



STANDARD POLICY - Conditions

STANDARD CONDITIONS

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STANDARD CONDITIONS

INSURING TERMS

The following terms are the main clauses applicable to goods insured within this website however there are exclusions as per these Standard Conditions to be read in conjunction with the terms and conditions stated on the certificate of marine cargo insurance. Any specific terms & conditions stated on the certificate of marine cargo insurance override the following clauses.

Institute Cargo Clauses (A) CL 252 dated 1.1.82 and/or Institute Cargo Clauses (Air) CL 259 dated 1.1.82 as applicable.

Institute War Clauses (Cargo) CL 255 dated 1.1.82 and/or Institute War Clauses (Air Cargo) CL 258 dated 1.1.82 as applicable.

Institute Strikes Clauses (Cargo) CL 256 dated 1.1.82 and/or Institute Strikes Clauses (Air Cargo) CL 260 dated 1.1.82 as applicable.

Please note that cover in respect of War and Strikes is not automatic for all transits. For details, please refer to the Countries page within this website.

BASIS OF VALUATION

It is agreed that the basis of valuation for the purpose of this Cover shall be the value declared for insurance, but in no case shall the valuation exceed CIF + 30% unless prior written consent of Underwriters is given. In the event of declaration after loss or arrival, the basis of valuation will be CIF + 10% only.

Also to pay increased value by reason of Duty, Excise, Surcharge and/or Landing and similar charges, if incurred in anticipation of arrival and provided declared to and accepted by Underwriters. The Assured agrees to take all reasonable steps to obtain a refund of such charges and return the net

amount to Underwriters.

CARGO ISM ENDORSEMENT (JC98/019)

Applicable to shipments on board Ro-Ro passenger ferries.

Applicable with effect from 1st July 1998 to shipments on board:

- (1) passenger vessels transporting more than twelve passengers, and
- (2) oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high speed craft of 500 gt or more.

Applicable with effect from 1st July 2002 to shipments on board all other cargo ships and mobile offshore drilling units of 500 gt or more.

In no case shall this insurance cover loss, damage or expense where the subject matter insured is carried by a vessel that is not I.S.M. Code certified or whose owners or operators do not hold an I.S.M. Code Document of Compliance when, at the time of loading of the subject matter insured on board the vessel, the Assured were aware, or in the ordinary course of business should have been aware:

- (a) Either that such vessel was not certified in accordance with the I.S.M. Code.
- (b) Or that a current Document of Compliance was not held by her owners or operators. as required under the SOLAS Convention 1974 as amended.

This exclusion shall not apply where this insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject matter insured in good faith under a binding contract.

CARGO ISM FORWARDING CHARGES CLAUSE

(For use only with JCC Cargo ISM Endorsement JC98/019)

In consideration of an additional premium to be agreed, this insurance is extended to reimburse the Assured, up to the limit of the sum insured for the voyage, for any extra charges properly and reasonably incurred in unloading, storing and forwarding the subject-matter to the destination to which it is insured hereunder following release of cargo from a vessel arrested or detained at or diverted to any other port or place (other than the intended port of destination) where the voyage is terminated due either

- (a) to such vessel not being certified in accordance with the ISM Code or
 - (b) to a current Document of Compliance not being held by her owners or operators.
- as required under the SOLAS Convention 1974 as amended.

This clause, which does not apply to General Average or Salvage or Salvage Charges, is subject to all other terms conditions and exclusions contained in the policy and to JCC Cargo ISM Endorsement JC 98/019.

CERTIFICATE CLAUSE

Notwithstanding the conditions of this contract, it is agreed that certificates and/or policies may be issued hereunder to the Assured to comply with the insurance requirements of any letter of credit and/or sales contract concerned, provided the cover required is not wider than that provided by the current contract wording. In the event that wider coverage is required, prior agreement of Underwriters is to be obtained at an additional premium to be agreed. If the conditions which appear on the certificate are wider than the conditions given by the wording or given by the Underwriters, the Assured remains liable for the difference between these conditions.

No insurance cover is in place unless a certificate of marine cargo insurance is issued correctly in accordance with the policy wording, policy schedule and any special projects agreed by Underwriters.

CHANGE OF DESTINATION / DEVIATION / DELAY

In case of voluntary change of destination and/or deviation and/or delay within the Assured's control, the insured goods are held covered hereunder subject to the Assured reporting, as soon as possible, all such events to Underwriters.

In case of short early discharge shipment in whole or part by the vessel reported for insurance hereunder, Underwriters agree to hold the Assured covered against the risks insured hereunder until arrival at the final destination to which the goods are insured or until the goods are no longer at the risk of the Assured, whichever may first occur.

