Named Insured shall give immediate written notice to us of any claim or suit to which this policy applies, regardless of the amount thereof, which is still pending on the thirty-sixth (36th) month from the expiration date of this policy.

- b. The first Named insured shall immediately notify us in writing of any claim, alone or in combination with any other claims, to which this policy applies which may exceed 25% of the amount set forth in Underlying Insurance. The first Named Insured will notify us on the assumption that an Insured is liable for any amount(s) claimed.

- c. As respects a. and b. above, the Insured and any other involved Insured must:

- i. immediately send us copies of any demands, notices, summonses or other legal papers received in connection with the claim or suit;
- ii. authorize us to obtain records and other information;
- iii. cooperate with us in the investigation, settlement or defense of the claim or suit; and
- iv. 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 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. Notice of Potential Claim – If we receive notification from the Insured during the Policy Period of an occurrence which is likely to involve this policy, and if that occurrence results in a claim that is reported to us within thirty-six (36) months from the date we were notified of the occurrence, then this policy will respond as if the claim had been made on the last day of the Policy Period.

Notice of an occurrence is not notice of claim.

The occurrence must occur after the Retroactive Date but before the expiration date of this policy.

Notice of a potential claim shall include:

- a. how, when and where the occurrence took place; and

- b. the names and addresses of any injured persons and any witnesses.

## **SECTION II. DEFENSE**

A. This section shall apply to claims resulting from occurrences not covered by any underlying insurance due to exhaustion of any aggregate limits by reason of any losses paid thereunder.

1. We will defend any suit against the Insured alleging liability insured under the provisions of this policy and seeking recovery for damages on account thereof, even if such suit is groundless, false or fraudulent, but we will have the right to make such investigation and negotiation and settlement of any claims or suits as may be deemed expedient by us.
2. We will pay: (a) all premiums on bonds to release attachments for an amount not in excess of the applicable limit of liability of this policy; (b) all premiums on appeal bonds required in any such defended suit, but without any obligation to apply for or furnish such bonds; (c) all costs taxed against the Insured in any such suits; (d) all expenses incurred by us; and (e) all interest accruing after entry of judgment until we have paid, tendered or deposited in court that part of any judgment as does not exceed the limit of our liability thereon.
3. We will reimburse the Insured for all reasonable expenses incurred at our request, (including actual loss of wages or salary, but not loss of other income, not to exceed one hundred (100) dollars per day) because of the Insured's attendance at hearings or trials at such request.
4. We will pay all 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.

B. We will pay the amounts incurred under IIA above, but any such payments shall serve to reduce the Limits of Liability of this policy as stated in the Declarations.

C. In all other instances except IIA above:

We shall not be called upon to assume charge of the investigation, settlement or defense of any claim made or suit brought or proceedings instituted against the Insured, but shall have the right and be given the opportunity to be associated in the defense and trial of any such claims, suits or proceedings relative to any occurrence which, in our opinion, may create liability for us under the terms of this policy.

## **SECTION III. LIMITS OF LIABILITY**

A. Aggregate

This policy is subject to an Aggregate Limit of Liability as stated in the Declarations except automobile liability which is not subject to any aggregate limit. This aggregate limit of liability is the maximum amount which will be paid under this policy for claims made during the Policy Period.

B. Occurrence Limit

Subject to the above provision respecting aggregates, the Limit of Liability stated in the Declarations is the total limit our liability for loss, including damages for care or loss of services, sustained by one or more persons or organizations as a result of any one occurrence.

C. Limit Exhaustion

This policy shall cease to apply after the applicable Limits of Liability have been exhausted by payments of defense costs and/or judgments and/or settlements.

**SECTION IV.      SELF INSURED RETENTION**

In the event of exhaustion of the aggregate Limits of Liability of the underlying Insurance as stated in the Declarations, this policy will continue in force as underlying insurance subject to the Insured's retention of an amount equal to that stated in the Declarations as Self Insured Retention. The Self Insured Retention applies separately to each and every occurrence, subject to the terms and conditions of this policy, (including the defense provision as stated in Section II of this policy and the Limits of Liability as stated in the Declarations)

The aggregate limits of the underlying insurance will only be reduced or exhausted by payment of claims that would be insured by this policy.

