

CONTRACTOR'S ALL RISKS INSURANCE WORDING

*(The Vietnamese Original version was issued in accordance with the Decision
No.: 02QĐ/BH-PAC-13 dated August 19, 2013 of Phu Hung Assurance Corporation)*

Whereas the Insured named in the Schedule hereto has made to **Phu Hung Corporation** (hereinafter called "Phu Hung") a written proposal by completing a Questionnaire which together with any other statements made in writing by the Insured for the purpose of this Policy is deemed to be incorporated herein,

Now this Policy of Insurance witnesses that subject to the Insured having paid to Phu Hung the premium mentioned in the Schedule and subject to the terms, exclusions, provisions and conditions contained herein or endorsed hereon Phu Hung will indemnify the Insured in the manner and to the extent hereinafter provided.

GENERAL EXCLUSIONS

Phu Hung will not indemnify the Insured in respect of loss, damage or liability directly or indirectly caused by or arising out of or aggravated by

- a) War, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny, riot, strike, lock-out, civil commotion, military or usurped power, a group of malicious persons or persons acting on behalf of or in connection with any political organization, conspiracy, confiscation, commandeering, requisition or destruction or damage by order of any government de jure or de facto or by any public authority;
- b) Nuclear reaction, nuclear radiation or radioactive contamination;
- c) Willful act or willful negligence of the Insured or of this representatives;
- d) Cessation of works whether total or partial.

In any action, suit or other proceeding where Phu Hung alleges that by reason of the provisions of Exclusion a) above any loss, destruction, damage or liability is not covered by this insurance the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.

PERIOD OF COVER

The liability of Phu Hung shall commence, notwithstanding any date to the contrary specified in the Schedule, directly upon commencement of work or after the unloading of the items entered in the Schedule at that site. Phu Hung's liability expires for parts of the insured contract works taken over or put into service.

At the latest the insurance shall expire on the date specified in the Schedule. Any extension of the Period of insurance is subject to the prior written consent of Phu Hung.

GENERAL CONDITIONS

1. The due observance and fulfillment of the terms of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the questionnaire and proposal made by the Insured shall be a condition precedent to any liability of Phu Hung.
2. The Schedule and the Section(s) shall be deemed to be incorporated in and form part of this Policy and the expression "this Policy" wherever used in this contract shall be

read as including the Schedule and the Section(s). Any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule or of the Section(s) shall bear such meaning wherever it may appear.

3. The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of Phu Hung to prevent loss, damage or liability and comply with statutory requirements and manufactures' recommendations.
4. a) Representative of Phu Hung shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of Phu Hung with all details and information necessary for the assessment of the risk.
b) The Insured shall immediately notify Phu Hung by telegram and in writing of any material change in the risk and cause at this own expense such additional precautions to be taken as circumstances may require, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.

No material alteration shall be made or admitted by the Insured whereby the risk is increased, unless the continuance of the insurance is confirmed in writing by Phu Hung.

5. In the event of any occurrence which might give rise to a claim under this Policy, the Insured shall
 - a) immediately notify Phu Hung by telephone or telegram as well as in writing, giving an indication as to the nature and extent of loss or damage;
 - b) take all steps within his power to minimize the extent of the loss or damage;
 - c) preserve the parts affected and make them available for inspection by a representative or surveyor of Phu Hung;
 - d) furnish all such information and documentary evidence as Phu Hung may require;
 - e) inform the police authorities in case of loss or damage due to theft or burglary.

Phu Hung shall not in any case be liable for loss, damage or liability of which no notice has been received by Phu Hung within 14 days of its occurrence.

Upon notification being given to Phu Hung under this condition, the Insured may carry out the repairs or replacement of any minor damage; in all other cases a representative of Phu Hung shall have the opportunity of inspecting the loss or damage before any repairs or alterations are effected. If a representative of Phu Hung does not carry out the inspection within a period of time which could be considered adequate under the circumstances, the Insured is entitled to proceed with repairs or replacement.

