



# Cargo Risk Protection

## schedule

<b>Assured</b>	Clients of Abbott & Bramwell Ltd who are registered members of their Freightcover High Risks on-line facility
<b>Period</b>	01 January 2011 to 31 December 2011 (both dates inclusive)
<b>Broker</b>	Abbott & Bramwell Insurance Brokers London House, 320 London Road, Hazel Grove, Stockport, SK7 4RF Tel: 01625 856240 Fax: 01625 856241
<b>Issued by</b>	Northern Marine Underwriters Limited Faulkner House, Faulkner Street, Manchester, M1 4DY Tel: 0161 236 3380 Fax: 0161 236 0633 acting for Watkins Syndicate (WTK/457) at Lloyd's of London, pursuant to Binding Authority Agreement number B042408MAR00608 (all enquiries should be addressed to Northern Marine Underwriters Ltd)
	<b><i>In consideration of payment of the premium specified herein, Underwriters agree to indemnify the Assured against loss of or damage to subject matter insured or liability or expense incurred in connection therewith in the manner and to the extent provided for by this insurance</i></b>
	<b>Northern Marine Underwriters Ltd</b> Registered Office Goodbard House 9 Infirmary Street Leeds LS1 2JP England T 0113 243 0666 F 0113 246 7574 <b>www.nmu.co.uk</b>  Registered in England No. 1262636 Authorised and regulated by the Financial Services Authority Acting for Watkins Syndicate (WTK/457) at Lloyd's

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## RISKS COVERED

<p><b>Subject Matter Insured</b></p>	<p>Mobile Phones, SIMs, Accessories, CPU's, Computer Chips, Computer Memory Product, iPods, MP Players and similar goods the property of the Assured or for which they are responsible to insure. Including Exhibition Stands and Equipment and returned and/or over carried goods and/or increased value where required, suitably packed and protected to withstand the normal rigours of transit other than <b>Excluded Goods</b> as defined herein.</p>
<p><b>Voyages and Risks</b></p>	<p>1. In transit from ports and or places Worldwide to ports and or places Worldwide. on deck shipments held covered at rates and on conditions to be agreed by Underwriters (<b>but</b> shipments in steel box containers conveyed by purpose-built container vessels or shipments by roll-on/roll-off ferry service are covered at Policy rates and conditions); all other voyages held covered subject to prompt notice from the Assured (<b>on which such cover is dependent</b>) at rates and on conditions then to be agreed by Underwriters; other than <b>Excluded Voyages</b> as defined herein.</p> <p>Excluding shipments to free on board vessel or aircraft at port or airport or to free carrier or to free alongside ship.</p> <p>2. In transit to free on board vessel or aircraft at port or airport (<b>but</b> cover not to exceed 30 days after arrival at port or airport), or to free carrier, or to free alongside ship.</p> <p>3. Domestic transits within the same country or territory.</p> <p>4. In transit to, whilst at and from exhibition or demonstration site.</p> <p>5. <b>Subject to the Options A (standard cover) premium being paid</b> Whilst in storage at locations detailed herein for a period not exceeding 168 hours following:</p> <p>a) Delivery of the insured goods to the original Assured named herein or to a warehouse keeper or forwarder nominated by the original Assured named herein.</p> <p>b) Delivery of the insured goods to a warehouse keeper or forwarder in accordance with a contract of sale of the insured goods whilst the original Assured named herein retains a risk therein.</p> <p>Notwithstanding the above for goods that are purchased and subsequently sold without a transit taking place cover commences from the time of transfer of risk to the original Assured named herein and continues until transfer of risk from the original Assured named herein. Subject always to a time limitation not exceeding 168 hours.</p>
<p><b>Bases of Valuation -</b> (as per <b>Voyages and Risks</b> above)</p>	<p>Sales Invoice Price but in the event of no contractually agreed sales price then Purchase Invoice Price plus 5% uplift.</p>
<p><b>Conveyances</b></p>	<p>Approved powered vessels (as per Institute Classification Clause) and/or airfreight and/or rail and/or post and/or road vehicles including vehicles owned or operated by the Assured and/or personally accompanied and/or hand carried.</p>

