
**Policy Wording for Freight
Forwarder's Liability**
(Transport, Cargo handling, Equipment
& Associated Services)



FOREWORD

This Policy and the Policy Schedule, together with any endorsements shall be read together as one contract.

In this Policy:

- (1) the contents page and the clause headings are included for convenience only and shall not affect the construction of this Policy;
- (2) words denoting the singular shall include the plural and vice versa;
- (3) words denoting any gender shall include a reference to each other gender;
- (4) references to persons shall be deemed to include references to natural persons, firms, partnerships, companies, corporations, associations, organisations, foundations and trusts (in each case whether or not having separate legal personality);
- (5) references to "Insured", "Insurance" and "Insurer" shall be deemed to read "Reinsured", "Reinsurance" and "Reinsurer" respectively if cover under this Policy is provided as a reinsurance of a local insurance company.

References in this Policy to any statute, order, statutory instrument or rules shall include references to any amendment, consolidation, or re-enactment from time to time of such statute, order, statutory instrument or rule.

In the event of any conflict between sections or conditions of this Policy and any Schedule(s) to this Policy, the Schedule(s) shall prevail.

Cover under any Section of this Policy is provided only in respect of the Insured Service(s) and/ or Insured Equipment stated as covered for that Section in the Policy Schedule.

IMPORTANT STATEMENT: This is a legal liability, indemnity based, losses occurring wording.

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This Policy is comprised of seventeen pages.

SECTION 1:

INSURING CLAUSE

A Introduction

Please read the entire Policy carefully to determine your rights, duties and what is and is not covered. Throughout this Policy the words 'you' and 'your' refer to the Insured as shown in the Schedule. The words 'we', 'us' and 'our' refer to the Insurers providing this insurance. This Policy, the Schedule, the quotation, proposal form and any endorsements shall be considered as one document and any words or expressions to which a specific meaning has been attached in any one of those documents shall bear the same meaning throughout. Please also refer to the Section 9, Definitions.

B. Insured's Duties

1. It is your duty to act as though uninsured. Failure to comply with this duty to act as a prudent uninsured may prejudice your ability to obtain reimbursement of a Claim from us.
2. Insurance shall not be invalidated by any act or omission or by any alteration unknown to or beyond your control, provided that you shall give notice to us immediately it comes to your notice and any required additional premium is paid.
3. In the event you subcontract any part of the Insured Services on conditions that are more restrictive than those accepted by you under your own trading documents or as may be imposed under National or International Law or Convention, cover hereunder is limited to the liability regime provided for under the subcontractor's trading documents, unless prior written approval is obtained from us.

4. Where you subcontract any part of the Insured Services to another company you are required to check to ensure that the subcontractor has adequate insurance in place with a reputable insurer on conditions which are back to back with yours, unless 3 above applies, and that you are named on the policy as a named assured. In the event that you fail to do so or knowingly employ a subcontractor with inadequate or no insurance then it will be entirely at our discretion as to whether we agree to indemnify you at all or in full or in part.

C. Claims Notification

In consideration of the payment of the premium and reliance upon the statements in the proposal form, any supplementary information and the provisions of this Policy, we agree to indemnify you for any legal liability incurred by you and in respect of Claims covered under this Policy which you neither intended nor reasonably should have expected arising as a result of your Scheduled Insured Services, provided that:

1. unless previously or otherwise agreed by us, it is a Condition Precedent that in the event of an Accident or Occurrence which could give rise to a Claim under this Policy, you shall as soon as possible but in any event within a maximum of thirty days after becoming aware of the incident which could give rise to a Claim, give notice thereof to us, or our named claims representative, together with all known details, documents, correspondence and other relevant information necessary for us to be able to fully assess the merits of the issue. Every letter, fax, e-mail, notice, writ, summons and process relating thereto shall be notified or forwarded to us, or our appointed claims representative, immediately upon receipt. The specific reporting procedures for Seepage, Pollution or Contamination as described in Section 9, paragraph 21 remain paramount; and
2. the incident or Accident was not known to you prior to the Period of Insurance; and
3. no admission of liability, or offer, promise, payment or indemnity shall be made or given by, or on your behalf prior to or after notification of Claim to us, without our written consent.
4. In the event that the above conditions are not respected or adhered to, we will be entitled to assess at our discretion as to whether such notification should still be accepted or not and whether the insurance has been triggered and to what extent you may be indemnified.

D. Claims Handling Procedure

1. We shall be entitled to take and conduct, in your name, the defence of any Claim or to prosecute in your name for Insurers' own benefit any Claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings or in the settlement of any Claim. Should we not wish to pursue the defence of a Claim and to settle a Claim at best possible terms, providing the cover has been triggered, the right to do so and to call for you to contribute the applicable deductible, will remain with us.
2. You shall at all times co-operate, agree and permit all such acts as may be necessary or required by us for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity, and especially to ensure that time extensions are requested in an endeavour to prevent Claims becoming time barred, from other parties against whom we could or would become entitled to be subrogated upon settling any Claim arising under the insurance granted to you. This condition applies regardless of whether such acts shall become necessary or required, before or after indemnification of you by us.
3. In the event you elect not to appeal a judgement which may, in whole or in part, involve indemnity under this Policy, we may, following discussion with you, elect to make such appeal at our own cost and expense and shall be liable for the taxable costs and disbursements and any additional interest incidental to such appeal. In no event shall our liability (including such costs, expenses, disbursements and interests) exceed

the relevant limits of liability set out in the Policy Schedule.

E. Contract of Indemnity

The Insurance provided hereunder is a contract of indemnity and unless we otherwise decide, it is a Condition Precedent to your right to obtain indemnity under this Policy that you shall become liable to pay and shall in fact have paid such Claim first. (pay to be paid rule)

F. Claims Recovery

1. In the event of a recovery being obtained from another party in respect of any Claim, we shall be reimbursed or credited with the proceeds of such recovery up to the full amount (including costs and expenses) paid, or payable by us. Should the recovery proceeds exceed the amount paid or payable by us, any such surplus shall be reimbursed or credited to you up to the full amount so paid or payable by you.
2. If any recovery obtained exceeds the amounts (including costs and expenses) paid or payable by both us and you, such surplus shall be equitably divided between both parties after assessing the interest that could have been earned on any amounts lost or expected.

