

WCA POLICY WORDING GLOBAL



FORWARDERPROTECT



2021-V2

In consideration of the premium payable in respect of this insurance, the Insurer undertakes to indemnify the Insured for all liabilities, costs or expenses that the Insured is liable to pay in respect of events or circumstances which occur during the Policy Period, and to indemnify the Insured in respect of loss or damage sustained which fall within the terms and conditions and exclusions of this Policy subject to the deductible(s) and limit(s) of liability herein and set out in the Confirmation of Insurance attaching to and forming part of this Policy.

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It is important to read this Policy Wording carefully in order to understand what is insured and what is not covered and also to understand the rights, duties and obligations of the Insured.

All Policy Exclusions and Conditions Precedent to Insurers liability apply unless noted otherwise in the Insurance Schedule or any endorsement attaching hereto.

Acceptance of a quotation by the Insured shall be deemed to be acceptance of all terms and conditions of this Policy Wording and all terms and conditions of the Insurance Contract.

Titles in this Policy Wording are only for reference. These titles do not in any way affect the provisions of the cover provided under the Policy Wording or under the Insurance Contract.

A) COVERAGE - CARGO AND RELATED LIABILITIES

This Policy will indemnify the Insured in respect of its legal and/or contractual liability under Conditions of Trade approved by Insurers and for costs for Insured Services directly flowing from such liabilities subject to its terms conditions and limits and to the following General Terms and Conditions and Exclusions for: -

1. Loss or Damage to Cargo in respect of Liabilities, this is not a cargo policy

Liability for loss or damage to cargo whilst in transit or in storage during the normal course of transit in the care, custody or control of the Insured, or a party with whom the Insured has contracted to provide transportation services.

2. Additional Cover

The additional cover set out below shall apply following liability under Clause 1. above.

2.1 Consequential Loss

Liability for consequential loss including business interruption, subject to a limit of liability any one claim of twice the carriage charges.

2.2 General Average

Liability (without application of deductible) for cargo's proportion of general average, salvage and/or salvage charges.

2.3 Accidental delay in delivery of customers Goods

This insurance covers additional costs, penalties, duty, freight and/or storage charges and all other similar charges as a result of accidental delay in delivery of customers Goods but specifically excluding all losses directly attributable to "just in time" contracts, where fines and/or penalty charges become due as a result of the Insured's failure to meet contract criteria. Such additional cover is subject to an each and every loss limit of not more than three times the amount of the carriage charges subject to a limit of USD250,000 for the total of all losses during the annual Policy period.

2.4 Duty

Liability for duty payable where the duty forms part of a claim for loss or damage to cargo other than duty under any form of bond or guarantee.

2.5 Damage to Transport Equipment and other Cargo

Liability for loss or damage to any container, transport equipment, vehicle, cargo, vessel or aircraft operated by another party, resulting from the mode and/or method and/or manner in which the cargo being transported is secured and/or stowed during transportation. Insurers liability shall not exceed USD100,000 per incident or occurrence and USD100,000 in the aggregate during the annual policy period.

2.6 Temporary Storage

Liability for loss or damage to cargo during temporary storage arising out of rejection of cargo by a consignee, or where the cargo cannot be delivered, provided that Insurers are notified within 7 days of the rejection or non-delivery of the cargo respectively.

2.7 On-forwarding Costs

Insurers agree to pay the cost and expense of on-forwarding cargo to destination including the cost of temporary storage, unloading, reloading and transferring cargo to other transport equipment, or containers in order to mitigate the loss. Insurers liability shall not exceed USD15,000 per incident or occurrence and USD30,000 in the aggregate during the annual policy period.

2.8 Failure to Collect Cargo

Liability where the Insured is held legally liable for demurrage, storage, port, forwarding, disposal or other charges arising directly or indirectly out of the failure of the consignee or receiver to take delivery of the goods, such liability not to exceed USD15,000 any one event and USD30,000 in the aggregate during the annual policy period.

Where a country/ territory does not provide domestic Conditions of Trade or Carriage and for that reason an Insured trading in such a country/territory does not always operate under domestic Conditions of Trade or Carriage then Part A) of this Wording will, as far as is applicable, not apply and cover under the policy will be subject only to Part C) subject to its terms and conditions.

Notwithstanding the above, where the Insured operates in a country/territory which does not provide domestic Conditions of Trade or Carriage but the Insured operates on other conditions of trade or carriage for domestic trade, limiting their liability under such contract(s), whether such conditions are in-house/own conditions, internationally recognised or otherwise, then Part A) of this Schedule will apply.

B) SPECIAL CONDITIONS AND EXCLUSIONS
(applicable to all sections of the policy and schedule)**1. Approval of the Insured's Trading Conditions**

Where the Insured performs services in any country under conditions of trade, carriage / storage other than that listed in 1.1 and 1.2 below the Insured must arrange for insurers to view and approve such conditions prior to commencement of insurance cover under this Policy;

- 1.1 conditions of trade, carriage / storage agreed by International convention and/or national, civic, commercial or common law that is applicable by compulsion or statute and/or
- 1.2 the Insured's house bill of lading or air waybill or standard trading conditions provided such conditions and limitations of carriage or trade accept no greater liability or responsibility for the Insured than those in 1.1 above.