## **EXCLUSIONS**

This policy does not apply:

1. to any injury caused by, contributed to or arising out of the actual or threatened discharge, release, or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, pollutants or contaminants into or upon the land, the atmosphere or any course or body of water, whether above or below ground. It is understood and agreed that the intent and effect of this exclusion is to delete from any and all coverages afforded by this policy any claim, action, judgment, liability, settlement, defense or expense (including any loss, cost, or expense arising out of any governmental direction or request that the Insured test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants) in any way arising out of such actual or threatened discharge, dispersal, release or escape, whether such results from the Insured's activities or the activities of others, and whether or not such is sudden or gradual, and whether or not such is accidental, intended, foreseeable, expected, fortuitous or inevitable, and whenever such occurs;
2. to any injury:
  - a. with respect to which an Insured is also an Insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability; or resulting from the hazardous properties of nuclear material and with respect to which (i) any person or any organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, of (ii) 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 liability coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if:
    - 1) the nuclear material (a) is at any nuclear facility owned by the Insured or operated by the Insured or on the Insured's behalf, 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 the Insured or on the Insured's behalf; or
    - 3) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, part of equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America its territories or possessions or Canada, this exclusion (3) applies only to injury to property damage to such nuclear facility and any property thereat;
  - c. As used in this exclusion:
    - 1) hazardous properties includes radioactive, toxic or explosive properties;
    - 2) nuclear material means source material, special nuclear material or by-product material;
    - 3) source material, special nuclear material and by-product material have the meaning given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
    - 4) spent fuel means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation or a nuclear reactor;
    - 5) 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 a nuclear facility included within the definition of nuclear facility below:

6) nuclear facility means:

a) any nuclear reactor;

b) any equipment or device designed or used for (i) separating isotopes of uranium or plutonium, (ii) processing or utilizing spent fuel, or (iii) 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 twenty-five (25) grams of plutonium or uranium 233 or any combination thereof, or more than two hundred fifty (250) grams of uranium 235;

d) Any structure, basin, excavation, premises or place prepared or used for 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;

7) 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;

8) with respect to injury to or destruction of property the word injury or destruction includes all forms of radioactive contamination of property;

3. to any liability for property damage, personal injury, sickness, disease, occupational disease, disability, shock, death, mental anguish or mental injury, at any time arising out of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust, or

to any obligation of the Insured to indemnify any party because of damages arising out of such property damage, personal injury, sickness, disease, occupational disease, disability, shock, death, mental anguish or mental injury, at any time as a result of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust, or

to any obligation to defend any suit or claim against the Insured alleging personal injury, sickness, disease, occupational disease, disability, shock, death, mental anguish, mental injury or property damage resulting from or contributed to, by any and all, manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust,

4. to discrimination or humiliation;

5. to any claim in respect of which the Insured either has given written notice to the insurers of any other insurance before the policy period as stated in Section IA of the Declarations, or gives written notice of potential claims which notice is treated as received by any insurers before the policy period as stated in Section IA of the Declarations.

## **DEFINITIONS**

1. **Claim** – the word claim means a written demand upon the Insured for compensatory damages or services and shall include the service of suit or institution of arbitration proceedings against the Insured. Claim does not include reports of accidents, acts, errors, occurrences, offenses or omissions which may

give rise to claim under this policy.

2. **Costs** – The word costs shall be understood to mean interest on judgments, investigations, adjustments and legal expenses (excluding all expenses for salaried employees of the Insured or any of the underlying insurer's permanent employees).
3. **Insured** – The term Insured shall be understood to mean the Insured named in the Declarations, any Insured under the underlying policy, and any additional Insured added to the policy by endorsement attached hereto.
4. **Loss** – The word loss means the sum paid in settlement of losses for which the Insured is liable after making deductions for all recoveries, salvages and other insurance (other than recoveries under the policy of the underlying insurance), whether recoverable or not, and shall include all expenses and costs.
5. **Occurrence** – The word occurrence means an event, including continuous or repeated exposures to conditions, neither expected nor intended from the standpoint of the Insured. All such exposure to substantially the same general conditions shall be deemed one (1) occurrence.
6. **Ultimate Net Loss** – The term ultimate net loss means the total sum which the Insured or any company as its insurer, or both, become legally obligated to pay by reason of personal injury, property damage or advertising injury claims covered by this policy, either through adjudication or compromise (with our written consent), and shall also include hospital, medical and funeral charges and all sums paid or payable as salaries, wages, compensation, fees, charges, interest, or expenses for doctors, nurses, and investigators and other persons, and for settlement, adjustment, investigation and defense of claims but excluding the Insured's salaries or the salaries of any of the underlying insurer's permanent employees.
7. **Underlying Insurance** – The term underlying insurance shall be understood to mean the total limits of all insurance including the underlying policy and/or any self-insured retentions excess of which this policy is written, whether recoverable or not recoverable.
8. **Underlying Policy** – The term underlying policy shall be understood to mean the policy indicated in the Declarations.