G. Partial Coverage

Whenever any written demand received by you for damages is finally resolved by a payment made by you which, regardless of the amount thereof, is only covered in part by this Policy, then the percentage of any defence expenses shall be calculated by dividing that part of such payment which is covered by this Policy by the total amount paid by you.

H. False and Fraudulent Claims

Should you make any Claim knowing it to be false or fraudulent, as regard to the amount or otherwise, this insurance shall become void and shall cease forthwith. All other Claims shall be forfeited, whether or not relating to the same Period of Insurance.

I. Employment of Lawyers and Other Persons

1. Without waiving any of our rights or remedies hereunder, we may at any time appoint and employ on your behalf, on any terms we may consider to be appropriate, lawyers, surveyors or other persons (notwithstanding that such lawyers, surveyors or other persons have previously been appointed by you) for the purpose of dealing with any matter likely to give rise to a Claim under your insurance cover, including, but not limited to, investigating or advising on any matters and taking or defending legal or other proceedings connected therewith. We may also discontinue such employment as we may consider necessary.
2. The costs and expenses incurred in connection with a particular case shall only be recoverable from us on the condition that all lawyers, surveyors and other persons employed in connection therewith are appointed with the prior written consent of or by us in accordance with the preceding paragraph 1.
3. All lawyers, surveyors and other persons appointed by us on your behalf or appointed by you with our prior written consent shall at all times be and be deemed to be appointed and employed on the condition:
 - (i) that (without prejudice to their right to withdraw from the matter on any other grounds) they shall be entitled to withdraw from the matter if either we or you so requests or if such person considers that a conflict of interest has arisen or may arise between the Insured and the Insurer so that he ought to withdraw

- from the matter;
- (ii) that they have been instructed by you at all times (both while so acting and after having withdrawn from the matter) to give advice and to report to Insurers in connection with the matter without prior reference to the Insured;
 - (iii) that they are to produce for us without prior reference to the Insured any documents or information in their possession or power relating to such matter as if such person had been appointed to act and had at all times been acting on our behalf and notwithstanding that any such advice, reports, documents or information would otherwise be the subject of legal or any other form of privilege.

SECTION 2

INSURED SERVICES

Your Policy Schedule will show which of your services shall be insured under each Section of cover or any endorsement incorporated in same. It is a condition of coverage that liability arises in the normal course of you providing the Insured Services which shall be those services at the listed address or addresses for which you have requested to be insured and have been granted coverage by us as identified in your Policy Schedule and that contracts with Third Parties, standard trading conditions and Bills of Lading have been submitted, seen and approved by us in writing.

SECTION 3

HANDLING AND CARRYING EQUIPMENT

A. Coverage

Subject to sections 1, 2, 8, 9, 10 and 11, we will indemnify you for losses occurring during the Period of Insurance within the Territorial Limits as specified in the Schedule for:

1. all risks of physical loss of or damage (including mechanical/ electrical breakdown) to the Insured Equipment as specified in the Policy Schedule caused by an identifiable fortuitous external cause;
2. the costs and expenses incurred in the removal of wreckage and/or debris of the Insured Equipment following loss or damage recoverable under this clause, subject to a sublimit of 25% of the Insured Value of the Insured Equipment so lost or damaged as stated in the Schedule. The total indemnity payable by us under Section 3, paragraphs 1 and 2 hereunder shall not however exceed the Insured Value of the lost or damaged Insured Equipment as stated in the Schedule; and
3. your liability to pay lease "per diem" charges (other than in respect of lease purchase) on the Insured Equipment that has been lost or damaged, and such Insured Equipment is prevented from being used by the Insured or being redelivered to the lessor by the due or anticipated return date. Cover under this paragraph is only provided if the daily indemnity amount is stated in the Policy Schedule. Further, unless otherwise agreed in writing, the Insurer's liability is limited to thirty-five days indemnity, each Occurrence.
4. in respect of the Insured Equipment's contribution to general average and salvage. This clause covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/ or the governing law and practice (or, if there is no contract of affreightment, according to Foreign Statement or to York Antwerp Rules) incurred to avoid or in connection with the avoidance of loss from any cause except those specifically excluded therefrom. 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. General average deposits shall be payable on production of general average deposit receipts.

B. Conditions that only apply to this section.

1. No Claim for constructive total loss based upon the cost of recovery and/or repair of the item of Insured Equipment shall be recoverable under this Policy unless such cost would exceed 85% of the Insured value of that item of Insured Equipment. In making this determination, only the cost relating to a single Occurrence shall be taken into account.
2. For Insured Equipment leased or hired by you, the value declared to us must represent the Insured's liability under any lease or hiring agreement. For other Insured Equipment the value declared to us must represent the market value of the Insured Equipment at the time of declaration. If values declared are less than the values as described above, then any recovery hereunder shall be reduced by the same proportion that the declared values bear to the values as described above.
3. In the event of the Insured Equipment being subject to any hire purchase or similar form of agreement, then the interest of the owners of the Insured Equipment will be deemed to be noted, if required, subject to prior advice to us.
4. In respect of loss and/or damage directly caused by wind (including but not limited to cyclone, typhoon, tornado, storm, hurricane), flood, earthquake, seaquake, tsunami and/or volcanic eruption, loss and/or damage caused during any one period of seventy-two consecutive hours will constitute one Occurrence.

C. Exclusions that only apply to this section

This Section does not cover loss or damage resulting directly or indirectly from:

1. any loss or damage, or consequence thereof, that is not caused by an identifiable fortuitous external cause;
2. neglect, wear, tear and/or gradual deterioration, wet rot, dry rot, mould, corrosion, oxidisation and/or erosion. (insofar as containers are concerned, such words are deemed to include damage, caused accidentally or otherwise, that does not affect the structural integrity, interior cube, water tightness or regulatory and/or classification requirements of the container);
3. inherent vice and/or latent defect, lax maintenance and/or fault in manufacture or design of the Insured Equipment;
4. destruction of or damage to the Insured Equipment, by or under the order of any Authority.
5. Insured Equipment which has been hired or leased by the Insured to a Third Party, unless previously notified to and agreed in writing by us.
6. the safe working load or limits, and/or manufacturers' guidelines of any handling equipment being exceeded or breached.

