



**中国人民财产保险股份有限公司**

PICC PROPERTY AND CASUALTY COMPANY LIMITED

# PRODUCTS LIABILITY INSURANCE POLICY



**September, 2025**

**This policy is subject to Chinese, English version is for reference only**



## PRODUCTS LIABILITY INSURANCE POLICY

Policy No. : PZAI202537020000000088

WHEREAS THE INSURED named in the Schedule hereto has made to PICC Property and Casualty Company Limited (hereinafter called "the Company") a written Proposal which together with any other statements made by the Insured for the purpose of this Policy is deemed to be incorporated herein and has paid to the Company the premium stated in the Schedule.

NOW THIS POLICY OF INSURANCE WITNESSES that subject to the terms and conditions contained herein or endorsed hereon the Company shall indemnify the Insured for the legal liability incurred by the Insured during the period of insurance stated in the Schedule in the manner and to the extent hereinafter provided.

PICC PROPERTY AND CASUALTY COMPANY LIMITED  
QINGDAO BRANCH  
By PICC Property and Casualty Company Limited  
(1)  
General Manager  
Authorized Signature

Date of Issue: September 07, 2025

Place of Issue: Qingdao City, Shandong Province, China

This Policy comprises mainly the Schedule, Scope of Cover, Exclusions, Treatment of Claim, Insured's Obligations, General Conditions and Special Provisions, including also the Proposal of Insurance together with its attachments as well as any additions to be made, from time to time, by the Company in the form of Endorsement.

## SCHEDULE

Policy No. : PZAI202537020000000088

### 1. Name and Address of the Insured:

1.1 The Insured: QINGDAO NUTRALONG PHARMACHEM CO LTD

1.2 Address: Room1701,Building B,Hisense Chuanzhigu,No.20,Zhuzhou Road,  
Laoshan District,Qingdao,Shandong,China.PR

### 2. Nature of Trade: Exporter

### 3. Insured Products or Goods:

3.1 Description: STEVIA EXTRACT,MONK FRUIT EXTRACT,  
ERYTHRITOL,D-ALLULOSE,CHONDROITIN,GLUCOSAMINE,  
VITAMIN,AMINO ACID,MINERALS,HERB EXTRACTS  
IN POWDER/CAPSULE/TABLET/SOFTGEL FORM,  
BLENDED SWEETENER,EMPTY HPMC CAPSULE

3.2 Turnover: USD 6,000,000.00

### 4. Territory of Coverage: Worldwide (Including USA & Canada)

### 5. General Liability:

6.1 Aggregate General Liability of Indemnity:

USD 2,000,000.00(Including Legal Cost)

6.2 General Liability of Indemnity for Any One Accident:

USD 500,000.00(Including Legal Cost)

6.3 General Liability of Indemnity for Any One Accident Per Person:

USD 500,000.00(Including Legal Cost)

The words "ANY ONE ACCIDENT" shall mean any one accident or



series of accidents arising out of one event.

**6. Deductible** (any one accident): USD2,000.00 OR 5% OF THE LOSS AMOUNT WHICH EVER IS HIGHER PER OCCURRENCE

**7. Period of Insurance:** 12 Months Total

From September 08, 2025, 00:00am to September 07, 2026, 24:00pm

**8. Premium:**

9.1 Premium Rate: 0.1167%

9.2 Premium: Deposit Premium/Minimum Premium: USD 7,000.00

**9. Date of Payment:** September 05, 2025

**10. Jurisdiction:** Worldwide (Including USA & Canada)

**11. Retroactive Period:**

From September 08, 2022, 00:00am to September 07, 2025, 24:00pm

**12. Conditions:**

- PICC P&C PROPERTY AND CASUALTY COMPANY LIMITED PRODUCTS LIABILITY INSURANCE CLAUSES(1995 VERSION)
- Claim-Made
- Batch Clause.
- The Insured shall warrant the insured products meet respective Mandatory or Voluntary safety standards and other applicable regulations where the products are distributed to
- Except for the loss of vessel or aircraft
- Product Recall/Guarantee Exclusion



## PRODUCTS LIABILITY INSURANCE POLICY

- Employees' Bodily Injury Exclusion
- Efficacy Exclusion Clause
- Sanction Limitation and Exclusion
- Punitive/Exemplary Damage Exclusion
- Nuclear Energy Liability Exclusion
- War and Terrorism Exclusion
- Absolute Asbestos Exclusion
- Absolute Pollution Exclusion
- Lead Exclusion
- Product-completed operation Exclusion
- Silicon Exclusion
- Pure Financial Loss Exclusion
- Professional Indemnity Exclusion
- Other as per Standard Clause
- This policy is subject to Chinese, English version is for reference only

**PICC PROPERTY AND CASUALTY COMPANY LIMITED**  
**PRODUCTS LIABILITY INSURANCE CLAUSES**  
**(1995 VERSION)**

**I. Contract Constitution**

The Insurance Clauses, Proposal Form, Policy or Certificate, and Endorsements (if any) constitute this Insurance Contract. Any agreement related to this Insurance Contract shall be in written form.