COMPUTER MILLENNIUM CLAUSE (JC98-024)

In no case shall this insurance cover any loss, damage, expense or liability of whatsoever nature which

might otherwise be recoverable under this insurance arising out of or in any way connected with, whether directly or indirectly, the use or operation of any computer, computer system, computer software, programme or process or any electronic system where any such loss, damage, expense or liability arises, whether directly or indirectly, as a consequence of (i) the date change to the year 2000 or any other date change and/or (ii) any change or modification of or to such computer, computer system, computer software, programme or process or any electronic system in relation to such date change.

This exclusion does not apply to:

1. Claims for loss of or damage to the subject matter insured reasonably attributable to
 - a. fire or explosion
 - b. vessel or craft being stranded grounded sunk or capsized
 - c. overturning or derailment of land conveyance
 - d. collision or contact of vessel craft aircraft or conveyance with any external object other than water
 - e. total loss of aircraft in flight
 - f. discharge of cargo at a port of distress
 - g. total loss of any package lost overboard or dropped whilst loading on to, or unloading from, vessel craft or aircraft
 - h. general average sacrifice
 - i. jettison or washing overboard
 - j. entry of sea lake or river water into vessel craft hold conveyance liftvan or place of storage
2. General average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded elsewhere in this insurance.

Subject always to the terms, conditions, limits and exclusions contained elsewhere in this policy.

CONTRACT (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE

The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to this insurance or to any certificate(s) of insurance hereunder. Neither this nor any certificates issued hereunder confer any benefits on any third parties. No third party may enforce any term of this insurance or of any certificate issued hereunder.

This clause shall not affect the rights of the Assured (as assignee or otherwise) or the rights of any loss payee.

CRAFT CLAUSE

Including transit by craft and/or lighter to and from the vessel. Each craft and/or lighter to be deemed a separate insurance. Also to cover any special or supplementary lighterage. The Assured are not to be prejudiced by any agreement exempting lightermen from liability.

DECONSOLIDATION AND UNPACKING COVERAGE

This policy is extended to cover, subject to its terms and conditions, goods and/or merchandise which have been or will be covered under this policy for the import or export voyage owned by the Assured or held by the Assured in trust or otherwise held or sold, or on joint account with or belonging to others, and for which the Assured can be liable while temporarily customs or elsewhere while awaiting shipment consolidation, repacking and other preparations for export or entry, including storage pending commencement of transit to final insured destination, for a period of not exceeding 30 (thirty) days. Held covered beyond 30 (thirty) days at premiums to be agreed.

This extension of coverage shall not apply to goods and/or merchandise for which a charge has been made by the Assured or his agent for temporary storage.

The insurance afforded by this endorsement shall be excess insurance over any other valid and collectable insurance available to the Assured.

DELIBERATE DAMAGE POLLUTION HAZARD CLAUSE

This insurance is also extended to cover, but only while the subject-matter insured is on board a waterborne conveyance, loss of or damage to said property directly caused by governmental authorities acting for the public welfare to prevent or mitigate a pollution hazard or threat thereof, provided that the accident or occurrence creating the situation which required such governmental action would have resulted in a recoverable claim under the Policy (subject to all of its terms, conditions and warranties) if the property insured would have sustained physical loss or damage as a direct result of such accident or occurrence.

This clause shall not increase the Limits of Liability provided for elsewhere herein.

ELECTRICAL AND MECHANICAL DERANGEMENT

Excluding loss or damage due to mechanical, electrical or electronic breakdown or derangement unless caused by a peril insured against under the terms of this policy and there is evidence of an external damage.

GENERAL AVERAGE

For the purpose of claims for General Average contributions and Salvage charges recoverable hereunder, the subject matter insured shall be deemed to be insured for its full contributory value.

HELD COVERED

It is necessary for the Assured or their Representatives or their Agents, when they become aware of an event which is held covered under this insurance, to give prompt notice to the Insurers via their representatives or agents.

INSOLVENCY EXCLUSION ENDORSEMENT

The exclusion of

loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel or aircraft (as applicable)

contained within the Institute Clauses incorporated herein is amended to read

loss damage or expense proximately caused by insolvency or financial default of the owners managers charterers or operators of the vessel or aircraft.

But, in any event, such exclusion shall not apply where:

- prior to loading of the subject matter insured on board the vessel or aircraft, all reasonable practicable and prudent measures have been taken by the Assured, their servants or agents, to establish the financial reliability of the party in default; or
- the insurance has been assigned to the party claiming hereunder, who has bought or agreed to buy the subject matter insured in good faith and without notice of such insolvency or financial default; or
- the Assured has purchased the subject matter insured on terms under which the supplier or their servants or agents have been responsible for arranging the carriage.

INSTITUTE CLASSIFICATION CLAUSE

This insurance is subject to the Institute Classification Clause CL 354 dated 1.1.2001 as follows:

QUALIFYING VESSELS

1. This insurance and the marine transit rates as agreed in the policy or open cover apply only to cargoes and/or interests carried by mechanically self-propelled vessels of steel construction classed with a Classification Society which is:

1.1 a Member or Associate Member of the International Association of Classification Societies (IACS*), or

1.2 a National Flag Society as defined in Clause 4 below, but only where the vessel is engaged exclusively in the coastal trading of that nation (including trading on an inter-island route within an archipelago of which that nation forms part).