All the above exclusions apply regardless of any other cause which contributes concurrently or in sequence to such loss or damage.

D. Indemnity

In the event of a Claim for an item of Insured Equipment, the indemnity under this Policy shall not exceed:

1. In respect of damage or partial loss:
 - (i) the reasonable cost of repairs not exceeding the Insured value of the item of Insured Equipment so damaged or the market value at the time of loss, whichever is the lesser.
 - (ii) in respect of Insured Equipment on hire or lease to the Insured, the reasonable cost of repairs not exceeding the amount payable for such repairs in accordance with the hire or lease agreement.
2. In respect of total loss:
 - (i) the Insured value of the item of Insured Equipment so lost or the market value

- at the time of loss, whichever is the lesser.
 - (ii) in respect of Insured Equipment on hire or lease to the Insured, the amount payable for such total loss in accordance with the hire or lease agreement.
3. Indemnity as in Section 3 D, paragraphs 1 and 2 but:
- (i) at our absolute discretion, we may elect to replace any item of lost or damaged Insured Equipment or any part thereof;
 - (ii) in the event of damage to Insured Equipment that necessitates replacement of a part or parts and the Insured Equipment is insured for less than the replacement value, we shall not be liable to indemnify the Insured for more than the same percentage proportion of the cost of the replacement value. The cost of disassembly and reassembly plus reasonable freight and/or carriage charges will be reimbursed subject to liability not exceeding the Insured value of the item of Insured Equipment.
 - (iii) we shall have the benefit of the proceeds of any salvage and the benefit of a ratable proportion of costs of other work undertaken at the same time as a repair is carried out.
 - (iv) all temporary repairs must be approved by us or our appointed surveyor or engineer, failing which the Insurer will not be liable for the cost of such temporary repair or any further loss, damage or liability arising out of or attributable to the insufficiency of/ bad workmanship, faulty execution or failure of such temporary repair.

SECTION 4. THIRD PARTY LIABILITY

A. Coverage

Subject to sections 1, 2, 8, 9, 10 and 11, we will indemnify you for Claims in respect of your Third Party legal liability that is imposed upon you by law for your Insured Equipment and/ or whilst directly performing your Insured Services (whichever is noted as being insured in your Policy Schedule) and arising from an Accident during the Period of Insurance causing Third Party Bodily Injury or physical loss of or damage to Third Party Property.

1. This Policy shall also indemnify you for Third Party consequential loss directly arising from such a Claim that you are legally liable for under this section, and which unless otherwise agreed by us and shown in the Policy Schedule shall be limited to USD 100,000 any one Accident or Occurrence.

B. Conditions only applying to this Section

1. Notwithstanding any contractual indemnity you may be obliged to provide to a Third Party whilst directly performing your Insured Services, you shall hereby be covered under Section 4, paragraph A, provided that;
 - (i) such liability would have attached to you in the absence of such contractual indemnity; and,
 - (ii) such liability was caused by or contributed to by your fault or negligence.
2. Where you physically handle Cargo, you shall only be granted cover within this section where it is scheduled as part of your Insured Services.

SECTION 5 LIABILITY TO CARGO

A Coverage

Subject to sections 1, 2, 8, 9, 10 and 11, we will indemnify you in respect of your legal

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liability to any Claim arising from an Occurrence during the Period of Insurance:

1. for physical loss of or physical damage to Cargo provided such legal liability arises from:
 - (i) an international transport convention;
 - (ii) national transport law which is compulsorily applicable to you;
 - (iii) any standard trading conditions approved by a national freight forwarding, road haulage or warehousing association of which you are a member;
 - (iv) FIATA or COMBICON bill of lading;
 - (v) your own house Bill of Lading or standard trading conditions provided such conditions and limitations of carriage or trade accept no greater liability or responsibility on you than those in the FIATA standard bill of lading or national association standard conditions respectively; or
 - (vi) a contract that is noted as seen and approved by us in your Schedule;
2. for consequential loss, including delay in the handling of your Customer's Cargo, directly arising from 1. above, and which unless otherwise agreed by us and shown in the Policy Schedule shall be limited to USD 100,000 any one Accident or Occurrence;
3. where you physically handle Cargo, but you shall only be granted cover within this section where it is scheduled as part of your Insured Services;
4. in respect of Cargo's contribution to general average and salvage which you are unable to recover from a Customer. When a general average guarantee is given you will endeavour to obtain counter security acceptable to us from the consignee or its Cargo insurers before delivery of the Cargo. This clause covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/ or the governing law and practice (or, if there is no contract of affreightment, according to Foreign Statement or to York Antwerp Rules) incurred to avoid or in connection with the avoidance of loss from any cause except those specifically excluded therefrom. 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. General average deposits shall be payable on production of general average deposit receipts.

B Valuable Cargo

1. Notwithstanding anything contained elsewhere to the contrary, unless previously agreed by us in writing, you will only be indemnified for a Claim relating to an individual consignment of tobacco or processed tobacco, spirits, fortified wines bottled or in bulk, electronic equipment, computers (or computer components and accessories), tablets, mobile telephones, communicators, TVs, audio/audio visual equipment, precious metals, Cash, securities, livestock, bloodstock and precious jewellery, Valuable works of art, antiques, artefacts, animal furs, flora and fauna provided:
 - (i) you were not advised by your Customer that you were handling Valuable Cargo as defined above, unless you should with reasonable care have known this;
 - (ii) the consignment of Cargo is handled under your usual conditions of contract;
 - (iii) you have taken reasonable security measures once you have been notified or discovered the nature of the consignment; and
 - (iv) you immediately notify your Customer of your discovery and inform them in writing that your standard terms and conditions apply and that any and all additional liabilities and/or restrictions they impose on you by their own contractual terms are not applicable.
2. Indemnity is subject to a limit of USD 100,000 any one Accident or Occurrence and in the annual aggregate.

C Exclusions only applying to this section.