There is no cover under this Policy in respect of any liabilities costs or expenses incurred;

- 1.3 by reason of the provision by the Insured or any agent or sub-contractor of the Insured of an indemnity without the agreement in writing of the Insurer
- 1.4 pursuant to any agreement by the Insured or any agent or sub-contractor or agent to waive any right to exclude, restrict or limit any such liabilities, costs and expenses
- 1.5 pursuant to any contractual term which requires the Insured to perform the services set out in the Confirmation of Insurance, forming part of this Policy, with greater than reasonable care and skill, or a level of care and skill greater than that required by operation of law
- 1.6 by reason of any failure by the Insured to commence, or any delay in or abandonment of the provision of the services set out in the Schedule to this Policy.

2. Road Transport - Sub-contractor's Conditions of Carriage

Where the Insured sub-contracts carriage of cargo by road, or sub-contracts carriage which includes carriage by road, the Insured will, where possible, use sub-contractors that operate under a contract of carriage whose terms and conditions are no less wide than those of the Insured, other than where such terms and conditions are imposed by law or do not materially affect the liability and amount of the claim for loss or damage to cargo being carried.

3. Road Transport – Sub-contractors Insurance

It is a condition precedent to the liability of Insurers that the Insured ensure that the actual carrier or sub-contractor in relation to carriage by road has adequate, valid and sufficient insurance cover in respect of its liability for loss or damage to the cargo being carried. However, this insurance shall not be prejudiced by any unintentional error or omission of the Insured's employees, or as a direct result of an isolated negligent act, provided any claim presented shall otherwise be recoverable under the policy terms and conditions, and provided that the insured can provide evidence to Insurers that there are in place satisfactory procedures for checking policy coverage of any carrier or subcontractor.

4. Road Transport – High Risk Cargo

It is a condition precedent to the liability of Insurers where the Insured operates or utilises a vehicle, container or trailer and the cargo being carried is 'high risk' as defined under Clause 5 that: -

- (a) During the day, whilst parked for rest breaks, or for similar short stays, the vehicle/trailer/container
 - (i) is at a recognised and designated parking area for road hauliers, and
 - (ii) is securely locked with keys removed and all openings securely closed at all times, and
 - (iii) the driver remains within the immediate vicinity.
- (b) Whilst parked overnight or during the day other than for rest breaks or for similar short stays, the vehicle, trailer or container;
 - (i) is garaged in a locked building or parked in a fully enclosed location (which remains locked apart from when authorised vehicles are entering and exiting the location) under constant surveillance, or
 - (ii) is securely locked with all keys removed and all openings securely closed and is in a recognised and designated parking area for road hauliers and the driver remains in attendance at all times.

5. High Risk Cargo

The following cargo shall be deemed high risk in accordance with clause 4. above and shall not be covered unless;

- i) the total of such high risks cargo is less than 5% of the annual traffic, and
 - ii) such high risk cargo is shipped in Full Container Loads (FCL) or Full Trailer Loads, and
 - ii) the Insured specifically disclosed to Insurers in writing and Insurers may agree by endorsement to coverage, subject to 7 clear days written notice to the Insurer:
- (a) Wines, Spirits and other Alcoholic Beverages;
 - (b) Cigarettes and other Tobacco based products;
 - (c) Furs and Leather and garments or items made from Fur or Leather;
 - (d) Televisions, CD players, DVD players, CDs, DVDs tapes and videos;
 - (e) Clocks, watches and parts;
 - (f) Computer micro-chips;
 - (g) Computers including but not limited to Laptops;
 - (h) Personal Computers and games consoles.

6. Excluded Cargo

The Policy excludes liability relating to the transportation of the following cargoes:-

- a) Bullion and Precious Metal Objects;
- b) Bank Notes, Coins, Cheques and Credit Cards;
- c) Bonds, Negotiable Documents, Securities and other financial instruments;
- d) Jewellery, Works of Art, Antiques or Precious Stones, except where part of Household/Personal Effects consignment and not to exceed 10% of total consignment value;
- e) Live Animals, Birds, Reptiles and Fish;
- f) Military goods and / or goods for military purpose;
- g) Cellular or Mobile Telephones of any description.

7. Excluded Contract Terms

The Policy excludes claims arising out of any contractual agreement, whether or not in writing, by the Insured;

- a) to an agreed shipment or delivery date or time;
- b) to higher limits of liability or greater responsibility than that notified to and/or agreed by Insurers;
- c) to an agreed or declared value.

8. Insured's Property

The Policy excludes claims in respect of property and/or cargo owned, leased or licensed to/by the Insured unless specifically agreed by Insurers and endorsed on the Policy.

9. Insured Services

The Policy excludes claims in respect of any Service not previously declared to Insurers and agreed by them to be covered.

10. Liability to Customs

The Policy excludes claims by Customs or similar Governmental or European Union organisations or bodies against the Insured except where insured under the Errors and Omissions part C) of this Policy.

11. Storage of goods in the normal course of transit – Alarms/Security

It is a condition precedent to the liability of Insurers that any warehouse utilised shall be: -

- 11.1 operationally alarmed for fire and theft at all material times including but not limited to when the warehouse is unattended, the alarm to be linked to a third party surveillance system or to the police or fire service, as applicable, and to be maintained to manufacturer's specification and
- 11.2 locked and all openings securely closed when the warehouse is unattended.