**II. Scope of Cover**

1. The Insurer will indemnify the Insured in the manner and within the Limit of Indemnity as specified in the Schedule against such sum as the Insured shall become legally liable to pay in respect of claims made against the Insured arising from bodily injury to or illness or death of or loss of or damage to property of one or more persons using, consuming or handling the insured products or goods, or of any other persons consequent upon an occurrence taking place in the territory of coverage within the period of insurance caused by products or goods manufactured or sold by the Insured as stated in the Schedule.

2. In respect of any claim covered under this Policy, the Insurer shall in addition indemnify the Insured against the relevant litigation costs payable by the Insured and other expenses incurred in the above mentioned occurrence with the prior written consent of the Insurer.

The total sum payable by the Insurer for each occurrence under the above-mentioned item 1 and item 2 should not exceed the Limit of Indemnity for each occurrence as specified in the Schedule of the Policy. During the Period of Insurance, the total liability of the Insurer for the sums of compensation and the litigation costs and expenses shall not exceed the Aggregate Limit of Indemnity as specified in the Schedule of the Policy.

**III. Exclusions**

The Insurer shall not be liable for:

1. liability assumed in accordance with any agreement between the Insured and other parties, unless such legal liability would have been attached to the Insured notwithstanding such agreement;
2. Liability assumed by the Insured under any Labor Law or Workmen's Compensation Statute;
3. Liability of the Insured to employees which is based on the relationship of employer and employee;



## PRODUCTS LIABILITY INSURANCE POLICY

4. Loss of or damage to the insured products;
5. Costs arising out of replacement or recall of the insured products;
6. Loss of or damage to property belonging to or held in care, custody or control of the Insured;
7. Bodily injury, illness or death or damage to property sustained by any person caused by products or goods manufactured or sold by the Insured in willful violation of any law;
8. Liability arising out of pollution of any kind or description whatsoever such as pollution of atmosphere, land and water caused by the insured products;
9. Liability for loss of or damage to the aircrafts or ships caused by the insured products;
10. Liability for any consequence arising directly or indirectly from war, warlike operation, hostilities, armed conflicts, terrorism, conspiracy insurrection, coup d'etat;
11. Liability for any consequence arising directly or indirectly from strike, riot, civil commotion or malicious acts;
12. Liability arising directly or indirectly from nuclear fission, nuclear fusion, nuclear weapon, nuclear material, nuclear radiation and radioactive contamination;
13. Fines, penalties, punitive or exemplary indemnities;
14. The deductibles as stated in the Schedule or stipulated in the Policy to be borne by the Insured;
15. Any other loss, expenses or liability not covered under this Policy.

### **IV. Claim Treatment**

#### **1. In the event of any occurrence or lawsuit recoverable under this Policy:**

1.1 Once the Insured receives a claim notice from the victim, the Insured shall notify the Insurer immediately. The Insurer is not bound by any admission, rejection, offer, promise, payment or indemnity made or given by the Insured to the victim without the written consent of the Insurer. The insurer is entitled to verify the indemnity promised or paid by the Insured and shall not assume any liability not covered under this policy or exceed the portion of indemnity the Insurer shall be liable for;

1.2 The Insurer shall be entitled, at its own expense and for its own benefit, to lodge in the name of the Insured any claim for indemnity against any responsible persons. Without the written consent of the Insurer, the Insured shall not accept the payment or arrangement of indemnity in respect of the loss or damage offered by any party held responsible for such loss or damage and shall not abandon the right of recovery from such party, otherwise, the Insured shall be liable for any consequence arising therefrom;

1.3 The Insurer shall have full discretion to conduct any proceedings or settle any claim which should be paid by the Insurer ultimately, and the Insured shall give all necessary information and



## PRODUCTS LIABILITY INSURANCE POLICY

assistance as the Insurer may require.