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## LIMITS AND INFORMATION

<b>Limits</b>	Maximum any one declaration any one customer; Any one: Vehicle £500,000 Vessel, Aircraft, Ro-Ro Ferry and/or Channel Tunnel Shuttle Train £500,000 Location in the ordinary course of transit £500,000 But in respect of Movements by Parcel Courier £100,000 Any one package £50,000  But in respect of personally accompanied or hand carried consignments, any one courier £100,000 Exhibition £50,000 Exhibition Fees £5,000
	NB where the conveyance limit is greater than the location limit, providing that the goods are in the ordinary course of transit, the specific conveyance limit shall apply.
<b>Storage Locations and Limits</b> <i>(outside the ordinary course of transit)</i>	Any unspecified UK location £500,000
<b>Inner Limits</b>	Fumigation (as per CRG/FUM/STD/1/2/05) £25,000 Replacement by Air (as per CRG/RPA/STD/1/2/05) £25,000 Sorting, Segregation and Testing (as per CRG/SST/STD/1/2/05) £25,000 Stowage Accessories (as per CRG/STA/STD/1/2/05) £2,500 Additional Forwarding Costs as per CRG/AFC/BSC/1/2/05) £5,000

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## PREMIUM

<b>Premium</b>	Declarations to be made in accordance with the <b>Bases of Valuation</b> herein.  Minimum premium, per shipment £15.00
<b>Option A</b>	Standard cover
<b>Option B</b>	Excludes storage cover as defined under Voyage section and also excludes cover against Fraudulent and Negligent Release as per the Special Extensions.
<b>Static Risks</b>	Where goods are purchased and sold without transit risk attaching hereunder.
<b>War and Strikes Risks Premium</b>	The rates are inclusive of Watkins Syndicate schedule rates for War and Strikes risks ruling at inception of the policy, for the inclusion of War and Strikes risks cover as per the Institute Clauses incorporated herein. Should the minimum schedule rate or any schedule additional rate be increased, the inclusive policy rate may be increased accordingly, at Underwriters' discretion.
<b>UK Insurance Premium Tax</b>	Where applicable, subject to Insurance Premium Tax at the prevailing rate (5% at inception).

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## APPLICABLE CLAUSES AND CONDITIONS

<b>Institute Clauses</b> (as far as applicable)	Institute Cargo Clauses (A)	CL 252	1/1/82
	Institute Cargo Clauses (Air) (excluding sendings by Post)	CL 259	1/1/82
	Institute War Clauses (Cargo)	CL 255	1/1/82
	Institute War Clauses (Air Cargo) (excluding sendings by Post)	CL 258	1/1/82
	Institute War Clauses (sendings by Post)	CL 257	1/1/82
	Institute Strikes Clauses (Cargo)	CL 256	1/1/82
	Institute Strikes Clauses (Air Cargo)	CL 260	1/1/82
	Institute Classification Clause	CL 354	1/1/01
(applicable to all risks)	Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause	CL 370	10/11/03
	Institute Cyber Attack Exclusion Clause	CL 380	10/11/03
	<b>Where these clauses are modified by this Schedule, or in the event of any other inconsistency, then this Schedule shall prevail.</b>		
	<b>Policy-specific clauses and conditions appear on the following page(s).</b>  <b>These clauses are additional to the appended NMU Wordings or, in the case of those bearing the same title as any within the NMU Wordings, replace them.</b>		

<b>Excess</b>	Subject to a deductible of 5% of the value of the claim subject to a minimum of £500 and a maximum of £5,000 each and every loss or series of losses arising from the same event. <b>and as otherwise specified.</b>
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<b>Logistics Providers</b>	<p><b>Not applicable to shipments valued at £50,000 or less any one shipment or those by parcel courier</b></p> <p><b>Logistic Providers</b></p> <p>Other than in circumstances where it is beyond the control of the Assured and/or in respect of contingency cover where a transit takes place prior to confirmation of the terms of purchase/sale and movement by parcel couriers (subject to sub limits contained herein) it is a condition under this insurance that all logistical operations relating to the subject-matter insured shall be entrusted to Approved Logistics provided.</p> <p>Approved Logistics Providers are those:</p> <ol style="list-style-type: none"> <li>from whom the Assured has obtained a signed document confirming that the said logistics provider will comply with the provisions of the Security Conditions as set out herein;</li> <li>who have been accepted and approved by Underwriters prior to attachment of risk.</li> </ol>
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## APPLICABLE CLAUSES AND CONDITIONS

### Extended Cover and Warranties

**Subject to the Options A (standard cover) premium being paid** cover hereunder is extended to include theft caused by the release of insured goods to a third party by a bailee appointed by the Assured to carry, warehouse or otherwise hold the insured goods where that release is effected pursuant to instructions which are subsequently found to be fraudulent and issued without the authority of the Assured.