12. Warehouse Keeper's Liability where storage is subcontracted to an agent.

Irrespective as to the coverage offered under Section G) of this contract of insurance, insurers agree that where cover under this contract of insurance is for legal liability in respect of storage outside of the ordinary course of transit and subcontracted by the insured to an agent, such liability for loss of or damage to cargo is covered under this contract of insurance subject to the following:

1. Conditions as outlined in Section G) herein but Special Conditions 1.1 to 1.5 not to apply.
2. Limit of liability USD250,000 any one incidence or occurrence subject always to the agreed contract of insurance deductible.
3. Such storage is only covered under this contract of insurance whilst in secure and locked premises, including a warehouse or building, suitable for the care and protection of the cargo (bearing in mind the type, value, and nature of the cargo).

C) ERRORS AND OMISSIONS

This Policy will indemnify the Insured in respect of its legal and/or contractual liability for a negligent act, error or omission, arising out of the Insured Services subject to its terms, conditions and limits and to the following terms and conditions and General Policy Terms, Conditions Exclusions and sub-limits:

1. General

Liability for a negligent act, error or omission by the Insured, its servants, agents whilst acting within the scope of their duty or authority carrying out the legitimate forwarding and ancillary services of the Insured, arising out of the following:

- (a) preparation and/or issuance of documentation
- (b) clerical and/or documentary procedures
- (c) failure to follow and/or provide instructions
- (d) provision of advice or information
- (e) delay, misdelivery or wrongful delivery of cargo
- (f) declaration or description of cargo
- (g) risks referred to under clause 2.2.1 to 2.2.5 inclusive but subject to their terms and conditions.

It is warranted that immediately following the error and omissions claim, preventative and practical measures are put in place and appropriate instructions issued to avoid reoccurrence.

2. Special Provisions

Cover under Clause 1. above is subject to the specific terms and conditions, when applicable as set out below: -

2.1 Trade or Conditions of Carriage

Failure to contractually incorporate the Insured's General Conditions of Trade and/or Conditions of Carriage is also covered provided that the Insured's right to indemnity by Insurers shall only apply if the Insured establishes that;

- a) it has in operation procedures to contractually incorporate the above Conditions and
- b) in the case in question, the Conditions were not incorporated solely as a result of an isolated negligent act, error or omission of the Insured, its servants or agents.

2.2 Bills of Lading

Liability resulting from deviation and/or incorrect information on a bill of lading/waybill or similar contract of carriage is covered, including but not limited to;

- a) pre- or post-dating of the bill of lading/waybill or similar contract of carriage;
- b) unlawful or unreasonable deviation from the contractual voyage;
- c) on deck stowage contrary to contract of carriage;
- d) incorrect information as regards;
 - i) port of loading;
 - ii) port of discharge;
 - iii) voyage route;
 - iv) carrying vessel;
 - v) description of cargo, weight, number and/or quality;
 - vi) received for shipment or shipped on board date.

- e) delivery of cargo without production of an original bill of lading or similar document, (duly endorsed as appropriate) or delivery to an unauthorised or unentitled person;
- f) Liability where the Insured is held legally liable for demurrage, storage, port, forwarding, disposal or other charges arising directly or indirectly out of the failure of the consignee or receiver to take delivery of the goods, such liability not to exceed USD15,000 per incident or occurrence and USD30,000 in the aggregate during the annual policy period

2.3 Liability to Customs Authorities, Federal Maritime Commission or similar governmental organisation or body

Covering liability arising out of an error or omission in the transmission of information to a Custom's Authority, Federal Maritime Commission or similar governmental organisation, or body, and such infraction resulting in a fine, penalty or liquidated damage being made against the insured. Insurer's liability not to exceed USD 25,000 any one event and in the aggregate during the annual policy period unless declared and agreed by underwriters as per Clause C 2.6.

2.4 Cargo Insurance

This cover shall include as part of the insured services, to propose, arrange, place and obtain and acceptance of marine cargo insurance for cargoes that are handled by the insured and cover the indemnity of the insured against its legal liability within the conditions of this policy subject to the following:

1 - The proximate cause of loss is the negligent act occurring from the insured's failure to comply with the written instructions of their client 2 - The indemnity shall be limited to be no more than USD100,000 per shipment and/or aggregate. 3 - The cargo marine insurance are placed or proposed through the WCA Cargo Insurance Programme. 4 - The policy excludes absolutely any claims arising out of unlawful or fraudulent transactions and any liability whatsoever for failure to pay insurance premium.

2.5 Sub-contractors Insurance

If the Insured fails to comply with its obligations under part B) Clause 3, the Insured shall be covered under this Policy provided that the Insured has complied with the provisions of part B) Clause 3.

2.6 Insured's Services as Customs Broker/Agent and/or Clearing Agent and/or Handling Agent

Insurer's liability shall not exceed USD500,000 per incident or occurrence from liability arising out of the Insured's services, as declared and agreed by Insurers, as Customs Broker/Agent and/or Clearing Agent and/or Handling Agent.