This Policy will not cover you for any Claim, arising directly or indirectly:

1. to the extent that it is increased due to any declaration of value by your Customer, or due to a provision for ad valorem Cargo declaration in your trading conditions, or due to a request to increase the contractual limit of liability in respect of certain Cargo, unless you have received confirmation of coverage from us in writing prior to carriage or handling;
2. resulting from an agreement by you to perform your services at or within an agreed time or date;
3. under a contract of carriage which requires you to accept liability:
 - (i) if delivery is not made within a certain time; or
 - (ii) for loss of or damage to the Cargo without a weight or package limitation;
4. from any of your services that are subcontracted to a Third Party operating in any country in Africa (excluding South Africa), all former states of the Union of Soviet Socialist Republics, Iran, Iraq, Yemen, Lebanon, Syria, Afghanistan, Myanmar, Cambodia, Bolivia, Colombia, Ecuador, Albania, Cuba and North Korea except where you subcontract the carriage of Cargo to a party under a single contract which covers at least the same period of responsibility as your contract and such party does not contract to act as your agent for such period;
5. out of a provision in a contract with your Customer or trading conditions whereby you incur liability without fault or negligence by you;
6. from exceeding the safe working load or manufacturers' guidelines of any of your handling or Carrying Equipment;
7. from theft or loss of any Cargo during road transportation where the vehicle, chassis, trailer or container owned or operated by you is left unattended unless it has resulted from:
 - (i) forced entry whilst in a secure and locked compound or warehouse;
 - (ii) forced entry whilst the vehicle, chassis or container is only temporarily left unattended while at or in proximity to a Customer's premises for the purposes of making a delivery;
8. for the carriage of plate glass or similar glass products unless previously agreed in writing by Insurers and noted within the Policy Schedule.

D Conditions only applying to this section.

1. Where you subcontract your Insured Services, you should exercise your best endeavours to ensure that such terms with your subcontractor are back to back with the liabilities accepted under your contract with your Customer or as may be imposed under National or International Law or Convention. Furthermore, you should have procedures to ascertain the reputation for reliability and honesty of subcontractors and check that they hold and maintain adequate liability insurance, during the currency of this Policy or are financially able to meet their liabilities.
2. Where you appoint an agent to act on your behalf you should establish that it has a satisfactory reputation and the appropriate experience to fulfil its duties and you should also ensure that it holds and maintains adequate liability insurance during the currency of this Policy or is financially able to meet its liability for its own errors and omissions.
3. Any agent you appoint to act on your behalf must be properly instructed in writing as to their responsibilities and duties.
4. You shall use your best endeavours to take all reasonable and proper steps to ensure compliance with all relevant and applicable regulations and statutory provisions relating to the carriage, handling and storage of dangerous Cargo.
5. During the Period of Insurance, you must continuously carry on business in accordance with your trading conditions and have in place an effective procedure to advise and provide each Customer with these trading conditions (not including International Carriage Conventions) prior to undertaking work for them.
6. In the event you are requested to enter into a specific contract, the terms and

conditions of which are different than those stated in the Policy Schedule, such terms and conditions must be agreed in writing by us before signing, otherwise Cargo liability insurance may be voided.

SECTION 6. PROFESSIONAL LIABILITY INSURANCE

A. Coverage

Subject to sections 1, 2, 8, 9, 10 and 11 we will indemnify you in respect of your liability that you may incur within the Period of Insurance arising out of;

1. isolated and unintentional negligent performance of your Insured Services for this section, including:
 - (i) short or over delivery of Cargo;
 - (ii) incorrect or wrongful delivery of Cargo by you or your sub agent;
 - (iii) delay in the handling of your Customer's Cargo;
 - (iv) failure to fulfill your contractual obligations other than those set out in Section 6 A, paragraph 1 (i) or (ii);
 - (v) the net costs involved in re-routing Cargo to the correct destination when such Cargo has been misdirected by you. Such costs are to be calculated as follows:
 - (a) The costs of transporting the Cargo from the place of receipt to the place to which it was misdirected plus the costs of onward carriage from the incorrect destination to the correct place of delivery, less;
 - (b) The freight and/or other charges due from your Customer for transporting the goods from the place of receipt to the correct place of delivery.
 - (c) Such costs will not be for air transport unless the original transport contract was for air transport.
2. fraud by an employee, other than a partner, executive officer, managing employee, director, president, vice president, or trustee, provided that such is not intended to confer any benefit on you, and the employee's contract of employment is terminated forthwith;
3. libel, slander or infringement of personal rights;
4. unintentional breach of warranty of authority within the normal duties of your Insured Services for this section.
5. The negligent provision of advice and information to a Customer resulting in financial loss arising from an Insured Service. Unless otherwise agreed the limit for Claims arising under this provision shall be USD 25,000 any one Accident or Occurrence and in the aggregate.

B. Exclusions specific to this section

6. The Insured is not covered for amounts arising from Valuable Cargoes as defined under Section 5 B, paragraph 1 unless specifically agreed in writing by us.
7. In the event you are requested to enter into a specific contract, the terms and conditions of which are different than those approved in the Policy Schedule, such terms and conditions must be seen and agreed in writing by us before signing, otherwise Professional Liability Insurance may be voided. In any event, cover under this Section will not be provided where you contract to accept responsibility without fault or negligence on your part.

SECTION 7

LIABILITY FOR FINES AND DUTY

A Coverage

Notwithstanding Section 9 exclusions 8 and 9, and subject to sections 1, 2, 8, 9, 10 and 11 we will indemnify you in respect of your legal liability to any Claim arising from an isolated and unintentional breach of any regulation, legal or statutory provision resulting in fines, customs duty, sales, excise tax, value added tax or similar fiscal charges or other penalty imposed by an Authority on you or any other person acting within their authority on your behalf during the Period of Insurance provided that such breach directly relates to;

1. the import or export of Cargo or equipment of your Customers; limited to:
 - (i) short or over delivery of Cargo;
 - (ii) inadvertant breach of import or export regulations;
 - (iii) inadvertant failure to comply with regulations in respect of Cargo documentation; or
2. immigration (in relation to any liability for stowaways); or
3. the safety of working conditions; or
4. pollution, but only if arising from physical loss of or damage to Cargo or Carrying Equipment; or
5. security/anti-terrorism.