The liability of Phu Hung under this Policy in respect of any item sustaining damage shall cease if said item is not repaired properly without delay.

6. The Insured shall at the expense of Phu Hung do and concur in doing and permit to be done all such acts and things as may be necessary or required by Phu Hung in the interest of any rights or remedies, or of obtaining relief or indemnity from parties (other than those insured under this Policy) to which Phu Hung are or would become entitled or which is or would be subrogated to them upon their paying for or making good any

loss or damage under this Policy, whether such acts and things are or become necessary or required before or after the Insured's indemnification by Phu Hung.

7. If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted), such difference shall be referred to the decision of an arbitrator to be appointed in writing by the parties in difference or, if they can not agree upon a single arbitrator, to the decision of two arbitrators, one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties, or, in case the arbitrators do not agree, of an umpire to be appointed in writing by the arbitrators before the latter enter upon the reference. The umpire shall sit with the arbitrators and preside at their meetings. The making of an award shall be a condition precedent to any right of action against Phu Hung.
8. If a claim is in any respect fraudulent, or if any false declaration is made or used in support thereof, or if any fraudulent means or devices are used by the insured or anyone acting on his behalf to obtain any benefit under this Policy, or if a claim is made and rejected and no action or suit is commenced within three months after such rejection or, in the case of arbitration taking place as provided herein, within three months after the arbitrator or arbitrators or umpire have made their award, all benefit under this Policy shall be forfeited.
9. If at the time any claim arises under the Policy there is any other insurance covering the same loss, damage or liability, Phu Hung shall not be liable to pay or contribute more than their rateable proportion of any claim for such loss, damage or liability.

SECTION I - MATERIAL DAMAGE

Phu Hung hereby agrees with the Insured that if at any time during the period of cover the items or any part thereof entered in the Schedule shall suffer any unforeseen and sudden physical loss or damage from any cause, other than those specifically excluded, in a manner necessitating repair or replacement.

Phu Hung will indemnify the Insured in respect of such loss or damage as hereinafter provided by payment in cash, replacement or repair (at their own option) up to an amount not exceeding in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in any one event the limit of indemnity where applicable and not exceeding in all the total sum expressed in the Schedule as insured hereby.

Phu Hung will also reimburse the Insured for the cost of clearance of debris following upon any event giving rise to a claim under this Policy provided a separate sum therefor has been entered in the Schedule.

Special exclusions to section I

Phu Hung shall not, however, be liable for

- a) the deductible stated in the Schedule to be borne by the Insured in any one occurrence;
- b) consequential loss of any kind or description whatsoever including penalties, losses due to delay, lack of performance, loss of contract;

- c) loss or damage due to faulty design;
- d) the cost of replacement, repair or rectification of defective material and/or workmanship, but this exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss of or damage to correctly executed items resulting from an accident due to such defective material and/or workmanship;
- e) wear and tear, corrosion, oxidation, deterioration due to lack of use and normal atmospheric conditions;
- f) loss or damage to construction plant, equipment and construction machinery due to electrical or mechanical breakdown, failure, breakage or derangement, freezing of coolant or other fluid, defective lubrication or lack of oil or coolant, but if as a consequence of such breakdown or derangement an accident occurs causing external damage, such consequential damage shall be indemnifiable;
- g) loss of or damage to vehicles licensed for general road use or waterborne vessels or aircraft;
- h) loss of or damage to files, drawings, accounts, bills, currency, stamps, deeds, evidences of debt, notes, securities, cheques;
- i) loss of or damage discovered only at the time of taking an inventory.

Provisions applying to section I

Memo 1- Sums Insured:

It is a requirement of this insurance that the sums insured stated in the Schedule shall not be less than:

For item 1: the full value of the contract works at the completion of the construction, inclusive of all materials, wages, freight, customs duties, dues, and materials or items supplied by the Principal;

For item 2 and 3: the replacement value of construction plant, equipment and construction machinery; which shall mean the cost of replacement of the insured items by new items of the same kind and capacity;

and the Insured undertakes to increase or decrease the amounts of insurance in the event of any material fluctuation in wages or prices provided always that such increase or decrease shall take effect only after the same has been recorded in the Policy by Phu Hung.