D) DEFENCE AGAINST CLAIMS

1. Coverage

- 1.1 Insurers will handle the defence of any claim against the Insured when made, including claims falling below deductible which would be recoverable under this Policy, (but for the deductible), and in so doing all costs relating to claims handling by Insurers shall be for the account of Insurers.
- 1.2 Whilst insurers will bear the costs as above, the claim under the deductible shall remain for the account of the Insured.
- 1.3 Where during the handling of the defence of a claim by Insurers, Insurers conclude a claim should be settled or compromised but the Insured does not agree with such a course, Insurers may in their sole discretion cease to handle the defence of such claim and shall have no further liability for any defence costs.

E) DEFINITIONS

Container: An ISO standard container, transportable tank or flat rack in conformance with ISO standards.

Costs: Costs shall mean fees, disbursements and expenses including but not limited to those relating to surveyors, adjusters, lawyers, experts and other professional advisers.

Endorsement: **An endorsement shall be issued to amend the Policy and shall be read together with the Policy as one contract.**

Error and Omission: This denotes an act/conduct or failure to act, as the case may be, that is unintentional.

Geographical Limit: This is the geographical scope relating to the Policy cover.

Incident or Occurrence: Any one incident or occurrence or a series of incidents or occurrences arising from one event.

Insolvency: Shall include the inability to pay debts as and when they fall due.

Insured: The Insured is the party identified in the Policy. The Insured does not include an associate, subsidiary, or other related company, corporation, association, individual, partnership, or agent unless stated in the Policy, or endorsed on the Policy (or as expressly stated otherwise in the Policy Terms Conditions and Exclusions).

Limit: The Policy limit shall be the maximum sum including any indemnity and costs that Insurers shall pay to the Insured per incident or occurrence, less any deductible that may apply.

Locked: Locked shall mean secured by means of a suitable deadlock or mortise lock or other similar locking mechanism offering the same level of protection as the aforementioned. **Loss Payee: A loss payee is not insured under this Policy. However upon receiving written notice Insurers agree that any claim may be paid to the loss payee and such payment shall be a full discharge of any obligations under any such claim.**

Period: This is the period shown on the Policy. The period shall run to and from Midnight local time on the dates stated.

Policy: The Policy shall comprise the Policy, Schedule, Extensions, Endorsements, General Policy Terms and Conditions, Exclusions, and Definition which shall all be read together as one Contract.

Temporary Storage: Temporary storage shall mean;

1. storage in secure and locked premises, including a warehouse or building, suitable for care and protection of the cargo (bearing in mind the type, value, and nature of the cargo) and
2. storage not in the ordinary course of transit and
3. storage not exceeding 72 consecutive hours.

Transport Equipment: Trailer or similar item used for transport of cargo or containers.

F) GENERAL TERMS, CONDITIONS AND EXCLUSIONS (APPLICABLE TO ALL SECTIONS)**1. Indemnity**

The Insurer will indemnify only the Insured identified in this Policy and will only make payment to the Insured, Co-Insured or loss payee. The Policy is non-assignable. The Policy shall only cover the Insured (or Co-Insured) and shall not cover, benefit or be enforceable by any third party under the Contracts (Rights of Third Parties) Act 1999.

2. Claims Occurrence

The Insurer will indemnify the Insured only in relation to a claim arising out of an incident occurring during the period of the Policy.

3. Disclosure: Misrepresentation

- 3.1 The Insured, its employees, agents or broker shall disclose all material information to the Insurer prior to inception of the Policy.
- 3.2 The Insured, its employees, agents or broker shall not make any material misrepresentation prior to inception of the Policy.
- 3.3 Failure to disclose material information or any material misrepresentation, whether deliberate or innocent, shall entitle Insurers to cancel the Policy from inception.

4. Continuing Duty of Disclosure

The Insured, its employees, agents or broker shall be under a continuing duty throughout the period of the Policy to disclose any change in material information or circumstance. Failure to comply with this continuing duty, whether deliberate or innocent, shall entitle the Insurers to cancel the Policy from inception.

5. Premium

The premium is due to Insurers in accordance with the Payment Terms stated in this Policy. Failure to make payment as required will entitle Insurers to cancel the Policy from inception.

6. Disputes and Governing Law

This policy shall be construed according to and governed by English law. Any dispute shall be submitted to the exclusive jurisdiction of the High Court of justice, England.

7. Notification of Claims

It is a condition precedent to the Insured's right to be indemnified under this Policy provided that in the event of an incident or occurrence, the Insured shall, as soon as possible but in any case no later than 30 days after becoming aware of an incident or occurrence likely to give rise to a claim, give notice of:

- 7.1 any claim, whether or not in writing, made or intimated against the Insured for which the Insured may claim indemnification under this Policy;
- 7.2 any notification, whether or not in writing, holding the Insured responsible for any incident, occurrence, event or other matter for which the Insured may claim to be indemnified under the Policy;
- 7.3 any legal claim, summons, application, or other legal process, document, submission or pleading relating to or pertaining to a claim against the Insured;
- 7.4 any incident, occurrence or event that will probably result in matters referred to under clauses 7.1, 7.2 or 7.3 above,

in writing, to IGIFSLSClaims@italuk.com together with all known details including every letter, fax, e-mail, notice, writ, summons and process relating thereto on receipt.

The specific reporting procedures for seepage and pollution as described in F) 12.5.4. in Exclusions remain paramount.