B Exclusions only applying to this section;

This Policy will not cover any Claim, arising directly or indirectly:

1. that has not been properly established, proved or held by an Authority acting within its powers and duties;
2. for commercial fines or penalties in respect of freight tariffs, competition or the structure or operation of your business or that of any person acting on your behalf;
3. for any breach of any regulation arising from the weight of Cargo or Carrying Equipment on a public road if such breach appears to us to have been caused recklessly or intentionally by you or your employees;
4. if any Authority determines that it is illegal for you to be insured for any cover given under this section, then the other parts of this section shall remain effective, although no indemnity will be given with respect to any Claim arising from the coverage under this section which is held to be illegal;
5. for any amount that would have been payable by you notwithstanding any breach;
6. in the case of the United States for a fine or a penalty imposed by the Federal Maritime Commission, Department of Justice or Federal Trade Commission of the United States of America or Drug Enforcement Agency or any such successors.
7. from custom liabilities except where such liability is as a result of negligence of the Insured.
8. for amounts arising from Valuable Cargo as defined under Section 5 B, paragraph 1 unless specifically agreed in writing by us and noted within the Policy Schedule.

SECTION 8

CLAIMS COSTS AND EXPENSES

A.

Subject to sections 1, 2, 9, 10 and 11, we will indemnify you for Claims Expenses incurred by you in respect of Claims covered under this Policy with our prior written approval in;

1. investigating, minimising or defending a Claim made against you that is covered

- elsewhere under this Policy;
2. legal fees and expenses, including the service of suit, institution of arbitration proceedings and all defence expenses, relating to any actual or alleged liability for which you are covered under this Policy, but only to the extent that either such fees and expenses have been incurred with our prior written approval;
 3. costs and expenses necessarily incurred by you, with our consent, for removing and/or disposing of Cargo belonging to a Customer or an item of Insured Equipment, that has been involved in an Accident, whether liability is admitted or not;
 4. exceptional costs and expenses incurred by you for fumigation, disinfection or quarantine, following an order of an Authority or for which you are legally liable.
 5. Our indemnity for such Claims Expenses plus the value of any Claim settled shall not exceed the limit of indemnity as contained in the Policy Schedule or as otherwise specified in this Policy.
 6. Claims Expenses are subject to the original Policy deductible as specified in your Schedule, except where we have successfully defended you against a Claim covered hereunder in excess of the original Policy deductible. Only then shall the deductible in respect of Claims Expenses be nil, unless stated otherwise elsewhere.

B.

Where cover under Section 5 A, 4 is included in the Policy Schedule, we agree to issue guarantees or bonds to enable the Insured to obtain release of the Cargo and Carrying Equipment in accordance with the coverage clause. Furthermore;

1. in the event of the Insurer issuing guarantees or bonds as mentioned above, you must immediately obtain a completed valuation form in respect of that Cargo and Carrying Equipment, and if possible prior to delivery of the Cargo and Carrying Equipment, and take all necessary and reasonable steps to obtain counter security from each individual Merchant or their respective marine insurers.
2. if, in our judgement, you have exhausted all reasonable measures to obtain counter security or payment from the individual Merchant or their respective Insurers, only then will we settle the irrecoverable contributions.

C.

Where included in the Policy Schedule, we agree to indemnify you for Extra Costs, incurred solely by reason of the failure of the consignee to collect the Cargo at the place of delivery, less sums which you can recover from any Third Parties and proceeds realised from any sale and salvage of Cargo, subject to the following:

1. indemnity is subject to you informing us within 14 days of the date the consignee was advised the Cargo was available for collection or the date the storage charges will start to accrue, whichever is the sooner; and
2. the consignee is a properly constituted and registered company with previously verified postal address, telephone number (mobile number alone is not sufficient) and email and/or fax numbers.

Unless otherwise mentioned in the Policy Schedule, our Limit of Liability under this paragraph is USD 25,000 or the equivalent in other currencies, each incident and in the aggregate any one Period of Insurance.

SECTION 9.

EXCLUSIONS APPLICABLE TO ALL SECTIONS

This Policy does not cover any actual or alleged liability or Claim arising directly or indirectly from:

1. your own illegal trade, dishonesty, infidelity or fraud, collusion, malicious, willful or deliberate act(s) or reckless conduct, an example of which may be the failure to establish proper systems and controls and reckless commercial risk taking;
2. the participation, arranging, handling, storage or carriage of Cargo which is contraband or in an illegal trade;
3. a publication or utterance in a newspaper, trade journal or magazine or a pre-arranged media interview or any infringement of copyright, patent, service mark or trade name;
4. your insolvency, liquidation, bankruptcy, receivership, trading whilst insolvent or any other financial default or the extending of credit or arising from your inability or failure to pay or collect your debts;
5. any contractual penalty or from the consequences of commercial misjudgement on your part;
6. any indemnity or agreement not to rely on any defence or limitation of liability;
7. the failure to commence, or abandonment of, or inability to perform any Insured Service;
8. fines, (except as may be covered under Section 7) penalties, punitive or exemplary damages however awarded or described, or any additional damages resulting from the multiplication of compensatory damages;
9. any customs duty, sales or excise tax or similar fiscal charge except as may be specifically agreed by us and as covered under Section 7;
10. the contravention of the rules or regulations of a liner conference, freight tariff, competition or similar agreement;
11. from your customs bond or guarantee being made available to a Third Party;
12. Vessel valuations or statistical and market information provided to any Third Party which is included in a share prospectus, bond issue or other document where finance is being raised other than from a sole lender, unless otherwise agreed by us under our standard endorsement;
13. any Vessel, rolling stock or aircraft which is owned, chartered or leased by you or on your behalf, or the ownership, lease, operation or use of any road vehicle used on public roads or any other means of transport, or involving a chassis or trailer which is owned, leased, operated or used by you for use on public roads in the USA or Canada;
14. loss of or damage to or the condition or maintenance of any property owned, leased, rented or occupied by you or in your care, custody or control, whether or not you are required by contract to insure, or for any Claim arising as a result of you being the owner or lessee of any property;
15. damage to property worked on by you arising out of such work or any portion thereof, or out of material, parts or equipment furnished in connection therewith;
16. discrimination or humiliation, wrongful termination or discharge of employment, failure to employ or promote, wrongful demotion by you of any person or the breach of any obligation by you as an employer to your employees, employees of any sub agent or subcontractor, or any Third Party that may be deemed to be your employee;
17. the Bodily Injury of your employees, employees of any sub agent or subcontractor, or any Third Party deemed to be your employee, including Claims made under any worker's compensation, unemployment compensation, disability benefits law or employer's liability acts or any other statutory or common law liability to any employee, the spouse, child, parent, brother or sister of such employee or other person employed in any capacity whatsoever by you, your sub agents or subcontractors or any Third Party deemed to be your employee when such liability arises out of or in the course of the employment of such person, and in any event if the first written notification of any Claim arises more than two years after the alleged