Cargoes and/or interests carried by vessels not classed as above must be notified promptly to underwriters for rates and conditions to be agreed.

Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable commercial market terms.

AGE LIMITATION

2. Cargoes and/or interests carried by Qualifying Vessels (as defined above) which exceed the following age limits will be insured on the policy or open cover conditions subject to an additional premium to be agreed.

Bulk or combination carriers over 10 years of age or other vessels over 15 years of age unless they :

2.1 have been used for the carriage of general cargo on an established and regular pattern of trading between a range of specified ports, and do not exceed 25 years of age, or

2.2 were constructed as containerships, vehicle carriers or double-skin open-hatch gantry crane vessels (OHGCs) and have been continuously used as such on an established and regular pattern of trading between a range of specified ports, and do not exceed 30 years of age.

CRAFT CLAUSE

3. The requirements of this Clause do not apply to any craft used to load or unload the vessel within the port area.

NATIONAL FLAG SOCIETY

4. A National Flag Society is a Classification Society which is domiciled in the same country as the owner of the vessel in question which must also operate under the flag of that country.

PROMPT NOTICE

5. Where this insurance requires the assured to give prompt notice to the Underwriters, the right to cover is dependent upon compliance with that obligation.

LAW AND PRACTICE

6. This insurance is subject to English law and practice.

* For a current list of IACS Members and Associate Members please refer to the IACS website at www.iacs.org.uk

1/1/01

CL354-2001

INSTITUTE RADIOACTIVE CONTAMINATION CHEMICAL, BIOLOGICAL, BIO-CHEMICAL, ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

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

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

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

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

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

1.4 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.

1.5 any chemical, biological, bio-chemical or electromagnetic weapon.

10/11/03

CL370

INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

1.1 Subject only to clause 1.2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from 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.

1.2 Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife, arising therefrom, or any hostile act by or against a belligerent power, or terrorism, or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system, computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

10/11/03

CL380

LABELS CLAUSE

In case of damage affecting labels, capsules or wrappers the Underwriters, if liable therefore under the terms of this Policy, shall not be liable for more than an amount sufficient to pay the cost of new labels, capsules or wrappers, and the cost of reconditioning the goods, but in no event shall the insurers be liable for more than the insured value of the damaged merchandise.

LAW AND PRACTICE – UK risks

This insurance is subject to English law and practice and to the exclusive jurisdiction of the English Courts sitting in London.

LAW AND PRACTICE – Non UK risks

This insurance is subject to English law and practice.

LIABILITY OF CARRIERS BAILEES OR OTHER THIRD PARTIES

It is the duty of the Assured and their Agents, in all cases, to take such measures as may be reasonable for the purpose of averting or minimising a loss to ensure that all rights against Carriers, Bailees or other third parties are properly preserved and exercised. In particular, the Assured and / or their Agents are required:

1. To claim immediately on the Carriers, Port Authorities or other Bailees for any missing package.
2. In no circumstances, except under written protest, to give clean receipts where goods are in doubtful condition.
3. When delivery is made by container, to ensure that the container and its seals are examined immediately by their responsible official. If the container is delivered damaged or with seals broken or missing or with seals other than stated in the shipping documents, to clause the delivery receipt accordingly and retain all defective or irregular seals for subsequent identification.
4. To apply immediately for survey by Carriers' or other Bailees, Representatives if any loss or damage be apparent and claim on the Carriers or other Bailees for any actual loss or damage found at such survey.
5. To give notice in writing to the Carriers or other Bailees within three days of delivery if the loss or damage was not apparent at the time of taking delivery.

Note: The Consignees or their agents are recommended to make themselves familiar with the regulations of the Port of Authorities at the port of discharge.

NOTE: FURTHER CLAIMS INFORMATION & CLAIMS PROCEDURES CAN BE FOUND UNDER THE 'CLAIMS INFORMATION' SECTION OF THIS WEBSITE.

NO SURVEY CLAUSE

No survey required on claims unlikely to exceed £1,000 or equivalent in any other currency.

NON CONTRIBUTION CLAUSE

This insurance does not cover any loss or damage which at the time of happening of such loss or damage is insured by or would but for the existence of this Policy, be insured by any other existing Policy or Policies except in respect of any excess beyond the amount which would have been payable under such other Policy or Policies had this Insurance not been effected.

In the event that the Assured shall also have placed specific insurance at any location covered hereunder, this insurance shall only be held for the excess amount of loss over that which shall be collectible from other insurance.