8. Claims Procedures

It is a condition precedent to indemnification under this Policy that in the event of a claim being made, intimated or notified in accordance with Clause 7 above that:-

- 8.1 the Insured must take all reasonable steps to avoid, mitigate, or minimise liability including but not limited to giving proper notice in due time to any other party and ensuring that any time limit or other necessary legal step is protected;
- 8.2 the Insured must not admit liability (expressly or impliedly), or agree to compromise or settle any claim against the Insured unless expressly permitted by Insurers;
- 8.3 the Insured must promptly, at the request of Insurers, take or procure such steps and actions, and permit to be done such steps and actions as may be necessary or reasonably required by Insurers for the purpose of investigating and/or defending any claim or legal process against the Insured and/or enforcing any rights and remedies or of obtaining relief or indemnity from any other party to which Insurers shall or become entitled or subrogated upon paying any claim regardless of whether such action shall be or become necessary or required before indemnification by Insurers.
- 8.4 Insurers note that it is not unusual for freight forwarders doing business in China not to register as an NVOCC or obtain approval of their House Bills by the Chinese Ministry of Commerce. Notwithstanding anything contained herein to the contrary, insurers agree that the aforementioned will not prejudice the settlement of any claim recoverable hereunder

9. Investigation, Defence and Mitigation Costs

- 9.1 Subject to clause 9.3 below, Insurers will pay reasonable costs incurred with their written consent relating to the investigation, defence or mitigation of any claim exceeding the deductible or costs of enforcing or obtaining relief or indemnity in relation to any claim exceeding the deductible. Such costs shall be payable by Insurers without application of any deductible.
- 9.2 Subject to clause 9.3 below Insurers will pay reasonable costs incurred with their written consent relating to a debt owed to the Insured, provided that the monies due to the Insured are being withheld by a third party solely because of a claim for which the Insurers may be liable under the Policy.

- 9.3 Insurers shall not however be liable to pay to the Insured costs if they exceed the Policy Limit, Sub-Limit or Aggregate Limit, or if costs combined with any indemnity payable under the Policy exceed any applicable limit.
- 9.4 Further to clauses 9.1 and 9.2 above, Insurers shall not be under any obligation to defend a claim made against the Insured (or expend costs in relation thereto), which is less than the applicable deductible, nor shall they be obliged to pay costs referable to such a claim even if such costs on their own or when added to the claim exceed the applicable deductible.

10. Admission of Liability

By giving consent to the incurring of costs relating to the investigation, defence or mitigation of any claim or by requiring the Insured to take or procure any actions or step or by taking any other action or step, Insurers shall not be considered as having admitted liability under this Policy.

11. Right to Settle

Where in the sole opinion of Insurers a claim insured under the Policy may be settled or compromised, Insurers shall be entitled to demand that the Insured shall settle and/or compromise the claim. If the Insured shall unreasonably refuse, then Insurers may discharge their obligations under the Policy either by payment to the Insured of any sum representing the amount at which the claim could be settled or compromised (in the opinion of Insurers) less the applicable deductible, or if the claim may be settled or compromised under such deductible, then by giving written notice to the Insured that Insurers consider their liability to have been discharged and by giving such notice Insurers shall be discharged in respect of the claim. Failure to do so will entitle Insurers to reject the claim.

12. Exclusions

Claims caused by inexperienced staff who have not received adequate training and supervision.

Also Insurers shall not under any circumstance whatsoever be liable under the Policy for a claim against the Insured (whether made in contract, tort or otherwise howsoever) arising out of, caused or contributed by, or connected with (directly or indirectly):

- 12.1 The use, management, ownership or rental of a motor vehicle, trailer, chassis or similar motorised conveyance and/or an incident relating thereto which is covered by any law, statute, rule, regulation or directive (including but not limited to licensing) of any government (local or national) or international body.
- 12.2 A contract of employment or for supply of labour, director's service contract (or similar), statutory legislation relating to employer's liability or workman's compensation, disability or unemployment benefit, or employment practice.
- 12.3 Ionising radiation or contamination by radioactivity from nuclear fuel or nuclear waste or from the combustion of nuclear fuel or any derivative or similar substance.
- 12.4 Radioactive, toxic, explosive, or other hazardous properties of any explosive or nuclear assembly or nuclear component or any derivative or similar substance.
- 12.5 Seepage and/or pollution including but not limited to discharge, dispersal, release or escape of smoke, vapours, soot, fumes, alkalis, toxic substance or derivative including any oil refuse or oil mixed waste or other irritant, contaminant or pollutant into or upon land, the atmosphere, property, persons, animals or other living creatures, watercourse or body of fresh or salt water unless;
- 12.5.1 the seepage and/or pollution is sudden and unexpected and does not result from any failure to comply with any statute, rule, regulation or directive of any government (local or national) or international body;
- 12.5.2 the seepage and/or pollution occurs during the period of this Policy, and
- 12.5.3 the seepage and/or pollution is notified to Insurers within 7 clear days of the occurrence whether continuous or not, and
- 12.5.4 any claim by the Insured is made within 3 calendar months of the expiry of the Policy.
- But in any event Insurers liability shall not exceed USD500,000 per incident or occurrence
- 12.6 War (whether war be declared or not), hostilities, military or usurped power, acts of a foreign enemy or power, civil war, revolution, rebellion, insurrection or terrorist act (or act