### **CONDITIONS**

1. **Following Form** – It is agreed that this policy, except as herein stated, is subject to all conditions, agreements and limitations of and shall follow the underlying policy(ies) in all respects, including changes by endorsement, and the Insured shall furnish the Company with copies of such changes. It is further agreed, should any alteration be made in the premium for the policy(ies) of the Primary Insurers during the period of this policy, then the premium hereon, other than the Minimum Premiums as stated in the Declarations, shall be adjusted accordingly.
2. **Maintenance of Underlying Insurance** – The policy or policies referred to underlying insurance and renewal or replacement thereof not more restrictive, shall be maintained by the Insured in full force and effect during the currency of this policy without alteration in their terms or conditions, except for any reduction of the aggregate limit or limits contained therein solely by payment of claims.
3. **Application of Salvages** – Subrogation – All salvages, recoveries or payments recovered or received subsequent to a loss settlement under this insurance shall be applied as if recovered or received prior to such settlement, and all necessary adjustments shall then be made between the Insured and us, provided always that nothing in this clause shall be construed or mean that losses under this insurance are not recoverable until the Insured's ultimate net loss has been finally ascertained. Inasmuch as this policy is excess coverage, the Insured's right of recovery against any person or other entity cannot always be exclusively subrogated to us. It is therefore understood and agreed that in case of any payment hereunder, we shall act in concert with all other interests (including the Insured's) concerned in the exercise of such rights of recovery. The apportioning of any amounts which may be so recovered shall follow the principle that any interests (including the Insured's) that shall have paid an amount over and

above any payment hereunder, shall first be reimbursed up to the amount paid by them. We shall then be reimbursed out of any balance then remaining, up to the amount paid hereunder. Lastly, the interests (including the Insured's) of whom this coverage is excess are entitled to claim the residue, if any. Expense necessary to the recovery of any such amounts shall be apportioned between the interests (including the Insured's) concerned in the ratio of their respective recoveries as finally settled.

4. **Receivership, Insolvency or Financial Impairment of Underlying Insurer** – Our liability under this policy shall in no way be increased or expanded as a result of the receivership, insolvency or inability to pay of any underlying insurer, with respect to both the duty to indemnify and the duty to defend.
5. **Cancellation** – This policy may be cancelled by the Insured by surrender thereof to us or any of our authorized agents, or by mailing to us or any of our authorized agents, written notice stating when thereafter such cancellation shall be effective. The policy may be cancelled by us by mailing to the Insured at the address shown in the Declarations written notice stating when, not less than thirty (30) days thereafter (ten (10) days with respect to cancellation for non-payment of premium such cancellation shall be effective. Proof of mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of Policy Period. Delivery of such written notice either by the Insured or by us shall be equivalent to mailing.

If we cancel, earned premium shall be computed pro rata. If the Insured cancels, earned premium shall be computed in accordance with the customary short rate table procedure. In the event of such cancellation, the earned premium shall in no case be less than the Minimum Earned Premium, 35% of Minimum and Deposit Premium in this policy, at inception Date.

Premium adjustment may be made at the time cancellation is effected or as soon as practicable thereafter. Our check or our representative's check, mailed or delivered, shall be sufficient tender of any refund due the Insured.

If this policy insures more than one Named Insured, cancellation may be effected by the first of such Insureds for the account of all Insureds. Notice of cancellation by us to such first Named Insured shall be notice to all Insureds. Payment of any unearned premium to such first Named Insured shall be for the account of all interests in such payment.

6. **Bankruptcy and Insolvency** – In the event of the Insured's bankruptcy or insolvency or any entity comprising the Insured, we shall not be relieved thereby of the payment of any claims here under because of such bankruptcy or insolvency.