If, in the events of loss or damage, it is found that the sums insured are less than the amounts required to be insured, then the amount recoverable by the Insured under this Policy shall be reduced in such proportion as the sums insured bear to the amounts required to be insured. Every object and cost item is subject to this condition separately.

Memo 2 – Basis of Loss Settlement:

In the event of any loss or damage the basis of any settlement under this Policy shall be

- a) in the case of damage which can be repaired – the cost of repairs necessary to restore the items to their condition immediately before the occurrence of the damage less salvage, or
- b) in the case of a total loss – the actual value of the items immediately before the occurrence of the loss less salvage.

However, only to the extent the costs claimed had to be borne by the Insured and to the extent they are included in the sums insured and provided always that the provisions and conditions have been complied with.

Phu Hung will make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be. All damage which can be repaired shall be repaired, but if the cost of repairing any damage equals or exceeds the value of the items immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in b) above.

The cost of any provisional repairs will be borne by Phu Hung if such repairs constitute part of the final repairs and do not increase the total repair expenses.

The cost of any alterations, additions and/or improvements shall not be recoverable under this Policy.

Memo 3 – Extension of Cover:

Extra charge for overtime, night-work, work on public holidays, express freight are covered by this insurance only if previously and specially agreed upon in writing.

SECTION II - THIRD PARTY LIABILITY

Phu Hung will indemnify the Insured up to but not exceeding the amounts specified in the Schedule against such sums which the Insured shall be come legally liable to pay as damages consequent upon

- a) accidental bodily injury to or illness of third parties (whether fatal or not),
- b) accidental loss of or damage to property belonging to third parties.

occurring in direct connection with the construction or erection of the items insured under Section I and happening on or in the immediate vicinity of the site during the Period of Cover.

In respect of a claim for compensation to which the indemnity provided herein applies, Phu Hung will in addition indemnify the Insured against

- a) all costs and expenses of litigation recovered by any claimant from the Insured, and
- b) all costs and expenses incurred with the written consent of Phu Hung,

provided always that the liability of Phu Hung under this section shall not exceed the limits of indemnity stated in the Schedule.

Special exclusions to section II

Phu Hung will not indemnify the Insured in respect of

1. the deductible stated in the Schedule to be borne by the Insured in any one occurrence;
2. the expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under Section I of this Policy;
3. damage to any property or land or building caused by vibration or by the removal or weakening of support or injury or damage to any person or property occasioned by or resulting from any such damage (unless especially agreed upon by endorsement);
4. liability consequent upon
 - a) bodily injury to or illness of employees or workmen of the Contractor(s) or the Principal(s) or any other firm connected with the project which or part of which is insured under Section I, or members of their families;
 - b) loss of or damage to property belonging to or held in care, custody or control of the Contractor(s), the Principal(s) or any other firm connected with the project which or part of which is insured under Section I, or an employee or workman of one of the aforesaid;
 - c) any accident caused by vehicles licensed for general road use or by waterborne vessels or aircraft;
 - d) any agreement by the Insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.

Special conditions applying to section II

1. No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of Phu Hung who shall be entitled, if they so desire, to take over and conduct in the name of the Insured the defense or settlement of any claim or to prosecute for their own benefit in the name of the Insured 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 and the Insured shall give all such information and assistance as Phu Hung may require.
2. Phu Hung may so far as any accident is concerned pay to the Insured the limit of indemnity for any one accident (but deducting there from in such case any sum or sums already paid as compensation in respect thereof) or any lesser sum for which the claim or claims arising from such accident can be settled and Phu Hung shall thereafter be under no further liability in respect of such accident under this section.