- by any person acting from political or religious motive), mines, torpedoes, bombs, weapons of explosion or of war whether derelict or not, unless such claims arise whilst at sea. However where there is detonation of a nuclear device and/or where there is outbreak of war involving the following: the United States of America, former CIS States, People's Republic of China and member states of the European Union, cover shall be excluded absolutely.
- 12.7 Civil strife, riot, civil commotion, strike, lockout, labour disturbance or stoppage, unless these arise during loading or unloading operations to or from a vessel or within the designated boundaries of a Port.
- 12.8 Piracy, capture, seizure, arrest, restraint or detainment or the consequences arising there from.
- 12.9 Confiscation, seizure, arrest, expropriation, nationalisation, requisition, detainment, destruction or damage under the order of any government, public or local authority or Customs authority.
- 12.10 Libel, slander or malicious statement.
- 12.11 Fraudulent, criminal or illegal activity by the Insured, its employees or agents/brokers.
- 12.12 Deliberate, intentional, reckless or willful act or omission by the Insured, its employees or agents or brokers.
- 12.13 Infringement of personal and/or human rights, and civil liberties and/or wrongful imprisonment.
- 12.14 Sexual or racial discrimination and/or any other discriminatory act.
- 12.15 Insolvency (whether or not officially declared) and/or financial default of the Insured . "Insolvency" shall include the inability to pay debts as and when they fall due.
- 12.16 Exercise of a lien and/or possessory claim (whether or not lawful) over property of the Insured (including but not limited to property bailed to the Insured, under lease or hire/conditional purchase) by a party with whom the Insured has contracted, or other third party.
- 12.17 Subject to clause 9.2 above, failure to obtain payment, collect monies, or to pay debts by the Insured or a party with whom the Insured has contracted or other third party.
- 12.18 Punitive, exemplary, aggravated, multiple or compound damages.
- 12.19 Death, bodily or mental injury or illness including but not limited to death, injury or illness relating to inhalation, ingestion or absorption of asbestos, tobacco or tobacco based products or coal dust and/or relating to any form of repetitive strain or, stress (physical or mental).
- 12.20 Subject always to the exclusions under clause 12.19 above, death bodily or mental injury or illness relating to other matters except where covered under a Third Party Liability Extension.
- 12.21 Any property including but not limited to containers and transport equipment whilst leased, rented or licensed out by the Insured to a third party unless specifically agreed to be covered in writing by Insurers.
- 12.22 Third Party liability arising from the ownership, rental or license of any office building or premises.
- 12.23 Chartering of an aircraft or vessel.
- 12.24 Any service/operation or activity of the Insured not notified to and agreed by Insurers as covered prior to commencement of this Policy or any service/operation or activity subsequently undertaken during the currency of this Policy and not notified to and agreed by the Insurers as covered.
- 12.25 Any service/operation or activity of the Insured or a claim arising there from, which occurs or takes place outside the geographical limits or specified location under the Policy.
- 12.26 Any fine or penalty for breach of any law, statute, rule, regulation or directive including but not limited to a fine or penalty imposed by a Customs Authority or Governmental authority (local or national), except where insured under the Errors and Omissions Section C) herein.
- 12.27 Any fine, claim or cost arising from releasing information/documents in breach of any Data Protection Acts or similar statute, law and regulation
- 12.28 Any liability arising from Cyber Risks which relates to a company's information technology infrastructure and activities and which includes but limited to: hacking attack (including fraudulent electronic signature, social engineering, data theft etc), phishing, virus or malicious damage, data breaches, fake paypal accounts, bait and switch, forced refunds, etc.
- 12.29 any errors or misunderstanding in price quoting which include but not limited to freight rates (including air/rail/ocean and trucking)/tariffs/disbursement/duties taxes etc, unless agreed for an additional premium and included under an extension endorsement.

13. Cancellation and Non-Renewal Notice

This Policy may be cancelled by the Insurers or Insured giving 60 clear days written notice in writing to the other, but where cover includes War and Strikes risk the period of notice shall be 7 clear days. Insurers shall be under no obligation to renew any Policy nor under any obligation to give notice of non-renewal, nor be obliged to give any reason for non-renewal.

14. Payment Terms

The Insured undertakes that premium will be paid in full to insurers within 30 days of the inception of this Policy. If the premium due under this Policy has not been so paid to Insurers by the forty-fifth day from the inception of this Policy Insurers shall have the right to cancel this Policy by notifying the Insured via the broker in writing.

15. Double Insurance

If the Insured's claim is insured under another Policy of insurance or the claim would have been insured under another Policy but for a breach of a warranty or condition or due to misrepresentation, non disclosure, non-payment of premium, fraud, or breach of the obligation as to good faith then the claim shall not be payable under this Policy. This exclusion shall apply even if there is a different insurable interest.

16. Words & Headings

All words in the singular shall include, where the context permits, the plural and vice versa. All words importing the masculine gender shall include the feminine gender. Headings to clauses are for identification purposes only and shall not be an aid to construction.

17. Express Rights

In addition to any express right of Insurers to avoid a claim and/or cancel or avoid the Policy, breach of any term stated to be a warranty, condition or condition precedent shall entitle Insurers to avoid cover.

18. Errors and Omissions Claims

Insurer's liability under the Policy in respect of claims insured under Errors and Omission shall cease;

- a) 12 calendar months after the expiry of the Policy unless Insurers have been previously notified as stipulated in Clause 7 (30 days). All claims will be considered closed after 24 months after expiry of the Policy unless expressly agreed by insurers.