It is a condition precedent that the Assured has taken all reasonable steps to obtain the bailee's written agreement to a release security procedure as per stated herein.

Cover is also extended to include theft caused by a release of the insured goods by a bailee appointed by the Assured to carry, warehouse or otherwise hold the insured goods where:

the release is authorised by the Assured in good faith; and

the Assured has issued such authorisation because the party to whom such release has been made has provided the Assured with evidence of payment which is subsequently found to be fraudulent.

It is a condition precedent to Underwriters' liability under this clause that the Assured will take all reasonable steps to obtain proper documentary evidence of payment and to ensure that such documentary evidence is authentic.

#### **Security Conditions.**

The Assured shall obtain written evidence that all Logistic Providers used by them shall have effected carriers/freight forwarders liability insurance and that such carriers/freight forwarders liability insurance is valid at inception of this insurance and/or at renewal.

**It is a condition precedent to liability under this policy that the Assured must have a written agreement with each of their approved logistics providers that includes the following security conditions:**

#### **GENERAL**

Goods to be packed in neutral boxes and the consignment shrink wrapped unless the size of the consignment does not allow for shrink wrapping

Unless required by Governmental and/or Tax Authorities Shipping Documents (e.g. Delivery Notes, CMR, Air Waybill) shall not indicate the goods as being "mobile phones" or "CPUs" nor shall they bear any other description indicating the nature of goods e.g. "Nokia", "Intel".  
Note: it is acceptable to state "electrical equipment" or similar descriptions such as model numbers.

Any counting and/or checking of the goods before release of the cargo to the customer shall be made in a closed and supervised place with restricted access where possible but in no case shall this take place outside the perimeter of the consigned premises.

Before releasing consignments, the authenticity of the release document(s) must be verified.  
The release security procedure shall, include the following requirements:

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## APPLICABLE CLAUSES AND CONDITIONS

### Extended Cover and Warranties (continued)

1. all release instructions are to be set out in writing on the Assured's letter headed paper; and
2. the bailee is to verify those written instructions by a telephone call to a predetermined employee of the Assured who is known to the bailee. The telephone call must be made to a predetermined telephone number;
3. for the purposes of this clause "predetermined" means that the identity of the employee and the telephone number must be agreed between the Assured and the bailee before the insured goods are delivered to the bailee.

**For all Road Vehicle Movements within Europe, South America, Africa and the countries of the former Soviet Union, the following conditions shall apply except for:**

**Road movements undertaken by the Assured in vehicles owned or operated by them where the value at risk is £5,000 or less where the Own Vehicle Security Clause as within shall apply.**

**Road movements within Europe carried under an Airway Bill from Airport of arrival to consigned destination.**

**Movements by Parcel Couriers.**

(1) (a) Vehicles are double-manned or security escorted;

or

(1) (b) The Cargo hold of the vehicle is equipped with an electronic locking system, which can only be opened by the operation centre of the haulier. In such cases vehicles can circulate with a one-person crew on condition that the electronic locking system is active during the whole transit. In the event of a break in the transit (scheduled or not) the alarm system has to be activated and the driving cabin has to be locked and secured by the alarm.

(2) Vehicles are attended at all times, other than when on board ferries or on channel tunnel trains or where the vehicle is equipped with an electronic locking system, as described in point 1(b). When unattended, the vehicle's alarm and/or immobiliser must be set and operative.

(3) A satellite-tracking device is fitted and operative in each vehicle used in respect of movements insured herein and vehicles are monitored throughout the whole transit.

(4) All vehicles have a completely closed hard-sided cargo compartment.

(5) Each vehicle is equipped with a panic button relayed to the operations centre and the operations centre has plans in place to deal with panic button activation.

(6) All alarms, immobilisers, locking devices and satellite tracking systems are fully maintained according to manufacturers' and/or installers' requirements at their designated intervals and by their approved personnel and/or agents.

(7) The itinerary of each transit is planned in order to arrive at the consigned premises at destination during normal opening hours and/or exceptional opening hours by prior arrangement with the consigned premises.

