INSURANCE COVERAGE STATEMENT

Product Liability Insurance

AGGREGATE LIABILITY	ANY ONE ACCIDENT	POLICY BASIS	TERRITORY & JURISDICTION
RMB 20M	**RMB 20M**	**Occurrence**	**Worldwide**
Maximum aggregate limit under current coverage.	One accident or related series from one event.	Coverage arranged on an occurrence basis.	Worldwide, excluding USA and Canada.

HONOUR maintains Product Liability Insurance issued by People's Insurance Company of China (PICC).
This insurance applies to legal liabilities arising from accidents caused by insured products supplied by HONOUR, subject to the terms, conditions, exclusions and limits specified in the insurance policy.

01 Insurance Coverage Statement

This statement provides a structured overview of HONOUR's Product Liability Insurance. It does not amend, extend or replace the insurance policy.

CONTROLLING DOCUMENT
All insurance claims and compensation shall be subject to the valid insurance policy issued by PICC.

02 Policy Information

Insurance Type: **Product Liability Insurance**
Policy Holder / Insured: **Suzhou Hornour Energy High-Tech Co., Ltd**
Policy Form: **Occurrence Basis**
Period of Insurance: **As specified in the valid insurance policy**
Territorial Limit: **Worldwide (excluding USA and Canada)**
Jurisdiction: **Worldwide (excluding USA and Canada)**

03 Scope of Insurance Liability

During the insurance period, if insured products supplied by HONOUR cause an accident within the insured territory, resulting in:

- Bodily injury, illness or death of users, consumers, operators or other third parties; or
- Property damage to third parties;

and HONOUR is legally liable for such damages, the insurer shall provide compensation according to the insurance policy and within the agreed limits of indemnity.

COVERAGE TRIGGER
Coverage requires an accident caused by an insured product, qualifying third-party injury or property damage, and legal liability of HONOUR within the policy terms.

04 Compensation Limits

The current insurance coverage provides the following limits:

AGGREGATE LIABILITY	ANY ONE ACCIDENT
RMB 20,000,000	**RMB 20,000,000**
Aggregate limit.	Maximum for one accident.
BODILY INJURY	PROPERTY DAMAGE
RMB 1,000,000	**RMB 1,000,000**
Per person per occurrence.	Per occurrence.

DEFINITION
Any One Accident means one accident or a series of accidents arising from one event.

05 Claim Handling Procedure

When an insured accident or related legal claim occurs:

Step 01 — Notification. HONOUR shall notify the insurer promptly after becoming aware of product-related accidents, third-party claims or potential legal liability.
Step 02 — Investigation and Cooperation. The insurer may investigate the cause of accident, relationship between the insured product and claimed damage, liability determination and loss assessment. HONOUR shall provide necessary documents and assistance required for claim assessment.
Step 03 — Claim Determination. Determination may be based on applicable laws, court judgment, arbitration award, or an agreement between the insured party, claimant and insurer. Compensation shall not exceed the applicable insurance limits.

06 Insured Obligations

According to the insurance policy, the insured shall:

- Provide truthful information when applying for insurance;
- Pay insurance premiums according to policy requirements;
- Notify the insurer promptly after becoming aware of insured accidents;
- Take reasonable measures to prevent or reduce losses;
- Cooperate with accident investigation and claim handling;
- Provide relevant documents and evidence required for claim assessment.

EFFECT OF NON-COMPLIANCE
Failure to fulfill these obligations may affect insurance compensation according to the policy terms.

07 Main Exclusions

The insurance does not cover:

- Loss or damage to the insured products themselves;
- Product return, replacement or recall costs;
- Losses relating to property owned, controlled or managed by the insured.

Liability exclusions

- Liability assumed only through contractual agreements, unless such liability also exists without the agreement;
- Employee-related liability under labor law or employment relationships;
- Intentional illegal production or sales activities;
- Fines, penalties or punitive damages.

Event-related exclusions

- Pollution-related liabilities;
- Damage to aircraft or ships;
- War, armed conflict, terrorism or similar events;
- Nuclear-related risks;
- Other losses outside the scope of insurance coverage.

08 Relationship With Product Warranty

Product Liability Insurance and Product Warranty apply to different responsibilities.

PRODUCT WARRANTY
Product quality obligations: covers manufacturing, material and workmanship defects under HONOUR's warranty terms.

PRODUCT LIABILITY INSURANCE
Third-party legal liability: applies to legally liable third-party bodily injury or property damage claims caused by insured products, according to the insurance policy.

09 Insurance Documentation

Insurance documents may be provided upon reasonable request for:

- Supplier qualification review;
- Project documentation;
- Compliance assessment.

POLICY PRECEDENCE
All insurance claims and compensation shall be subject to the valid insurance policy issued by PICC.