Warranted Insurers are kept fully appraised of all developments by the insured throughout the course of the claim.

Or

- b) in accordance with the terms stated in the Insured's Conditions of Trade and/or Bill of Lading and/or Air Waybill, such Conditions of Trade to be seen and agreed by insurers in accordance with the Conditions contained in this insurance.

whichever is the greater period.

19. Sanction Limitation and Exclusion Clause

No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

20. Subrogation

The principles of subrogation shall at all times apply to this Policy and the Insured agrees to take all reasonable steps (including but not limited to the provision of all relevant information and documentation at Insurer's request but at no cost to them) to enable Insurers to pursue a subrogated claim.

21. Good Faith

- 21.1 The Insured shall act in good faith at all times and shall be under a continuing obligation to act in good faith before, during and after the Policy. Failure to comply with this obligation will entitle the Insurer to cancel the Policy from inception.

- 21.2 If the Insured shall submit any claim to Insurers knowing the claim to be false or fraudulent, or shall fail to act in good faith in any respect whatsoever when submitting a claim, this Policy may be cancelled from inception

22. Alternative Dispute Resolution

- 22.1 In the event of a dispute between the parties under the Policy, prior to commencement of legal proceedings, both parties agree that they will endeavor to resolve the dispute by submitting the matter to Alternative Dispute Resolution (ADR), including but not limited to mediation.
- 22.2 If ADR is agreed, then both parties will use best endeavors to expedite resolution as soon as relevant information and documentation has been obtained.
- 22.3 The parties will endeavor in good faith to complete the ADR procedures within three calendar months from the date of agreement to ADR.
- 22.4 Where one party no longer wishes to resolve the matter by ADR, it shall give written notification to the other.
- 22.5 In order to assist the resolution of any dispute, Insurers agree that ADR procedures, including but not limited to mediation, may take place outside England. However, by agreeing to such procedures, both parties accept and agree that this cannot be considered as a waiver of the provisions contained in Clause F.6 above.

23. Radioactive Contamination, Chemical, Biological, Biochemical and Electromagnetic Weapons Exclusion

This Policy is subject to the Institute Radioactive Contamination, Chemical, Biological, Biochemical and Electromagnetic Weapons Exclusion Clause CL370, dated 10 November 2003.

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:

23.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel

23.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof

23.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

23.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes

23.5 any chemical, biological, bio-chemical, or electromagnetic we

23a Marine Cyber Exclusion LMA5402 11.11.19

This clause shall be paramount and shall override anything in this insurance inconsistent therewith.

1 In no case shall this insurance cover any loss, damage, liability or expense directly or indirectly caused by, contributed to by or arising from:

1.1 the failure, error or malfunction of any computer, computer system, computer software programme, code, or process or any other electronic system, or

1.2 the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

24. Termination of Transit Clause (Terrorism)

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith:

- 24.1 Notwithstanding any provision to the contrary contained in this Policy or the clauses referred to therein, it is agreed that in so far as this Policy covers loss or damage to the Subject Matter Insured caused by any terrorist or any person acting from a political motive, such cover is conditional upon the Subject Matter Insured being in the ordinary course of transit and, in any event, shall terminate:
- Either
- 24.1.1 as per the Transit clauses contained in the Policy, or
 - 24.1.2 on delivery to the Consignee's or other final warehouse or place of storage at the destination named herein,
 - 24.1.3 on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Insured elect to use either for storage other than in the ordinary course of transit for allocation or distribution, or
 - 24.1.4 in respect of Marine transits, on the expiry of 60 days after the completion of discharge overseas of the goods hereby insured from the overseas vessel at the final port of discharge;
 - 24.1.5 in respect of air transits, on the expiry of 30 days after unloading the Subject Matter Insured from the aircraft at the final place of discharge;
- whichever shall first occur;
- 24.2 if this Policy or the clauses referred to therein specifically provide cover for Inland or other further transits following on from storage, or termination as provided for above, cover will re-attach, and continues during the ordinary course of transit terminating again in accordance with clause 24.1.

25. Communicable Disease Exclusion

25.1. Notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

25.2. For the purposes of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:

25.2.1. for a Communicable Disease, or

25.2.2. any property insured hereunder that is affected by such Communicable Disease.

25.3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

25.3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

25.3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

25.3.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.

25.4. This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the policy remain the same

G) WAREHOUSE KEEPERS**1. Coverage**

Subject to the Policy limits and Deductibles, this Policy extends to cover the Insured in respect of its legal liability as principal and/or agent, as declared by Insured and agreed by Insurers, for;

- a) loss or damage to cargo whilst in the care, custody or control of the Insured or a party who it has contracted to provide storage or warehousing;
- b) legally recoverable consequential loss and/or business interruption arising from loss or damage to cargo under clause 1 a) above;
- c) duty payable arising from loss or damage to cargo under clause 1 a) above, other than duty payable under bond or guarantee. Insurer's liability in respect of a claim under clause 1c) shall be limited to USD150,000 per incident or occurrence and in the aggregate any one Policy year.