2. The indemnity that shall be paid by the Insurer for each occurrence is subject to court award, arbitration award or settlement agreed by the Insured, the victim and the Insurer.
3. Bodily injury to or illness or death of or damage to property of more than one person arising from same lot of products or goods manufactured, sold due to the same cause shall be considered as resulting from one occurrence.
4. Upon receipt of a claim from the Insured, the Insurer shall confirm whether the Loss is covered by this Policy or not in a timely manner and notify the Insured of the decision. For complicated case, if the Insurer could not confirm whether the loss is covered by this Policy or not within 30 days counting from the date when the Insurer receives the indemnity request from the Insured, the Insurer shall consult with the Insured to set down a reasonable period according to actual situation, then make the decision and notify the Insured within the above period. The Insurer shall fulfill the obligation of payment within ten days after reaching an agreement with the Insured if the loss is covered under this Policy.  
If the loss is not covered under this Policy, the Insurer shall issue a rejection letter and explain the reasons to the Insured within three days after the decision.
5. The Insurer shall allow an advance payment that can be determined by the available proofs or documents if the final settlement amount cannot be determined within sixty days after receipt of such claim and relevant documents, and pay the balance to the Insured after the final amount of indemnity is adjusted.
6. Upon an occurrence causing bodily injury or property damage to the victim by the insured products, the insurer shall not indemnify the insured until the insured indemnifies the victim.
7. The time limitation of action to claim for indemnity raised by the insured to the insurer under this Policy shall be two years counting from the date when the Insured has known or should have known the occurrence of the Accident.

### **V. Obligations of the Applicant and/or insured**

The following Obligations shall be strictly fulfilled by the applicant, Insured and their representative:

1. While entering into an insurance contract, the Applicant shall make full and accurate representation and disclosure at the request and/or inquiry of the Insurer and complete the Proposal Form faithfully.

If the Applicant fails to fulfill the obligation of making full and accurate representation and disclosure as aforementioned due to his willful act and/or gross negligence, which may affect the Insurer's decision of whether to write the risk of the insurance and, if so, whether to raise the premium rate, the Insurer is entitled to cancel the Policy.

If the Applicant willfully fails to comply with the obligation of making full and accurate representation



## PRODUCTS LIABILITY INSURANCE POLICY

and disclosure, the Insurer shall not be liable for any loss or damage occurring prior to the cancellation of the Policy and no premium shall be refunded.

If the Applicant, due to gross negligence, fails to disclose in truth material particular(s) which has significant contribution to the occurrence of the Accident insured hereby, the Insurer shall not indemnify the Insured for any loss or damage occurring prior to the cancellation of this Policy, but shall return premium collected.

2. Unless otherwise agreed, The Applicant shall pay off the premium on the insurance contract establishment. The Insurer shall not be liable for any loss or damage which occurs prior to premium payment.

3. Upon expiration of this insurance, the Insured shall furnish the insurer in writing with a statement of actual gross receipts by products or goods manufactured, sold by the Insured during the period of this insurance as basis for calculating the actual premium. In the event the actual premium is more than the deposit premium, the Insured shall pay the difference to the Insurer, if less, the Insurer will refund the difference to the Insured. But in no case the actual premium shall be less than the minimum premium as required. The Insurer shall have the right to require of the Insured at any time within the insurance period a statement of the entire amount of the total sales of products or goods manufactured, sold by the Insured during any specified part of the said period. The Insurer shall also have the right to authorize their representative to examine the books and records of the Insured and to verify the above relevant figures.

4. Once the insured knows or should have known any occurrence of bodily injury or property damage to third party within the scope of cover, the insured shall:

4.1 take all necessary and reasonable measures to prevent or minimize the loss, otherwise the Insurer shall not be liable for any extended or aggravated loss caused hereby;

4.2 give notice to the Insurer immediately and submit a written report on the cause, course and extent of the loss. If the Insured fails to notify the Insurer in time due to his willful act or gross negligence, which makes the Insurer not able to ascertain the nature, cause and extent of the loss, the Insurer shall not indemnify the Insured in respect of such uncertain part, except that the Insurer knows or should have known the occurrence timely by other means;

4.3 permit and assist the Insurer in the investigation of the loss. If the cause of occurrence cannot be ascertained or the severity of the damage cannot be verified due to the refusal of or disturbance by the Insured, the Insurer shall not indemnify the Insured in respect of such uncertain part;

4.4 immediately give notice to the Insurer in written form whenever expecting to or having knowledge of any impending lawsuit and arbitration in connection with any accident for which there may be liability under this Policy, and forward to the Insurer every copy of letter written, summons or process or other court documents on receipt thereof. The Insurer is entitled to deal with matters relating to litigation or arbitration in the name of the Insured, the Insured should provide the relevant documents and give necessary assistance to the Insurer. The Insurer shall not be liable for any loss or



## PRODUCTS LIABILITY INSURANCE POLICY

additional loss resulting from the Insured not providing the aforementioned notice or necessary assistance timely.

