

EMPLOYER'S LIABILITY POLICY

Whereas The Insured has made a written Proposal and Declaration to

**PT. ASURANSI BANGUN ASKRIDA
(hereinafter called "The Company").**

Which Proposal and Declaration shall be deemed to be incorporated herein and shall be the basis of this Contract, and has paid to the Company a provisional premium for the first period of insurance based on the estimated total amount of the wages, salaries and other earnings of employees in the business.

And whereas the name and address of the said Insured, the date of the written Proposal and Declaration, the amount of the provisional premium and the period within which this Policy shall remain in effect are specified in the Schedule herein, together with the description of the Insured's business, the description and estimated number of the employees in the business and the estimated total amount of their wages, salaries and other earnings in the business.

Now the company hereby agrees, to the extent and in the manner hereinafter provided, that if at any time during the period of this policy (and for such further period or periods as may be mutually agreed upon) any person described in the Schedule who is under a contract of service or apprenticeship with the Insured shall, while employed in or temporarily outside the Republic of Indonesia sustain bodily injury or decease or death resulting here from (hereinafter called "bodily injury") arising out and in the course of his employment by the Insured in the business described in the Schedule herein the Company, will subject to the terms, exclusions and conditions contained here in or endorsement hereon.

- (A) Indemnity the Insured against liability at Indonesian law for damages and claimant's costs and expenses in respect of such bodily injury, other than liability attaching by virtue of :
1. The provision of Workmen's Compensation Act. 1947 of the Republic of Indonesia and amendments thereto or any other similar law enacted in pursuance thereto or any other similar law of another country.
 2. A contract or agreement which would not have attached in the absence of such contact or agreement except as provided in (B)

PROVIDED THAT, in respect of bodily injury sustained by an Employee, while temporarily employed outside the Republic of Indonesia, the action for damage is brought against the Insured in a Court of Law in the Republic of Indonesia.

- (B) Where any contract or agreement entered into by the Insured with any public authority, company, firm or person (hereinafter called "the Principal") so requires,
1. Indemnity the Insured against liability arising in connection with and assumed by the Insured by virtue of such contract or agreement, or
 2. Indemnity the Principal in like manner to the Insured in respect of the Principal's liability arising from the performance of such contract or agreement.

PROVIDED THAT:

- i) Company shall not be under any legal liability of whatsoever nature directly caused by or contributed to by or arising from :
 - a) Ionizing radiation or contamination by radioactivity from any nuclear fuel or from

- any nuclear waste from the contribution of nuclear fuel.
- b) The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- ii) Insured shall have arranged with the Principal for the conduct and control of all claims to be vested in the Company in accordance with Condition 3.
- iii) The Principal shall as though he was the Insured observe, fulfill and be subject to the terms and conditions of this Policy in so far as they can apply.

THE COMPANY WILL ALSO :

1. Pay all costs and expenses incurred with their written consent.
2. Pay legal fees incurred with their written consent for representation of the Insured at proceedings in any Court of Summary Jurisdiction arising out any alleged breach of a statutory duty resulting in bodily injury which may be the subject of indemnity under this Policy.
3. In the event of the death of Insured, indemnity the Insured's personal representatives in the terms of this Policy in respect of liability incurred by the Insured, provided that such personal representatives shall, as though they were the Insured, observe, fulfill and be subject to the terms and conditions of this Policy in so far as they can apply.

