

Dated 24th June 2002

SUPPLEMENTAL DOMESTIC DEED

between

MOTOR INSURERS' BUREAU OF HONG KONG

and

AUTHORISED MOTOR INSURERS

**relating to a
Domestic Agreement
dated 1st February, 1981**

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SUPPLEMENTAL DOMESTIC DEED

THIS SUPPLEMENTAL DOMESTIC DEED is made

BETWEEN:-

- (1) **MOTOR INSURERS' BUREAU OF HONG KONG** (hereinafter referred to as the "M.I.B."); and
- (2) **EACH OF THOSE INSURANCE COMPANIES AND LLOYD'S UNDERWRITERS AUTHORISED TO CARRY ON MOTOR VEHICLE INSURANCE BUSINESS IN HONG KONG** (the "Insurers" which for the purpose of this Supplemental Domestic Deed shall include any Insurance Company or Lloyd's Underwriter authorised to carry on motor vehicle insurance business in Hong Kong who subsequently becomes a party to this Supplemental Domestic Deed), being at the date of this Supplemental Domestic Deed those insurance companies and Lloyd's underwriters authorised to carry on motor vehicle insurance business in Hong Kong by or on behalf of whom this Supplemental Domestic Deed is executed,

and also BETWEEN each and all of the Insurers inter se so that each one of the Insurers binds itself severally to each and every other of the Insurers to perform this Supplemental Domestic Deed.

WHEREAS:-

- (A) Pursuant to the Domestic Agreement M.I.B. and the Insurers agreed, inter alia, to set out the basis upon which the M.I.B. would satisfy Judgments against any person in respect of Bodily Injury Liability.
- (B) Pursuant to an agreement of even date between the Government and M.I.B., M.I.B. has undertaken with the Government to make available a limited facility from out of the First Fund to satisfy the claims of third parties who have suffered death or bodily injury caused by a Terrorist Act through the use of a motor vehicle on a road in Hong Kong upon and subject to the terms and conditions thereof.
- (C) M.I.B. and Insurers have agreed to enter into this Supplemental Domestic Deed which is intended to have effect as from the Effective Date to supplement the provisions of the Domestic Agreement as regards the limited facility referred to in paragraph (B) above.

WHEREBY IT IS HEREBY AGREED as follows:-

1. INTERPRETATION

- 1.01 Words and expressions defined in the Domestic Agreement and in the First Fund Agreement shall have the same meanings when used in this Supplemental Domestic Deed.
- 1.02 Unless the context requires otherwise, in this Supplemental Domestic Deed the following expressions shall have the following meanings:-

“Domestic Agreement”	means an agreement (which expression includes such agreement as from time to time amended) dated 1st February 1981 and made between (1) M.I.B. and (2) the Insurers;
“Effective Date”	means 1st January, 2002;
“First Fund”	means the fund established by the M.I.B. pursuant to the terms of the First Fund Agreement;
“First Fund Agreement”	means an agreement dated 1st February 1981 and made between (1) Government and (2) M.I.B. (as amended and supplemented by (i) an undertaking issued by M.I.B. to the Government dated 29th June, 1995 and (ii) a supplemental memorandum of agreement of even date) under which the M.I.B. established a fund for the satisfaction of certain unsatisfied judgments in respect of relevant liabilities;
“Government”	means The Government of Hong Kong; and
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China.

1.03 References to Clauses are to clauses of this Supplemental Domestic Deed, unless otherwise stated.

1.04 The Recitals to this Supplemental Domestic Deed are inserted for convenience only, have no legal effect and shall be ignored in the interpretation of this Supplemental Domestic Deed.

2. WAIVER

2.01 M.I.B. hereby irrevocably waives any rights whatsoever to which it would, but for the terms of this Supplemental Domestic Deed, be entitled under the Domestic Agreement to recover from any Insurer any sums paid by the M.I.B. where the Judgment is given in respect of Bodily Injury Liability which arises out of a Terrorist Act .

2.02 Insofar as the M.I.B. has granted a waiver under Clause 2.01 in favour of an Insurer Concerned, where a judgment has been given in respect of Bodily Injury Liability which arises out of a Terrorist Act, the Insurer Concerned agrees not to seek recovery in respect of that liability from the policyholder under the policy.

3. SUPPLEMENTAL EFFECT

This Supplemental Domestic Deed shall take effect so as to supplement and to add to the terms of the Domestic Agreement. Subject to the provisions of this Supplemental Domestic Deed, the Domestic Agreement shall remain in full force and effect.

4. **EFFECTIVE DATE**

This Supplemental Domestic Deed shall take effect as from, and as if the parties hereto had signed this Supplemental Domestic Deed, on the Effective Date, and for this purpose the parties hereto agree to be bound by any obligation, known or unknown, that may have arisen as from the Effective Date and to which any of them may be, or may become, subject.

5. **ADOPTION OF CLAUSES**

Clauses 10 and 11 of the Domestic Agreement shall be deemed to be incorporated into this Supplemental Domestic Deed and this Supplemental Domestic Deed shall be read as if those clauses actually formed part of this Supplemental Domestic Deed.

6. **GOVERNING LAW**

This Supplemental Domestic Deed is governed by and shall be construed in accordance with the laws of Hong Kong.

7. **BINDING EFFECT**

Each Insurer hereby confirms and agrees in the following terms which are applicable to it:-

- (a) that if it is an original signatory to the Domestic Agreement, notwithstanding that since the date of signing (the "**Agreement Date**") there has been any change in those Insurers that are parties to the Domestic Agreement to which the Insurer is a party, it has since the Agreement Date been bound by and has continued to be bound by the Domestic Agreement, and that it remains so bound as at the date hereof;
- (b) that if it is not an original signatory to the Domestic Agreement but that subsequent to the Agreement Date it has executed a deed of undertaking (the "**Undertaking Date**") by which it agreed to adhere to and be bound by the provisions of the Domestic Agreement, notwithstanding any change since the Undertaking Date in those Insurers that are parties to the Domestic Agreement to which the Insurer is a party, it has since such date been bound by and has continued to be bound by the Domestic Agreement throughout and that it remains so bound as at the date hereof; and
- (b) that if it is not an original signatory to the Domestic Agreement nor has it executed a deed of undertaking as referred to in sub-Clause 7(b) in relation to the Domestic Agreement, it hereby undertakes to the M.I.B. (for itself and as trustee for each of the Insurers from time to time a party to, or adhering to, the Domestic Agreement) that for so long as it remains a member of M.I.B., it will adhere to, and be bound by, the provisions of the Domestic Agreement in all respects as if it were a party thereto and an Insurer as defined in the Domestic Agreement.

8. **COUNTERPARTS**

This Supplemental Domestic Deed may be executed in any number of counterparts, and as regards the M.I.B. and any one single Insurer, the two counterparts to which

they are each a party, shall come into effect when duly executed and delivered by each of them, and shall be deemed to be an original and when taken together those counterparts shall constitute one and the same instrument.

9. DELIVERY

This Supplemental Domestic Deed shall come into effect and be enforceable as between the M.I.B. and an Insurer once the M.I.B. and that Insurer have both duly executed and delivered this Supplemental Domestic Deed, notwithstanding that any other Insurer or Insurers may not as at that date have executed and delivered this Supplemental Domestic Deed.

IN WITNESS whereof each of parties has executed this Supplemental Domestic Deed on the day and year written below.

Signed by the Insurers and the Motor Insurers' Bureau of Hong Kong in the presence of Nicholas Donne and Keith Bernard Land, Hong Kong.