ON DECK SHIPMENTS

On deck shipments are insured subject to the deletion of the Institute Cargo Clauses (A) and replacement with Institute Cargo Clauses (C) CL 254 dated 1.1.82 extended to include the risks of washing overboard and theft or non-delivery of an entire consignment or full container, trailer or vehicle load. Shipments in fully enclosed or open top containers are insured subject to Institute Cargo Clauses (A) CL 252 dated 1.1.82.

PAIRS AND SETS CLAUSE

Where any insured item consists of articles in a pair or set this policy is not to pay more than the value of any particular part or parts which may be lost without reference to any special value which such

article or articles may have as part of such pair or set, nor more than a proportionate part of such pair or set.

PROCESS CLAUSE

Excluding loss and/or damage to the subject-matter hereby insured caused by processing, errors in processing and/or as a direct result of being worked upon unless due to an external cause otherwise covered by this policy.

REPLACEMENT CLAUSE

Subject to the Institute Replacement Clause CL 161 dated 1.1.34 and/or the Secondhand Replacement Clause as below, as applicable.

RETURN SHIPMENTS CLAUSE

This Policy of insurance is extended to cover, at Policy terms and conditions, shipments of returned goods which have not been delivered to the final consignee and which have been continuously covered hereunder, provided such goods remain in their original approved overseas packing and the Assured warrants to report all such shipments as soon as practicable after they have knowledge of the refusal. Shipments returned to the Assured by the consignee shall be subject to the same terms, conditions and rate under which such shipments were insured under this Policy while in transit to such consignees.

Returned merchandise other than as defined above is insured subject to the Institute Cargo Clauses (C) CL 254 dated 1.1.82 at rates to be agreed by Underwriters.

SECONDHAND REPLACEMENT CLAUSE

In the event of a claim for loss of or damage to any part or parts of the subject matter insured, in consequence of a peril covered by the policy, the amount recoverable hereunder shall not exceed such proportion of the cost of replacement of the part or parts lost or damaged as the insured value bears to the value of a new machine plus additional charges for forwarding and refitting the new part or parts if incurred. Provided always that in no case shall the liability of Underwriters exceed the insured value of the complete article.

SERVICE OF SUIT CLAUSE

This insurance is subject to the Institute Service of Suit Clause (USA) CL 355 dated 1/11/92 as follows:

It is agreed that in the event of the failure of the Underwriters severally subscribing this insurance (the Underwriters) to pay any amount claimed to be due hereunder, the Underwriters, at the request of the Assured, will submit to the jurisdiction of a court of competent jurisdiction within the United States of America.

Notwithstanding any provision elsewhere in this insurance relating to jurisdiction, it is agreed that the Underwriters have the right to commence an action in any court of competent jurisdiction in the United States of America, and nothing in this clause constitutes or should be understood to constitute a waiver of the Underwriters' rights to remove an action to a United States Federal District Court or to seek remand therefrom or to seek a transfer of any suit to any other court of competent jurisdiction as permitted by the laws of the United States of America or any state therein.

Subject to the Underwriters' rights set forth above:

(a) It is further agreed that the Assured may serve process upon any senior partner in the firm of: **Mendes & Mount (Attorneys), 750 Seventh Avenue, New York, N.Y. 10019-6829** and that in any suit instituted against any one of them upon this contract the Underwriters will abide by the final decision of the Court or of any Appellate Court in the event of an appeal.

(b) The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Assured to give a written undertaking to the Assured that they will enter a general appearance upon the Underwriters' behalf in the event such a suit shall be instituted.

(c) The right of the Assured to bring suit as provided herein shall be limited to a suit brought in its own name and for its own account. For the purpose of suit as herein provided the word Assured includes any mortgagee under a ship mortgage which is specifically named as a loss payee in this insurance and any person succeeding to the rights of any such mortgagee.

(d) Further, pursuant to any statute of any state, territory or district of the United States of America

which makes provision therefor, Underwriters hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office (the Officer), as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Assured or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above-named as the person to whom the Officer is authorized to mail such process or a true copy thereof.

If this clause is attached to a contract of reinsurance the terms insurance and Assured shall mean reinsurance and Reassured respectively.

1/11/92
CL355

SUE AND LABOUR CLAUSE

In case of any imminent or actual loss or misfortune, it shall be lawful and necessary to and for the Assured, his or their factors, servants and assigns, to sue, labour and travel for, in and about the defense, safeguard and recovery of the said goods and merchandise, or any part thereof, without prejudice to this insurance, to the charges whereof, Underwriters will contribute according to the rate and quantity of the sum hereby insured; nor shall the acts of the Assured or Underwriters, in recovering, saving and preserving the property insured, in case of disaster, be considered a waiver or an acceptance of abandonment.

SURVEY AND CLAIM SETTLEMENT

In the event of loss or damage which may involve a claim under this policy, immediate notice of such loss or damage should be given to Underwriters or the Surveyor named in the Certificate.