CONDITIONS

1. This Policy and the Schedule shall be read together as one contract and any word or expressions to which a specific meaning has been attached in any part of this Policy, or of the Schedule shall bear such specific meaning wherever it may appear.
2. In the event of any occurrence which may give rise to a claim for indemnity under this Policy the Insured shall give immediate notice thereof of PT. ASURANSI BANGUN ASKRIDA in writing with full particulars. Every letter, claim, written, summons and process shall be notified or forwarded to PT. ASURANSI BINTANG, Tbk immediately on receipt. Notice shall also be given in writing to the PT. ASURANSI BINTANG, Tbk immediately the Insured shall have knowledge of any impending prosecution, inquest or fatal inquiry in connection with any such occurrence as aforesaid.
3. No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company who shall be entitled if it so desires to take over and conduct in the name of the Insured the defense or settlement of any claim or to procedure in the name of the Insured for their own benefit any claim for indemnity or damage or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.
4. The Insured shall take reasonable precautions to prevent accidents and disease.
5. The first premium and all renewal premiums that may be accepted are to be regulated by the amount of wages and salaries and other earnings paid to employees by the Insured during each period of Insurance.
The name of every employee and the amount of wages, salary and other earnings paid to him shall be duly and shall supply the Company with the correct account of all such wages, salaries and other earnings paid during any Period of Insurance within one month from the expiry of such Period of Insurance, and if the total amount so paid shall differ from the amount on which premium has been paid the difference in premium shall be met by a further proportionate payment to the Company or by a refund by the Company as the case may be subject always to the Company receiving not less than any premium specified in the Schedule or, in the case of cancellation by or on behalf of the Company, not less than

the prorata proportion thereof.

6. If at the time of loss or damage happening to any property insured by this policy, there be any other subsisting insurance or insurance(s), whether effected by the insured, or by any other person covering the same property or any part thereof, this Policy shall not be liable to pay or contribute in respect of such loss or damage more than its rateable proportion of the aggregate liability under all the insurance covering such property.
7. The Company may cancel this Policy by sending thirty days notice by registered letter to the Insured at his last known address and in such event the premium shall be adjusted in accordance with Condition 5
8. The due observance and fulfillment of the terms conditions and endorsements of this Policy in so far they related to anything to be done or complied with the Insured and the truth of the statements and answers in the said Proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.

ARBITRATION

- A. Any conditions or provisions contained in this Policy notwithstanding, it is understood and agreed that all disputes resulting from the performance and/or interpretation of this agreement of insurance(s) are to be submitted to three arbitrators whose awards shall be final and binding.
- B. The party desiring to submit a case to arbitration must give the other party notice of his intention in writing. The three Arbitrators shall be appointed by both parties by mutual agreement. If within four weeks from the date of such written notice the parties are unable to agree on the selection of the Arbitrators, the most ready party may request the Chairman of Badan Arbitrasi Nasional Indonesia to nominate the Authority which is to appoint the Arbitrators.
- C. The Arbitrators are bound to pronounce on the issue before them in just and equitable manner.
- D. The Arbitrators shall determine the Rules of the Arbitration proceedings.
- E. In the their final Award the Arbitrators shall decide by which party or parties the cost of the Arbitrators Proceedings, including the disbursements of the lawyers representing the parties, shall be wholly or partial borne.
- F. The arbitrators shall take the necessary measures in order that the original of the Award or Awards shall be filed at the Court of competent Jurisdiction in Jakarta, in which city the Award (s) shall be made.
- G. The Powers to be granted to the Arbitrators shall continue until after the filling referred to in paragraph F.

SUBROGATION

- A. The Company shall, upon payment of any loss, damage or expense hereunder, be subrogated to all the Insured's rights of recovery against any other person, firm or corporation who may be legally or contractually liable for such loss, damage or expense paid by the Company.
- B. It is agreed that the Company may make claim upon and institute legal proceedings against any parties believed responsible for loss, damage or expense paid hereunder in the name of the Insured, and the Insured will give the Company their full co-operation in pursuing such claim or legal proceedings.
- C. Privilege is granted the Insured to release in writing any individual, firm or corporation for whom or with whom the Insured is performing operations under contract or otherwise, from



liability for loss or damage occurring after the granting of said written release and arising out of or in connection with said operations.

When the privilege above is exercised by the Insured, the Company hereunder hereby waives their rights of subrogation against such individual, firm or corporation, their subsidiaries, factors or assigns, but only with respect to loss or damage to which the above release of liability applies, provided the written release was executed prior to the loss damage.

- D. It is also agreed that in case of loss payable by the Company they shall in no event have any right of recovery, through subrogation or otherwise, against any company, or the directors, officers or employees thereof, which is a subsidiary of, or partly owned by or affiliated with any Insured.