5. For making claims under the policy, the Insured shall submit the following proof and documentary materials:

5.1 the original policy;

5.2 the claim application filled in by the Insured or his representative;

5.3 the relevant claim documents provided by the victim against the Insured;

5.4 If the accident causes bodily injury to the victim, the Insured shall provide the original medical documents, such as medical record, diagnostic certificate, medical expenses certificate etc issued by the medical institution Grade II or higher; If the victim suffers disablement or disability, the Insured shall provide the certificate of disablement or disability issued by the disability appraisal institute or the qualified medical institution; If the victim suffers death, the Insured shall provide the certificate of death issued by the public security department or the medical institution;

5.5 If the accident causes loss of or damage to the property of victim, the Insured must provide the list of loss and expenses;

5.6 the relevant legal instruments(court award, arbitration award, judgments, mediation, etc.);

5.7 all other information and available documents or proofs concerning the verification of the nature, cause and extent of the loss that can be provided by the Applicant or Insured.

If the Applicant or Insured fails to fulfill their obligation of providing the proofs and documents as aforementioned, which makes the Insurer not able to verify the loss, the Insurer shall not indemnify the Insured in respect of the uncertain part.

If the Insurer believes that the proofs and documents provided by the Insured are not sufficient, the Insurer shall request the Applicant and/or the Insured to provide additional materials in time and once for all.

6. If discovery of a defect in any product or goods insured shall indicate or suggest that similar defect exists in other products or goods insured, the Insured shall, at his own expenses, investigate and rectify forthwith the defect in such other products or goods. Otherwise, all damages arising out of the said defect shall be borne by the Insured.

7. The Insured shall warrant the insured products meet respective Mandatory or Voluntary safety standards and other applicable regulations where the products are distributed to.

## **VI. General Conditions**

### **1. Risk Change**



## PRODUCTS LIABILITY INSURANCE POLICY

During the period of insurance, the Insured shall give the Insurer timely written notice of the significant increase of risk, and the Insurer is entitled to charge additional premium or cancel the Policy.

A significant increase of risk is defined as the situation which is materially related to the liability of the Insured covered under the Insurance Contract changes compared with the situation when applied for insurance. Such changes may increase the possibility of occurrence of an Accident, which may affect the Insurer's decision of whether to continue taking the risk or increases the premium, including but not limited to the changes of the design, workmanship, raw materials, components, chemical composition and instruction or warning label of the insured products, or the expansion of the sales territory, which may increase the possibility of the third party's bodily injury or property damage caused by the Insured Products.

If the Insured fails to fulfill the obligation of notification, the Insurer shall not be liable for any loss due to the substantial increase of risks.

### 2. Policy Cancellation

At the Applicant's request for cancellation of this Policy before the inception of insurance, the Insurer shall charge the Applicant 5% of the premium as a commission for cancellation, but the Insurer shall refund the balance of the premium to the Applicant; At the Insurer's request for cancellation of this Policy before the inception of insurance, the Insurer shall not charge any expense and shall refund the premium collected.

At the Applicant's request for cancellation of the Policy after inception of insurance, the insurance shall be terminated from the date of notification, in which case, the Insurer shall retain the premium calculated according to the Short-Term Premium Rate Table for the period from the date of inception to the date of cancellation, and refund the balance of the charged premium to the Applicant. This insurance may also be cancelled at the request of the Insurer after inception of insurance by sending fifteen days' notice to the effect being given to the Applicant, in which case the Insurer shall calculate the premium on pro rata daily basis from the inception date of insurance to the date of cancellation, and refund the balance of premium to the Applicant.

**Appendix 1: Short-Term Premium Rate Table**

Period insured		Rate %
Exceeding	Not exceeding	
---	1 month	10% of the annual premium
1 month	2 months	20% of the annual premium
2 months	3 months	30% of the annual premium
3 months	4 months	40% of the annual premium



## PRODUCTS LIABILITY INSURANCE POLICY

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4 months	5 months	50% of the annual premium
5 months	6 months	60% of the annual premium
6 months	7 months	70% of the annual premium
7 months	8 months	80% of the annual premium
8 months	9 months	85% of the annual premium
9 months	10 months	90% of the annual premium
10 months	11 months	95% of the annual premium
11 months	12 months	100% of the annual premium

### 3. Forfeit of Benefit

If no accident occurs, but the Insured or the Beneficiary makes false claims and lodges compensation against the Insurer, the Insurer shall be entitled to cancel the Policy and no premium shall be refunded.