When submitting a claim under this policy the following documents should be forwarded:

1. The Original Certificate of Marine Cargo Insurance (or quote the Certificate number).
2. The Original or Copy shipping invoices, together with shipping specification and/or weight Notes.
3. The Original bill of landing and/or Contract of Carriage.
4. The Survey Report, or other documentary evidence to show the extent of the loss or damage.
5. The landing account and weight notes at final destination.
6. All correspondence exchanged with the Carriers and other parties regarding their liability for the loss or damage.

FAILURE TO COMPLY WITH THESE INSTRUCTIONS MAY PREJUDICE ANY CLAIM UNDER THIS POLICY.

TEMPERATURE VARIATION

Excluding any loss, damage or change in the nature of the subject matter insured caused by variation in temperature unless caused by a peril insured under the terms of the Institute Cargo Clauses (B).

TERMINATION OF TRANSIT CLAUSE (TERRORISM)

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

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 of 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

1.1 As per the transit clauses contained within the Policy,

or

1.2 on delivery to the Consignee's or other final warehouse or place of storage at the destination named herein,

1.3 on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either for storage other than in the ordinary course of transit or for allocation or distribution,

or

1.4 in respect of marine transits, on the expiry of 60 days after completion of discharge overseas of the goods hereby insured from the overseas vessel at the final port of discharge,

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 occur first

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 that transit terminating again in accordance with clause 1.

This clause is subject to English law and practice.

WAREHOUSING/ FORWARDING CHARGES

Provided that a claim is recoverable from Underwriters and notwithstanding any average warranty contained herein, Underwriters agree to pay any landing, warehousing, forwarding or other expenses and/or particular charges should same be incurred, as well as any partial loss arising from transshipment. Also to pay the insured value of any package, piece or unit totally lost in loading, transshipment and/or discharge.

Also to pay for any loss or damage to the interest insured which may be reasonably attributed to discharge of cargo at port of distress.

LLOYD'S PRIVACY POLICY STATEMENT

UNDERWRITERS AT LLOYD'S, LONDON

We, the Certain Underwriters at Lloyd's, London that have underwritten this insurance want you to understand how we protect the confidentiality of non-public personal information we collect about you.

INFORMATION WE COLLECT

We collect non-public personal information about you from the following sources:

- (a) Information we receive from you on applications or other forms;
- (b) Information about your transactions with our affiliates, others or us; and
- (c) Information we receive from a consumer-reporting agency.

INFORMATION WE DISCLOSE

We do not disclose any non-public personal information about you to anyone except as is necessary in order to provide our products or services to you or otherwise as we are required or permitted by law (e.g., a subpoena, fraud investigation, regulatory reporting, etc.).

CONFIDENTIALITY AND SECURITY

We restrict access to non-public personal information about you to our employees, our affiliates employees or others who need to know that information to service your account. We maintain physical, electronic, and procedural safeguards to protect your non-public personal information.

RIGHT TO ACCESS OR CORRECT YOUR PERSONAL INFORMATION

You have a right to request access to or correction of your personal information in our possession.

CONTACTING US

If you have any questions about this privacy statement or would like to learn more about how we protect your privacy, please contact the agent/broker who handled this insurance. A more detailed statement of our information privacy practices is available upon request.

NOTICE

TERRORISM RISK INSURANCE ACT 2002 (TRIA) and TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT 2007 (TRIPA)

You are hereby notified that under the Terrorism Risk Insurance Act of 2002 ("TRIA") as amended, you have a right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act:

The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States—

- to be an act of terrorism;
- to be a violent act or an act that is dangerous to human life, property, or infrastructure;
- to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and
- to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Such coverage for "acts of terrorism" is already included in the policy (including any quotation for insurance) to which this notice applies. You should know that coverage provided by this policy for losses caused by certified acts of terrorism is partially reimbursed by the United States under a formula established by Federal law; however, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under this formula, the United States pays 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurer(s) providing the coverage. You should also know that the Terrorism Risk Insurance Act, as amended, contains a us\$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

Premium at a rate of 0.01% on the sum insured is attributable to coverage for certified acts of terrorism as defined in the Terrorism Risk Insurance Act, and does not include any charges for the portion of loss covered by the Federal Government under the Act.

By the act of purchasing this insurance, you acknowledge that you have been notified that under the Terrorism Risk Insurance Act of 2002, as amended, any losses caused by certified acts of terrorism under your policy coverage will be partially reimbursed by the United States, and that you have been notified of the amount of my premium attributable to such coverage, and that you have been notified that a cap of \$100 billion on all liabilities operates, which may reduce my coverage.

SERVICE STANDARDS

Northern Marine Underwriters Limited

Northern Marine Underwriters Limited is authorised and regulated by the Financial Services Authority.

We aim to provide you with a high quality service. If you are dissatisfied in any way, then please write to or telephone the office which issued this Policy and we will do our best to resolve the problem.