- date of injury;
18. the unsuitability of or any defect in goods or products manufactured, processed, graded, blended, supplied or sold, material used or repairs carried out by you or on your behalf, or any withdrawal, recall, return, inspection, replacement or loss of use arising therefrom;
 19. Bullion, precious stones, jewellery, Cash, bonds, negotiable financial instruments or securities of any kind;
 20. any Claim made by one Insured against any other or any Claim made by or against an associated, parent or subsidiary company or by any person or entity having a financial or executive interest in your operation;
 21. Seepage, Pollution or Contamination unless such is;
 - (i) caused by an event which is sudden and accidental, and such event first commenced on an identified specific date during the Period of Insurance; and
 - (ii) the event is discovered and made aware to you within seven days after it first commenced, unless such arises from Cargo not in your care, custody or control; and
 - (iii) reported to us immediately but in any event, strictly within fourteen days after the Insured has been made aware of the incident;
 22. from dredging operations or the dumping, handling, processing, treatment, storage of any waste or spoil unless previously agreed by us in writing and endorsed on the Policy Schedule;
 23. industrial disputes, boycotts, strikes, riots, civil commotions, lockouts, stoppages or restraints of labour of whatsoever nature or kind whether partial or general and whether or not involving your employees;
 24. any continuous, intermittent or repeated exposure to or ingestion, inhalation, installation, distribution, manufacture, sale, utilisation, existence or absorption of the following substances or conditions in any form: asbestos, tobacco, alcohol, coal dust, polychlorinated biphenyls, silica, benzene, lead, talc, dioxin, pharmaceutical products or drugs of any type, pesticides or herbicides, human immune virus or acquired immune deficiency syndrome or electromagnetic fields;
 25. any repetitive motion, repetitive stress, repetitive strain or cumulative trauma disorder, including, without limitation,
 - (i) arising from asserted improper design of goods, equipment or machinery or operations,
 - (ii) failure to warn or properly instruct as to the use of goods, equipment or conduct operations,
 - (iii) improper supervision of use of the goods, equipment or machinery or conduct of operations, or
 - (iv) without limiting the foregoing, carpal tunnel syndrome arising from, without limitation, use of keyboards or finger pads;
 26. any additional liability incurred by you as a result of forgoing rights of subrogation against a subcontractor or any other party without our prior written agreement;
 27. any liability, loss or damage of whatsoever nature which at the time of the attachment of liability or the Occurrence of such loss or damage is insured by any other existing policy or policies, or would have been insured under another policy but has become irrecoverable due to non-payment of premium, exclusion, material non-disclosure or misrepresentation, breach of warranty or condition or fraud. The benefit of insurance under the Policy Schedule shall in no circumstances whatsoever be given to subcontractors or their Insurers;
 28. any liability of whatsoever nature assumed by the Insured under a time penalty clause, declaration of special interest in delivery or agreed delivery dates, ad valorem clause or similar provision in a contract to provide an Insured Service, unless and to the extent that such a clause or provision has been agreed by us in writing;
 29. any liabilities resulting from or arising out of or connected in any way whatsoever with:
 - (i) delivery of Cargo by you or with your knowledge, without presentation of the original bills of lading, waybills, air waybills any other contracts of carriage, or

documents of title of the goods by the consignees, subcontractors, agents or representatives;

(ii) ante-dating or post-dating contracts of carriage;

(iii) deviation and/or incorrect information on the contract of carriage.

In respect of (ii) and (iii), cover may be granted at our sole discretion, where this has occurred as a result of a single error or omission and the Policy Schedule stipulates that cover as per Section 6, Professional Liability Insurance, has been taken out;

30. liability, loss or damage of whatsoever nature, incurred by you arising out of any deliberate or reckless conduct by you, or any of your employees, which increases the likelihood of incurring such liability, loss or damage beyond that which would have existed in the absence of such conduct, including repeated acts or omissions. We reserve the right to take recourse against the party at fault;
31. any liability of whatsoever nature incurred by you and arising from insolvency of any other insurer or inability to pay Claims for any reason whatsoever by any other insurer and the inadequacy of any other insurance policy;
32. mysterious disappearance and unexplained loss or loss discovered upon taking an inventory or during any stock control procedure;
33. any liability arising from a breach of regulations that is considered criminal at law and/ or any criminal action taken against you;
34. any fine and/or penalty incurred because of a violation of regulations in respect of driving times, speed limits and/or load limits;
35. any contractual and/or financial liability for the value of the delivered goods arising out of C.O.D. (cash on delivery) deliveries, unless otherwise agreed by us in writing;
36. any contractual liability to compensate another party unless such liability would have attached to the Insured in the absence of such contract and such liability was caused by or contributed to by your fault or negligence;
37. any liability arising as a result of the safe working load of any equipment being intentionally overloaded other than for the purpose of inspecting or testing;
38. any liability arising from the movement, erection or dismantling or re-erection of handling equipment other than in the course of inspection, maintenance, repair or removal to another working position within the confines of your port or terminal;
39. any liability, costs and expenses resulting from your operation/ services as an insurance agent, intermediary or broker in particular offering or failing to offer Cargo insurance to Customers;
40. Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause 10/11/03 (CL370):
In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:
 - (i) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
 - (ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
 - (iii) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
 - (iv) 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;
 - (v) any chemical, biological, bio-chemical, or electromagnetic weapon;
41. war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, civil unrest, strike, terrorism or sabotage, rebellion, revolution, insurrection military or usurped power or confiscation, nationalisation or requisition or destruction of or damage to property by or under the order of any Authority;

- (i) any calculating, comparing, differentiating, sequencing or processing of data involving date changes in the years 1998, 1999 and 2000, or any other date change including leap year calculations by any computer system, hardware, program or software or microchip, integrated circuit in computer equipment or non computer equipment;
- (ii) any costs or expenses arising from any preventative or remedial action taken by you, or any other person or entity, to change, alter, modify, replace or test any computer system, hardware, program or software or microchip, integrated circuit in computer equipment or non-computer equipment.