1.1 Special Conditions – Alarms/security

It is a condition precedent to the liability of Insurers that any warehouse utilised shall be:-

- 1.1.1 operationally alarmed for fire and theft at all material times including but not limited to when the warehouse is unattended, the alarm to be linked to a third party surveillance system or to the police or fire service, as applicable, and to be maintained to manufacturer's specification and
- 1.1.2 locked and all openings securely closed when the warehouse is unattended.

1.2 Special Conditions – Locations

Insurer's liability to indemnify the Insured shall be only in respect of cargo stored within a warehouse in a location specified herein including cargo stored within a warehouse compound, or on a vehicle or trailer in a warehouse or within the warehouse compound. Cover also includes loading and unloading from the carrying vehicle or trailer in a warehouse or within the warehouse compound.

1.3 Named Locations

It is a condition of this Policy that prior to attachment of insurance hereunder an Insured must advise Insurers of the named warehouse location

1.4 Conditions of Trade

It is a condition of this Policy that the Insured must comply with the terms and conditions set out in Section B clauses 1.1 to 1.6 herein.

1.5 Variation of Conditions of Trade

Where after attachment of the Policy the Insured varies or amends its General Conditions of Trade and as a result Insurers are exposed to liability under the Policy, which would not have been incurred but for such variation or amendment, the liability of Insurers shall be limited to liability under the General Conditions of Trade prior to variation or amendment.

1.6 Stock-taking Losses

Stock-taking losses are not covered under this insurance.

H) THIRD PARTY LIABILITY EXTENSION – to be agreed by insurers on application**1. Coverage**

Subject to the terms and conditions of this insurance, and where specifically requested in writing, insurers agree to extend this insurance to cover losses arising from legal liability incurred during the period of insurance, on the part of the Insured or their servants or agents, resulting in:-

- 1.1 Physical loss of, or damage to, the property of a third party occurring during the period of insurance;
- 1.2 Death of, or bodily injury to, a third party occurring during the period of insurance.

2. Special Exclusions

No cover shall be available under this Optional Extension for: -

- 2.1 Legal liability for loss of or damage to any property owned by or leased to or licensed by the Insured.
- 2.2 Legal liability for loss of or damage to any property leased to or given to a third party by the Insured.
- 2.3 Legal liability in relation to death of or bodily injury to the Insured employee, sub-contractor or agent, who is acting in the course of employment at the time of accident.
- 2.4 Legal liability for damage to Cargo.

3. Limits

Insurers agree to provide cover hereunder up to but not exceeding the limit of USD1,000,000 any one claim or as may be agreed on application.

4. Deductible

This insurance is subject to a deductible of USD5,000 any one claim or as may be agreed on application.

5, Premium

Premium, limit and deductible to be agreed by insurers on application via the website.

I) CONTAINER & EQUIPMENT EXTENSION - to be agreed by insurers on application .**1. Coverage**

Subject to the terms and conditions of this insurance, and where specifically requested in writing, insurers agree to extend this insurance, subject to the following terms and conditions and the General Policy Terms and Conditions and Exclusions, to cover:-

- 1.1 The risk of physical loss or damage, including total and/or constructive total loss to any equipment or container owned, operated, leased to, or hired by the Insured and declared to Insurers and as per the scope of cover stated herein.
- 1.2 Contributions in general average, salvage and/or salvage charges in respect of loss or damage under Clause 1.1 above.
- 1.3 Claims under Clause 1.2 shall be payable without applicable deductible.

2. Special Conditions and Exclusions

Claims arising out of the following are excluded;

- 2.1 wear, tear and gradual deterioration;
- 2.2 mysterious disappearance, unexplained loss or loss only discovered upon taking an inventory;
- 2.3 mechanical or electrical derangement, malfunction or breakdown;
- 2.4 detention, confiscation, seizure, expropriation, requisition or removal by an authority including but not limited to a governmental organisation or department;
- 2.5 nationalisation;
- 2.6 defect in design or manufacture;
- 2.7 failure to carry out proper maintenance or repair;
- 2.8 insolvency or financial default.

3. Basis of Valuation

- 3.1 Insurer's liability in respect of any one item shall not exceed the limit stated under this extension.
- 3.2 Notwithstanding clause 3.1 above, Insurer's liability shall not in any event exceed the basis of valuation agreed under this extension or if no such valuation is stated then;
 - (a) the depreciation value of any item, or
 - (b) the market value of any item, or
 - (c) in the event of an item being subject to a lease/rental agreement, the value in that agreement;whichever shall be the lower of (a), (b) or (c) above.

4. Maintenance:

It is a condition precedent to liability of Insurers that all items insured hereunder shall be maintained and/or repaired according to internationally accepted standards.

It is a condition precedent to liability of Insurers that the Insured shall maintain written records in relation to transport, storage, inspection, repair and/or maintenance carried out on any item which is insured and shall make such records available to Insurers.

5. Contingent Cargo Liability:**5.1 Coverage:-**

This Policy will indemnify the Insured in respect of liability for loss or damage to cargo whilst in a container provided that:-

- (a) the cargo is in a container operated by the Insured and
- (b) the container is insured under this Policy and
- (c) the loss or damage to cargo has occurred either prior to the commencement of contractual transit or subsequent to completion of contractual transit.

5.2 Cargo in a container shall include cargo stowed on a flat rack.

5.3. Excluding Claims for loss or damage occurring during period of contractual transit.

6. Premium:

Premium, deductible and values to be agreed by insurers on application via the website.