If you are unhappy with the reply or explanation received, we ask that you contact compliance@nmu.co.uk or:

The Compliance Manager	Faulkner House
Northern Marine Underwriters Ltd	Faulkner Street
	Manchester
	M1 4DY
Tel:	0161 236 3380
Fax:	0161 236 0633

We will acknowledge your communication within 5 business days of receipt, letting you know who will be dealing with your problem and when you can expect a response.

We will let you have a formal response within 20 business days. If that is not our final response, we will let you know the reason why and when you can expect to receive our final response.

Munich Re Underwriting Limited

In issuing this Insurance, Northern Marine Underwriters Limited acts as agent for Watkins Syndicate (WTK/457) at Lloyd's.

If we cannot resolve any problem to your satisfaction, you may contact the Managing Agent for the Syndicate, Munich Re Underwriting Ltd:

**The Compliance Director
Munich Re
Underwriting Limited** St Helens
1 Undershaft
London
EC3A 8EE

Tel: 020 7886 3900

Fax: 020 7886 3901

Lloyd's Market Services

Lloyd's is regulated by the Financial Services Authority.

Lloyd's has strict guidelines as to how complaints should be dealt with. You may, if the matter is still not resolved to your satisfaction, or at any time, take your concerns to complaints@lloyds.com or:

**Policyholder and Market
Assistance
Lloyd's of London** One Lime Street
London
EC3M 7HA

Tel: 020 7327 5693

Fax: 020 7327 5225

Financial Services Authority

The Financial Services Authority is an independent non-governmental body established to regulate the financial services industry, under statutory powers granted by the Financial Services and Markets Act 2000.

Financial Services Authority 25 The North Colonnade
Canary Wharf
London
E14 5HS

Tel: 020 7066 1000

Further information about your rights as a policyholder and guidance about making complaints can be obtained by calling their helpline: 0845 606 1234, or from their website: www.fsa.gov.uk/consumer.

Financial Ombudsman Service

Where appropriate, the Managing Agent and Lloyd's will also give you details of the independent arbitration scheme administered by the Financial Ombudsman Service.

However, the Financial Ombudsman Service will only consider referral of your complaint if you have given us the opportunity to resolve it and we have not, or if we do not resolve it within 40 working days (in which case you may contact them directly) and you are:

- a private policyholder; or
- a business with a group annual turnover of less than £1million; or
- a charity with an annual income of less than £1million; or
- a trust with a net asset value of less than £1million.

SPECIAL CONDITIONS

Special Conditions relating to certain cargoes as below

DRIED FOODSTUFFS IN BAGS & SACKS

Excluding Heating and Sweating
Excluding Infestation arising from weevil, grub or web
Excluding Rejection Risks
Excluding any Natural loss in Weight
Warranted shipped in ventilated container(s)

ITEMS IN NON-WATERPROOF CRATES OR PACKAGING

Excluding Rust, Oxidisation, Discoloration, Wetting, Staining and the Cost of Repainting as applicable.

RECONDITIONED GOODS and / or REFURBISHED USED GOODS

Warranted that the Interest insured is fully refurbished / reconditioned to a new standard. Excluding Rust, Oxidisation, Discoloration, Wetting, Staining, Scratching, Bruising Chipping, Denting, Marring and the Cost of Repainting as applicable unless caused by an Insured peril. Subject to the Secondhand Replacement Clause as above.

UNPACKED / UNPROTECTED ITEMS

Excluding Rust, Oxidisation, Discoloration, Wetting, Staining, Scratching, Bruising, Chipping, Denting, Marring and the Cost of Repainting as applicable.

USED GOODS

Unless otherwise agreed with Underwriters prior to the commencement of transit, the Institute Cargo Clauses (A) or the Institute Cargo Clauses (Air) are deleted and replaced by the Institute Cargo Clauses (C) CL 254 dated 1.1.82 extended to include the risks of theft or non-delivery of an entire consignment or full container, trailer or vehicle load. Subject also to the Secondhand Replacement Clause.

Special Conditions relating to certain transits as below

COLUMBIA INLAND TRANSIT DEDUCTIBLE CLAUSE

Any transit within Columbia is subject to a 10% of shipment value deductible in respect of theft pilferage hijack or any attempt thereat, shortage or non delivery.

SOUTH AFRICA INLAND TRANSIT DEDUCTIBLE CLAUSE

Any transit within South Africa is subject to a 10% of shipment value deductible in respect of hijack losses.

DEDUCTIBLES

DEDUCTIBLES AS STIPULATED WITHIN THE CERTIFICATE OF MARINE CARGO INSURANCE

MOTOR VEHICLE CONDITIONS

Excluding Vehicles shipped on deck other than in Containers.

Standard Conditions as per www.NMUforwarders.com apply.

This Insurance will be subject to the following Institute Clauses appropriate to the mode of transit along with any other policy conditions: Institute Cargo Clauses (A) or (Air), Institute War Clauses (Cargo) or (Air Cargo) Institute Strikes Clauses (Cargo) or (Air Cargo) Institute Replacement Clause, Institute Classification Clause.