After the occurrence of an insured event, if the Applicant, Insured or Beneficiary forges or alters the relevant proofs, documents or other evidences, fabricates the false cause of accident or exaggerates the extent of loss, the Insurer shall not be liable nor pay the compensation for the false part.

### 4. Reasonable Inspection

The insured shall strictly observe the relevant Laws, bye-laws, and regulations related to fire prevention, safety, production operations and the use of special equipment, improve management, take reasonable preventive measures to ensure safety of the Property Insured and try to avoid and/or minimize the Loss.

The representative of the Company shall at any suitable time be entitled to attend the site and inspect or examine the risk exposure of the premises in order to observe the above clause. For this purpose, the Insured shall provide full assistance and all details and information required by the Company as may be necessary for the assessment of the risk. The above mentioned inspection or examination shall in no circumstances be held as any admission to the Insured by the Company. The Insured and the applicant should strictly perform the written suggestion from the Insurer regarding how to remove unsafe factor and hidden risk.

The insurer should not be liable for the loss due to the Insured or Applicant's failure to perform the above agreement; the insurer should also not be liable for the increased portion of the loss caused hereby.

### 5. Other Insurance

Should any loss, expenses or liability recoverable under the Policy be also covered by any other insurance, the Insurer shall only be liable to pay or contribute his proportion of the claim irrespective as



## PRODUCTS LIABILITY INSURANCE POLICY

to whether the other insurance is arranged by the Insured or others on his behalf, or whether any indemnification is obtainable under such other insurance. The Insurer shall not be liable for the amount payable by other insurer(s).

The Insured shall truthfully disclose to the insurer about other policies relating to the coverage of this policy. And if the Insurer has paid more than his share due to the Insured's non-disclosure, the Insurer is entitled to recover the portion paid in excess.

### 6. Subrogation

If any third party is held liable for the loss or damage insured against hereby, the Insurer shall be entitled by subrogation to claim for indemnity against such third party from the date of payment subject to the limit of the payment, and the Insured shall provide the Insurer with all the necessary documents and relevant information known.

If the Insured has already been indemnified by third party liable for the loss, the Insurer may deduct a corresponding sum when calculating the amount of indemnity.

After the occurrence of an insured event, if the Insured waives the right to claim against the third party liable before the Insurer makes payment of indemnity, the Insurer shall not be liable for such loss or damage; if the Insured waives the right to claim against the third party liable after the Insurer makes payment of indemnity, such waiver of right is invalid; if the Insurer cannot exercise the right of subrogation due to willful act or gross negligence of the Insured, the Insurer may deduct a corresponding sum when calculating the amount of indemnity or request refund of a corresponding sum from the indemnity paid to the Insured.

### 7. Dispute

All disputes arising from implementing this contract shall be settled through negotiations between the parties concerned. Upon failure to reach an agreement through negotiations, such dispute shall be referred to the arbitration commission specified in the policy. If there is no arbitration commission specified in the policy or no agreement reached for arbitration, legal proceeding could be initiated with the People's Court in People's Republic of China.

All disputes shall be governed by the laws of the People's Republic of China, but except Hong Kong SAR, Macau SAR, and Taiwan area.

## VII. Special Provisions

The following provisions shall be applied to all parts of this Policy and shall override the other terms and conditions of this Policy if any conflict arises.

### 1. Product-completed operation



## PRODUCTS LIABILITY INSURANCE POLICY

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 products" 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.

### 2. Efficacy Exclusion Clause

Notwithstanding anything to the contrary contained in this Policy, it is agreed that this Policy shall not apply to any liability for bodily injury, sickness, disease, occupational disease, disability, shock, mental anguish or mental injury, including death at any time resulting therefrom, sustained by an employee of the Insured, and arising out of and in the course of his employment by the Insured.

Subject otherwise to the terms, exceptions and conditions of the Policy.

### 3. Employees' Bodily Injury Exclusion

Notwithstanding anything to the contrary contained in this Policy, it is agreed that this Policy shall not apply to any liability for bodily injury, sickness, disease, occupational disease, disability, shock, mental



## PRODUCTS LIABILITY INSURANCE POLICY

anguish or mental injury, including death at any time resulting therefrom, sustained by an employee of the Insured, and arising out of and in the course of his employment by the Insured.