SECTION III – PRINCIPAL’S ADVANCE LOSS OF PROFITS

Phu Hung shall indemnify the Insured - named as Principal in the Schedule to Section I of this Policy in respect of loss of gross profit actually sustained due to the reduction in turnover and the increased cost of working as defined in this Section, if at any time during

the period of insurance stated in the Schedule to this Section the insured contract works or any part thereof suffer loss or damage covered under Section I of this Policy, unless specifically excluded in this Section, thereby causing an interference in the construction work resulting in a delay of commencement of and/or interference with the insured business, hereinafter referred to as "the delay".

The amount payable as indemnity hereunder shall be:

- in respect of loss of gross profit: the sum obtained by applying the rate of gross profit to the amount by which the actual turnover during the indemnity period falls short of the turnover which would have been achieved had the delay not occurred;
- in respect of increased cost of working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, without such expenditure, would have taken place during the indemnity period, but not exceeding the sum obtained by applying the rate of gross profit to the amount of the reduction in turnover thereby avoided.

If the annual sum insured hereunder is less than the sum obtained by applying the rate of gross profit to the annual turnover, the amount payable shall be reduced proportionately.

Definitions

Period of Insurance

The period of insurance shall be the period stated in the Schedule to this Section, terminating on the date specified in the Schedule or on any earlier date when the CAR material damage cover of Section I ceases.

Scheduled Date of Commencement of the Insured Business

The date stated in the Schedule to this Section or any revised date upon which the business would have commenced had the delay not occurred.

Indemnity Period

That period during which the results of the business are affected in consequence of the delay, beginning on the scheduled date of commencement of the insured business and not exceeding the maximum indemnity period stated in the Schedule to this Section.

Time Excess

The period stated in the Schedule to this Section for which Phu Hung are not liable. The corresponding amount shall be calculated by multiplying the average daily value of loss sustained during the indemnity period by the number of days agreed upon as time excess.

Turnover

The amount of money (less discounts allowed) paid or payable to the Insured for accommodation rented or other services rendered in the course of the insured business conducted at the premises.

Annual Turnover

The turnover which, had the delay not occurred, would have been achieved during the 12 months after the scheduled date of commencement of the insured business.

Annual Gross Profit

The amount by which the value of the annual turnover exceeds the amount of the specified working expenses.

Specified working expenses shall be any variable costs, e.g. costs incurred for the acquisition of goods, materials as well as for supplies and services (unless required for the upkeep of operations) and any expenditure for turnover tax, purchase tax, license fees and royalties, etc., insofar as such costs are dependent on turnover.

Rate of Gross Profit

The rate which, had the delay not occurred, would have been earned on the turnover during the indemnity period.

Special Exclusions Applying to Section III

The Insurers shall not be liable for

1. loss of gross profit and/or increased cost of working due to any delay caused by or resulting from
 - 1.1 loss or damage covered under Section I by way of endorsement, unless it has been specifically agreed in writing;
 - 1.2 earthquake, volcanic eruption, tsunami, unless it has been specifically agreed in writing;
 - 1.3 loss of or damage to surrounding property, construction machinery, plant and equipment;
 - 1.4 loss of or damage to operating media or feedstock, shortage, destruction, deterioration of or damage to any materials necessary for the insured business;
 - 1.5 any restrictions imposed by a public authority;
 - 1.6 non-availability of funds;
 - 1.7 alterations, additions, improvements, rectification of defects or faults or elimination of any deficiencies carried out after the occurrence;
 - 1.8 loss of or damage to items taken over or taken into use by the Insured or for which cover under Section I to this policy has ceased;
2. any loss due to fines or damages for breach of contract, for late or non-completion of orders, or for any penalties of whatever nature;
3. loss of business due to causes such as suspension, lapse or cancellation of a lease, license or order, etc. which occurs after the date of actual commencement of the business;
4. loss of or damage to construction work of a prototype nature, unless specifically agreed by endorsement.

Provisions Applying to Section III

Memo 1 - Extension of Period:

Any extension of the period of insurance under Section I of this Policy shall not automatically lead to an extension of the period of insurance stated in the Schedule to this Section.