In addition the clauses below are deemed to apply where applicable:

DURATION CLAUSE

This insurance attaches from the time the vehicle is handed over to the carrier or agent at the place named for the commencement of the transit, including where required a period not exceeding 15 days in compound whilst awaiting loading, continues during the ordinary course of transit and terminates either:

- i. when the vehicle is handed over to the Assured or his agent at the destination named, or
- ii. on delivery to a place of storage other than in the ordinary course of transit, or
- iii. on expiry of 10 days from the time the vehicle becomes available for collection by the Assured or his agent

...whichever shall first occur.

VALUATION & AVERAGE CLAUSE

The vehicle should be insured for its full market value at destination including freight if required. In the event of the sum insured being less than sound market value of the vehicle at the time and place of loss, the Assured shall only be entitled to recover hereunder such proportion of the loss as the sum insured bears to the sound market value of the vehicle.

DEPRECIATION

Underwriters liability is restricted to the reasonable cost of repair and no claim is to attach hereto for depreciation consequent thereon. In no case shall liability hereunder for such repairs exceed the sum insured in respect of the damaged vehicle.

RESPRAYING

Respraying of vehicles is limited to damaged parts only.

EXCESS

The Assured shall bear the first 1% of consignment value per vehicle (or GBP \$500 if higher) or deductible as stipulated within the Certificate of Marine Cargo Insurance if greater each & every claim.

EXCLUSIONS

VEHICLES OVER 5 YEARS OF AGE & \OR VEHICLES WITH NO CERTIFICATE OF CONDITION *

Excluding the risks of scratching, denting, chipping, bruising, marring, staining, rust, oxidation & discolouration.

*** Certificate of Condition is defined as:** A document stating the condition of the vehicle at the time the vehicle enters the custody of the freight forwarder or steamship company noting all defects agreed by both the freight forwarder and the owner of the vehicle and signed at the same time.

CLASSIC CARS

Excluding any motor vehicles over twelve (12) years of age without prior approval from Underwriters.

MECHANICAL, ELECTRICAL DERANGEMENT

Excluding the risks of mechanical, electrical or electronic breakdown & \or derangement.

CLIMATIC CONDITIONS

Excluding loss or damage arising from climatic or atmospheric conditions or extremes of temperature or freezing of coolant.

RUST, OXIDISATION & DISCOLOURATION

Excluding the risks of rust, oxidation and discolouration unless caused by a peril insured under the terms of the Institute Cargo Clauses (C).

ACCESSORIES

Excluding loss or damage to accessories & \or portable items unless declared prior to shipment

AUDIO EQUIPMENT

Excluding theft & \or pilferage of audio equipment, including but not limited to radios, CD players, speakers and similar items unless stolen with the vehicle.

OWN POWER

Excluding loss or damage whilst the insured vehicle is being driven under its own power or whilst being towed, except whilst being loaded or unloaded from the carrying conveyance including containers.

THIRD PARTY LIABILITY

Excluding damages, injury or liability to any third party absolutely.

MOTOR INSURANCE

Excluding any claim recoverable under a policy of Motor Insurance.

CONFISCATION

Excluding the risks of confiscation & seizure.

HOUSEHOLD GOODS & PERSONAL EFFECTS

Standard Conditions as per www.NMUforwarders.com apply.

This Insurance will be subject to the following Institute Clauses appropriate to the mode of transit along with any other policy conditions: Institute Cargo Clauses (A) or (Air), Institute War Clauses (Cargo) or (Air Cargo) Institute Strikes Clauses (Cargo) or (Air Cargo) Institute Replacement Clause, Institute Classification Clause. In addition the clauses below are deemed to apply where applicable:

DURATION CLAUSE

This insurance attaches from the time the insured property leaves the Assured's residence or place of storage at the place named for the commencement of the transit, including where applicable whilst at packers premises being packed or awaiting shipment for a period not exceeding 30 days and terminates either:

- i. on delivery to the Assured's premises at the destination named, or
- ii. on delivery to a place of storage other than in the ordinary course of transit, or
- iii. on expiry of: 60 days after completion of discharge overseas from the overseas vessel at the final port of discharge or 30 days after unloading from the aircraft at the final place of discharge, ...whichever shall first occur.

AVERAGE CLAUSE

In the event of the sum insured being less than the total value at the time and place of loss of the insured property, the Assured shall only be entitled to recover hereunder such proportion of the loss as the sum insured bears to the total value of the insured property.

DEPRECIATION

Underwriters liability is restricted to the reasonable cost of repair and no claim is to attach hereto for depreciation consequent thereon. In no case shall liability hereunder for such repairs exceed the sum insured in respect of the damaged article.

REPLACEMENT CLAUSE FOR SECOND HAND GOODS

In the event of a claim arising under the Institute Replacement Clause, this insurance is only to pay such proportion as the insured value bears to the cost of the goods when new based on present values.