This exclusion applies regardless of any other cause that contributes concurrently or in sequence to any Claim and whether or not such Claim results from your Insured Services, or the operations of any other Third Party.

42. Institute Cyber Attack Exclusion Clause 10/11/03 (CL380):

- (i) Subject only to clause (ii) 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.
- (ii) 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, (i) above shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile;

43. Sanction Limitation and Exclusion Clause. No (re)insurer shall be deemed to provide cover and no (re)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 (re)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.

SECTION 10. GENERAL CONDITIONS

A United States Permissive User Liability Clause

In the event of any Authority deciding under the applicable State or Federal law of the United States of America that a Third Party is entitled to be indemnified under this Policy as a result of using or being legally responsible for any vehicle, equipment or conveyance of any description, then the indemnity under this Policy shall not exceed the minimum insurance requirements under such applicable State or Federal law.

B United States Oil Pollution Act Disclaimer

This Policy is not evidence of financial responsibility under the Oil Pollution Act of 1990 or any similar federal or state laws. Any showing or offering of this Policy by you as evidence of insurance shall not be taken as any indication that we consent to act as guarantor or to be sued directly in any jurisdiction whatsoever. We do not consent to be guarantors nor to be sued directly.

C Premium

Premium must be paid to us within the terms of credit shown in the Schedule. Where a single full annual payment of premium is to be made, failure by you to pay by the date agreed shall entitle us to cancel the Policy from inception upon written

notification to you or your agent. Where a part payment of premium (an instalment) has been agreed, failure by you to pay such amount by the specified date shall mean the Policy is automatically cancelled from inception and reinstatement shall be at our sole discretion.

D Limit of Indemnity

1. The limit of indemnity applying to each section of cover or any standard endorsement to this Policy is shown in your Schedule. This limit of indemnity may be subject to a sublimit of indemnity for a particular Claim.
2. Where there are two or more Claims attributable to the same incident or resulting from continuous or repeated exposure to the same conditions the limit of indemnity and deductible applicable under this Policy shall be applied as for one Claim. An aggregate limit of indemnity is the maximum amount we will indemnify you under this Policy for all Claims during the Period of Insurance.
3. A limit or sublimit of indemnity shall apply to all Claims under this Policy and this will include Claims Expenses covered under this Policy. If no limit of indemnity is stated in your Schedule, it shall be USD 100,000 in the aggregate for all Claims.
4. Where one or more Claims arising from one incident are subject to a lower limit of indemnity than other Claims arising from the same incident:
 - (i) the lower limit of indemnity will be applied to those Claims to which it is applicable, but
 - (ii) the total Claim including the part limited by the lower limit of indemnity will not exceed the higher limit of indemnity.

E Deductible

1. The deductible applying to each section of cover or standard endorsement is shown in your Policy Schedule. This deductible may be subject to an alternative for a particular Claim.
2. Where there are two or more deductibles which could apply to the same Claim, the higher shall prevail.
3. For Claims under Section 3 A, 4 of the Policy, a nil deductible will apply.
4. For Claims under Section 5 A, 4 of the Policy, a nil deductible will apply.

F Termination

1. You may terminate or request amendment to the terms of this Policy by giving us 30 days' notice in writing.
2. We may terminate or amend the terms of this Policy by giving you 30 days' notice in writing.
3. In the case of termination under 1. or 2., provided no Claims have been paid or potential Claims notified, any unearned premium will be refunded less our administration costs and any reinsurance costs we cannot recover.

G Disclosure Obligations

Failure by you, your agent or insurance broker to disclose all material information to us or misrepresentation of material information whether deliberately or innocently prior to attachment of the Policy shall entitle us to treat the Policy as void from inception at our discretion. Furthermore, you shall be under a continuing duty to disclose any material change in circumstance throughout the currency of this Policy and failure to do so shall similarly entitle us to treat this Policy as void from inception at our discretion.

H Claims

1. In the event of any Claim, Accident or Occurrence which may result in a Claim under this Policy you must;
2. give us notice as soon as possible and no later than as specified elsewhere in this Policy, in writing of such Claim, Accident or Occurrence;
3. take all reasonable steps to avoid, minimise or mitigate a Claim, including prevention of further Claims, and maintain rights of recourse against any other

- party;
4. not admit liability without our written permission;
 5. co-operate with us in handling all matters relating to a Claim including recourse against any other party.
 6. Without prejudice to any other provisions of this Policy and without waiving any of our rights hereunder, we may at any time appoint and employ on your behalf lawyers, surveyors or other persons for the purpose of dealing with any matter liable to give rise to a Claim under this Policy.
 7. If you submit any Claim to us knowing the Claim to be false or fraudulent in any respect whatsoever you shall forfeit your rights in relation to that Claim and also in relation to any other Claim whether prior or subsequent to the false or fraudulent Claim, and whether or not relating to the same Period of Insurance, and the Policy shall be voidable at our sole discretion.

I Recoveries

Any amount recovered or obtained from a Third Party in respect of any Claim will be credited to us to the full extent of our indemnity and any/all costs, expenses, fees, dues incurred by us in the handling of a Claim and the recovery, before any balance is credited to you.

J Other Insurances

Where you are, irrespective of this Policy, entitled to be indemnified in whole or in part by any other insurance in respect of any damages or loss which would otherwise be indemnifiable in whole or in part by us under this Policy, there shall be no contribution or participation by us under this Policy on the basis of any deficiency, concurrent or double insurance for such damages for which you are entitled to be indemnified by other such insurance. This condition will apply whether or not you are actually indemnified by such other insurance.

K Subrogation

The principles of subrogation shall at all times apply to this Policy and you shall provide all reasonable co-operation, assistance and relevant information to enable us to pursue a subrogated Claim including but not limited to signing, stamping, a receipt and release form.

L Assignment

Assignment of interest under this Policy shall not be valid except with our written consent.

M Law

This Policy of insurance shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with it should be determined by the High Court of Justice in London unless otherwise agreed in the Policy Schedule.

P Rights of Recourse

You must not waive any rights of recourse against any agent and/or subcontractor unless specifically agreed by us and this is noted in your Policy Schedule.