Subject otherwise to the terms, exceptions and conditions of the Policy.

### 4. War and Terrorism Exclusion

It is hereby declared and agreed that this endorsement modifies insurance provided under the following:

Under any "Exclusions" Section, War is deleted in its entirety and replaced with the following:

"Bodily injury", "property damage" or "personal injury" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, invasion, act of foreign enemy, civil commotion, factional civil commotion, military or usurped power, rebellion or revolution.

All "Exclusions" Sections, is amended with the addition of the following exclusion:

"Bodily injury" or "property damage" arising directly or indirectly as a result of or in connection with "terrorism" including, but not limited to, any contemporaneous or ensuing "bodily injury" or "property damage" caused by fire, looting or theft.

Terrorism" means the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in connection with any organization, government, power, authority or military force, when the effect is to intimidate or coerce a government, the civilian population or any segment thereof, or to disrupt any segment of the economy.

Terrorism shall also include any act which is verified or recognized by the United States Government as an act of terrorism.

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

### 5. Nuclear Energy Liability Exclusion

It is hereby understood and agreed that notwithstanding anything to the contrary contained in this policy, the insurance is subject to the Nuclear Energy Liability Exclusion as follows:

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 ASSOCIATION,



## PRODUCTS LIABILITY INSURANCE POLICY

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;

(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 the Hazardous Properties of Nuclear Material:

(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 facility is 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 include 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 meanings given to 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



## PRODUCTS LIABILITY INSURANCE POLICY

tailing or wastes produced by the extraction or concentration of uranium or thorium from any one 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 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 per 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.

Subject otherwise to the terms, exceptions and condition of this Policy.

### 6. Absolute Asbestos Exclusion

Notwithstanding anything to the company contained in this Policy, it is agreed that this policy shall not apply:

A. To any liability for property damage, personal injury, sickness, disease, occupation 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;

B. To any obligation of the insured to indemnify any party because of damages arising out of such property damage, personal injury, sickness, disease, occupation 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 expense to asbestos, asbestos products, asbestos fibers or asbestos dust;



## PRODUCTS LIABILITY INSURANCE POLICY

C.To any obligation to defend any suit or claim against the insured alleging personal injury, or property damage, if such suit or claim arises from personal 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.

Further, should the underlying limits become impaired or exhausted for claim(s) payment(s) and/or loss adjustments expense(s) excluded by this endorsement, coverage provided by this policy will not drop down over the impaired or exhausted underlying limits, however, the policy will continue to respond for covered claims in excess if the limits stated in the declaration page as underlying.

Subject otherwise to the terms, exceptions and conditions of this policy.

### 7. Absolute Pollution Exclusion

Notwithstanding anything to the contrary contained in this Policy, it is agreed that this policy shall not apply:

A.To any personal injury or property damage arising out of the actual or threatened discharge, dispersal, release or escape of pollutions, anywhere in the world;

B.To any loss, cost or expense arising out of any governmental direction or request that the insured, the company or any other person or organization test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollution.

C.To any loss, cost or expense, including but not limited to costs of investigation or attorney's fees, incurred by a government unit or any other person or organization to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutions.

"Pollutions" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste materials. Waste materials include materials which are intended to be or have been recycled reconditioned or reclaimed.

Further, should the underlying limits become impaired or exhausted for claim(s) payment(s) and/or loss adjustment expense(s) excluded by this endorsement, coverage provided by this policy will not drop down over the impaired or exhausted underlying limits, however, the policy will continue to respond for covered claims in excess of the limits stated in the declaration page as underlying.

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

### 8. Lead Exclusion

This insurance does not apply to any injury, damage, expense, cost, loss, liability or legal obligation



## PRODUCTS LIABILITY INSURANCE POLICY

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arising out of or in any way related to the toxic properties of lead or lead-containing products, materials or substances. This exclusion applies to all forms of lead including but not limited to solid, liquid, vapor and fumes.

### 9. Silica Exclusion Clause

This insurance does not apply to:

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

B. The following definitions are added to the Definitions Section:

- a. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
- b. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

### 10. Batch Clause

It is agreed that all damages arising out of one lot of goods or products, prepared or acquired by the named insured, or by another trading under his name, shall be considered as arising out of one occurrence or resulting from a single incident, one lot of goods or products shall be interpreted to include all goods or products subject to substantially the same error or defect.



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