NON CONTRIBUTION CLAUSE

This insurance does not cover any loss or damage which at the time of happening of such loss or damage is insured by or would but for the existence of this Policy, be insured by any other existing Policy or Policies except in respect of any excess beyond the amount which would have been payable under such other Policy or Policies had this Insurance not been effected.

PAIRS AND SETS CLAUSE

Where an insured item consists of articles in a pair or set, the Assured shall not be entitled to recover more than the proportionate sum insured in respect of the particular part or parts which may be lost or damaged.

FRAGILES & ANTIQUES WARRANTY

Warranted that the maximum value of fragiles & or antiques does not exceed 15% of the overall

consignment value unless specifically agreed with insurers prior to the commencement of transit.

EXCESS

The Assured shall bear the first GBP £250 (or currency equivalent at the time of loss) or 1% of the sum insured whichever is the greater each & every claim or as stipulated within the Certificate of Marine Cargo Insurance.

EXCLUSIONS

INVENTORY REQUIREMENTS

Excluding claims for missing items unless a full valued inventory is completed and signed by the owners of the goods prior to the commencement of transit. Warranted that any item valued above £750 or US\$1000 is listed.

OWNER PACKED EFFECTS

Excluding breakage, scratching, denting, chipping, bruising, bending, marring, staining and tearing of owner packed effects, including trunks, suitcases and the like.

MECHANICAL, ELECTRICAL DERANGEMENT

Excluding loss or damage due to mechanical, electrical or electronic breakdown & or derangement unless there is evidence of external damage to the insured item or its packing.

MOTH, VERMIN, WEAR & TEAR

Excluding loss or damage due to moth, vermin, mildew, mould, rust, discoloration, inherent vice, wear, tear and gradual deterioration.

CLIMATIC CONDITIONS

Excluding loss or damage by climatic or atmospheric conditions or extremes of temperature unless such claim is recoverable under the terms of the Institute Cargo Clauses (C). No claim to attach hereto for damage to strings, reeds & or drumheads in respect of musical instruments.

CONFISCATION

Excluding the risks of confiscation & seizure.

EXCLUDED GOODS

Excluding loss of or damage to cash, bank notes, cheques, travellers cheques, money orders, postal orders, national saving certificates, premium bonds, stamps, deeds, tickets, passports, manuscripts, lottery tickets or documents of any description, medals, coins, bonds, securities, jewellery, watches, trinkets, personal ornaments, precious stones & metals, furs and any other article of similar description. Also excluding any accompanied luggage or any article used or worn during the course of the transit.

PERISHABLE GOODS, LIQUIDS

Excluding loss of or damage caused by perishable goods, acids, paints, aerosols, medicines and all liquids.

EXCLUDED CLASSES OF BUSINESS AND COVERAGES

The following insurances shall not be bound:

war and civil war risks except as specifically covered by the terms of the certificates or other documents evidencing cover

nuclear risks

risks of financial guarantee, financial default, bankruptcy or insolvency

Rejection Risks

Livestock

Kamigoto Project

Ocean Towage Risks

Container leasing Operations
Consequential Loss/Delay Start up business
Fresh Fish, Fruit and Vegetables other than on conditions Institute Cargo Clauses (C)
Jewellers Block
Furriers Block
Fishmeal
Refined Sugar
Chinese Groundnuts
Confiscation, Nationalisation, Expropriation and Deprivation risk
Quota Share/Surplus Reinsurance business
Fish Catch
Satellite Cargo business up to launch

AND as per the Non-Marine Exclusion list as follows;

- a) All Excess of Loss Reinsurance, other than Fac or Reporting Excess of Loss Reinsurances
- b) Real Property, which is defined as buildings.
- c) Fixtures and fittings of all premises.
- d) Business Interruption and other contingent risks, except for consequential loss written in conjunction with a Marine risk.
- e) Computer software and hardware other than prior to installation.
- f) Manufacturing and/or processing risks unless subject to Process Clause as follows: No claims to attach hereto for damage to property hereby insured which may be sustained whilst the same is in use and/or whilst being worked upon and directly resulting thereon.
- g) Electronic transfer, unless resulting in a physical loss or damage.
- h) Stock and/or goods at retail premises (other than Specie risks) where the sum insured exceeds GBP200,000 (or equivalent in other currencies).
- i) Political risks as follows:

POLITICAL RISK, FINANCIAL GUARANTEE & CREDIT RISK EXCLUSION CLAUSE

This reinsurance excludes any loss or liability arising from the following:

1. Contract Frustration Business, including but not limited to, all forms of non-performance of contractual obligations, imports and/or export embargo, non-ratification of contracts, exchange transfer, calling of bonds and guarantees and force majeure indemnities.
2. Failure or delay to deliver or supply any form of property whatsoever, unless as a direct result of physical damage.
3. Any form of Financial Guarantee, Surety or Credit indemnity.