Q Rights Against Insurers

A person who is not a party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this contract but this does not affect any right or remedy of a Third Party which exists or is available apart from that Act or as in law in the applicable jurisdiction in force in the Policy Schedule.

SECTION 11. DEFINITIONS

- Accident:** A fortuitous event, Occurrence or incident which was neither expected nor intended by the Insured that occurred during the Period of Insurance.
- Authority:** a duly constituted court, tribunal or government authority of competent jurisdiction acting within legal powers.
- Bodily Injury:** all physical or mental injury to a Third-Party including death, disease, illness, disability or nervous shock, resulting from such physical injury.
- Bullion:** gold, silver, platinum or precious metals in bars/coinage or similar bulk form.
- Cargo:** goods, including anything used or intended to be used to pack or secure goods (other than Carrying Equipment owned or leased by you), carried from one place to another place in respect of which you or your Principal contracts to provide services.
- Carrying Equipment:** any container, container shell, chassis, trailer, railway wagon or similar equipment used for carrying Cargo.
- Cash:** bank notes, coins, travellers and bank cheques, drafts, credit and charge cards.
- Claim:** (a) a written notice of liability (actual, alleged or potential) received by you in respect of your scheduled Insured Services provided during the Period of Insurance with a date of loss within the Period of Insurance, including the service of suit or institution of arbitration proceedings; or (b) the Insured being made aware of an Accident or Occurrence that could give rise to its liability relating to an Insured Service.
- Claims Expenses:** Legal costs and expenses incurred in the defence of any Claim(s) arising from an incident covered under this Policy, including claims correspondents', surveyors', loss adjustors', attorneys' fees and disbursements, and the costs and expenses of litigation awarded to any claimant against you by way of interest on judgements, investigation, adjustment, appraisal, appeal, legal costs and expenses. These expenses may also include:
- a. extra costs incurred by you due to the total failure of a consignee to collect or remove Cargo at the place of delivery (only if covered under Section 8C);
 - b. extra costs incurred by you sending misdirected Cargo to the correct destination. Such costs will not be for air transport unless the original transport contract included air transportation.
 - c. extra costs incurred by you on behalf of Merchants, for quarantine, fumigation or disinfection arising other than in the normal course of business which you cannot recover from the Merchants.
- Claims Expenses shall not include fees, salaries or retainers for salaried employees and employed in-house counsel and your administrative expenses unless our prior written agreement has been obtained.
- Condition Precedent:** A requirement of this insurance with which the Insured must

comply. Any failure will mean that the Insured will not be indemnified under this insurance for any Claim. Furthermore, failure to comply with a Condition Precedent will render this insurance void from inception.

- Customer:** any person (corporate or real) for whom you provide Insured Services, whether directly or through your subcontractors.
- Gross Freight Receipts:** gross revenue plus payments to agents and subcontractors in respect of transport services, but excluding customs duty, sales tax, or similar fiscal charges paid on behalf of Customers.
- Insured Equipment:** carrying or handling equipment (containers, cranes, forklifts, straddle carriers etc.) insured under Section 3 and as specifically detailed within the Schedule.
- Insured/Reinsured:** as identified in the Schedule hereto, and is deemed to include any partner, executive officer, managing employee, director, president, vice-president thereof while acting within the scope of the duties bestowed on that person by the Insured.
- Insured Services:** shall be those services for which you have requested to be insured and have been granted coverage by us as identified in your Schedule. Also see Section 2.
- Insured Value:** The value of an item of Insured Equipment as specified within the Policy Schedule. This represents the maximum amount Insurers will pay if such item is deemed a total loss, unless otherwise provided in the Policy.
- Joint Insured:** as identified in the Policy Schedule hereto, and is deemed to include any partner, executive officer, managing employee, director, president, vice president thereof while acting within the scope of the duties bestowed on that person by the Joint Insured. If a Joint Insured is noted in the Schedule, it is the Insured who is responsible for the conduct of the Joint Insured under this Policy.
- Merchant:** means the shipper, consignee, receiver, holder of a Bill of Lading, owner of the Cargo or person entitled to the possession of the Cargo and the servants and agents of any of these, all of whom shall be jointly and severally liable to the carrier for the payment of all charges, and for the performance of the obligations of any of them under a bill of lading.
- NVOC/ NVOCC:** non-Vessel owning (operating) carrier/NVOCC non-Vessel owning (operating) common carrier, being a freight forwarder who does not own/operate a Vessel but who issues his own house bill of lading.
- Occurrence:** an incident, including continuous and repeated exposure to substantially the same general harmful conditions
- Period of Insurance:** the duration of the Policy which is shown in the Policy Schedule.
- Policy:** this Policy wording, which is the contract of insurance, together with the Policy Schedule.
- Schedule/ Policy Schedule:** The Schedule we issue to you evidencing the terms, conditions and premium for this insurance and includes any subsequent endorsements.

Seepage, Pollution or Contamination:

the emission, discharge, disposal, release or escape of smoke, vapour, soot, dust, liquid, gas, petroleum substance or derivative, chemical or waste material or toxic material of any kind into or upon land, sea, the atmosphere, or any watercourse or body of water.

Territorial Limits:

Shall be as specified within the Schedule, within which the Accident or Occurrence giving rise to a loss hereunder must have occurred. Losses arising from Accidents or Occurrences outside of the Territorial Limits are therefore excluded.

Third Party/ Parties:

A person (corporate or real) other than the Insured, its employees, trustees, directors, officers, or any person (corporate or real) associated with the Insured. Third Party does not include any Authority.

Third Party Property:

All real or personal property in which the Insured has no ownership interest.

Valuable works of art:

includes antiques, artefacts, paintings, furniture, sculptures, tapestries, objects for display, if the value exceeds USD 10,000 each item or set of items.

Vessel:

includes ship, boat (whether self-propelled or not), craft, hovercraft and any description of watercraft or structure for use in navigation on, under or over water.

Warranty:

A requirement of this insurance with which the Insured must comply. Any failure will mean that the Insured will not be indemnified under this insurance for any Claim to which the warranty is relevant. Whether a warranty is deemed relevant to a Claim will be for the Insurers to determine. If a warranty is deemed irrelevant to a Claim, Insurers will indemnify the Insured in accordance with the Policy.