Any extension of the period of insurance under this Section of the Policy shall be requested in writing as early as possible by the Insured, stating the circumstances leading

to the need for extension, and shall have effect for this Section only if specifically agreed upon in writing.

Any alteration of the scheduled date of commencement of the insured business shall be reported and shall have effect for this Section only if specifically agreed upon in writing.

Memo 2 - Basis of Loss Settlement:

In calculating the rate of gross profit and annual turnover, the following points shall in particular be taken into consideration:

- a) the results of the insured business for the 12-month period after commencement,
- b) variations and special circumstances which would have affected the insured business had the delay not occurred,
- c) variations and special circumstances affecting the insured business after commencement, so that the final figures represent as closely as may be reasonably practicable the results which the insured business would have obtained after the scheduled date of commencement had the delay not occurred.

Memo 3 - Return of Premium:

If the Insured declares (certified by the Insured's auditors) that the gross profit earned during the accounting period of twelve months following the commencement of the insured business or the date on which but for the delay the business would have commenced was less than the sum insured thereon, a pro rata return of premium not exceeding one third of the premium paid shall be made in respect of the difference.

If any loss or damage has occurred giving rise to a claim under this Policy, such return shall be made in respect only of so much of said difference as is not due to such damage.

Special Conditions applying to Section III

1. The Insured shall present Phu Hung with updated progress reports at intervals stated in the Schedule to this Section.
2. In the event of any material change in the original risk such as
 - changes in the envisaged progress programme
 - alteration, modification or addition to any item of work
 - departure from prescribed construction methods
 - changes in Insured's interest (such as discontinuation or liquidation of the business or its being placed in receivership)

taking place, the Policy shall be void unless its continuance be agreed by memorandum signed by the Insurers.

3. In the event of any occurrence which might cause a delay and give rise to a claim under this Section:
 - a) the Insured shall immediately notify Phu Hung by telephone or telegram and send them written confirmation thereof within forty-eight hours of the occurrence;
 - b) the Insured shall do and concur in doing and permit to be done all such things as may be reasonably practicable to minimize or establish the extent of any interference with the construction work so as to avoid or diminish any delay resulting therefrom;
 - c) Phu Hung and every person authorized by Phu Hung shall, without prejudice to any party insured by this Policy, have access to the construction site where such loss or damage has occurred for the purpose of direct negotiation with the responsible contractor or subcontractor in order to establish the possible cause and extent of the loss or damage, its effect on the insured interest, to examine the possibilities for minimizing any delay in the scheduled commencement of the insured business, and if necessary to make any reasonable recommendations for the avoidance or minimization of such delay.

This condition shall be evidence of the leave and license of the Insured to Phu Hung so to do. If the Insured or anyone acting on his behalf hinders or obstructs Phu Hung during any of the above- mentioned acts or does not comply with such recommendations of Phu Hung, all benefits under this Section shall be forfeited.

4. In the event of a claim made under this Section, the Insured shall at his own expense deliver to Phu Hung not later than thirty days after the delay or within such further period as Phu Hung may allow in writing a written statement setting forth particulars of his claim. Furthermore, the Insured shall at his own expense produce and furnish to Phu Hung such books of account and other business books, e.g. invoices, balance sheets and other documents, proofs, information, explanations or other evidence as may reasonably be required by Phu Hung for the purpose of investigating or verifying the claim, together with - if required – a statutory declaration of the truth of the claim and of any matters connected therewith.
5. The indemnity shall be payable one month after final determination of its amount. Notwithstanding the above the Insured may, one month after Phu Hung have been duly notified of the loss and have acknowledged their liability, claim as advance payment(s) the minimum amount(s) payable under the prevailing circumstances.

Phu Hung shall be entitled to postpone payment

- a) if there are doubts as to the Insured's right to receive payment, until the necessary proof is furnished;
- b) if, as a result of any loss or damage or any delay in the anticipated commencement of the insured business, police or criminal investigations have been initiated against the Insured, until the completion of such investigations.

Phu Hung shall not be liable to pay interest on indemnity moneys withheld other than interest for default.