(8) In the event of delay as a consequence of mechanical problems, breakdown of the vehicle, accidents, traffic jams, road diversions and the like, the driver is obliged to inform the operations centre and not to leave the vehicle.

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## APPLICABLE CLAUSES AND CONDITIONS

### Extended Cover and Warranties (continued)

(9) The goods are not to be delivered to premises other than the consigned premises without the logged consent of the Assured.

(10) At least one of the drivers carries a mobile phone.

(11) Any sub-contracting to another Road Haulier/Carrier must be subject to the same security conditions outlined above in points 1 to 11. Also any sub-contracted Road Haulier/Carrier has carrier's liability insurance and that such carrier's liability insurance is valid at inception and/or renewal of this policy.

### All Airfreight Movements

(1) Consignments are weighed upon receipt by the airline agent at departure and where possible weighed upon collection from the airline agent at arrival.

(2) All consignments between UK and/or UAE and/or Hong Kong and/or vice versa with an insured value exceeding £500,000 are shipped by "Airline Security Handling" in respect of mobile phones and Express Handling in respect of CPUs or equivalent services unless such services are not available at the airport of departure.

(3) All consignments other than as per 2 above with an insured value exceeding £ 250,000 are shipped by "Airline Security Handling" in respect of mobile phones and Express Handling in respect of CPUs or equivalent services unless such services are not available at the airport of departure.

### Own Vehicle Security

Applicable to all carryings by vehicles owned operated or under the control of the Assured where the value at risk is £5,000 or less.

This insurance does not cover theft of subject-matter insured from vehicles owned operated or under the control of the Assured when left unattended

1. during the normal working day, unless
  - 1.1 all doors, windows and other openings are closed, properly fastened and securely locked, and
  - 1.2 the steering column lock, immobilisers and alarm (where fitted) are in efficient working and put into operation, and
  - 1.3 all contents are removed from view
2. outside the normal working day, unless the vehicle
  - 2.1 is garaged in a securely locked building of substantial construction, or
  - 2.2 is parked in a manned, secure compound.

For the purposes of this clause:-

"unattended" shall mean at all times when the driver does not have the vehicle under direct observation and is not close enough and fit and able to have a reasonable prospect of deterring or attempting to prevent any interference with or theft of or from the vehicle;

"normal working day" shall mean at all times when the vehicle is specifically being used for the purpose of or in connection with the Assured's trade, excluding all overnight stops between the hours of 8.00pm and 6.00am and all use by the driver solely for social, domestic or pleasure purposes.

Failure of the Assured to bring these provisions to the attention of the driver(s) of such vehicles shall not affect the application of this clause.

## **Brands and Trade Marks**

Where any goods involved in a loss recoverable under the policy bear embossed or indented brands, labels, design or other permanent markings identifying the Assured or their contracted party, or the sale of which carries or implies a guarantee of the supplier or of the Assured, or contain exclusive and/or secret formulae, then the Assured shall have full rights of possession of such goods.

Underwriters are to pay a total loss on any and all goods and/or packaging that the Assured elects to either destroy or return to their premises, or recondition; Underwriters being entitled to such salvage as may be obtained.

The Assured, in consultation with Underwriters shall be the sole judge as to whether the goods involved in any loss hereunder are suitable for marketing and no goods deemed by the Assured to be unfit for marketing shall be sold or otherwise disposed of except by the Assured or with the Assured's consent, but the Assured shall allow Underwriters any salvage obtained on any sale or other disposal of such goods.

## **Buyers' Difference in Conditions.**

This policy extends to cover the Assured's Interest in any goods purchased where the cover provided is more restrictive than that afforded under this policy.

The cover provided is however limited to loss and/or damage which would otherwise be recoverable under the terms and conditions of this policy but only to the extent that the Assured is unable to recover such loss and/or damage under the insurance effected by the seller.

Provided that:

The Assured does not knowingly purchase goods where the insurance arranged by the seller is more restrictive than the Institute Cargo Clauses (A) or the local equivalent, unless Underwriters are advised immediately that the Assured become aware of a circumstance where such restrictive insurance applies.

The existence of this extension is not to be disclosed to any other parties interested in the shipment(s).

Immediate notice must be given to Underwriters of any known loss of or damage to the goods covered under this extension or any known circumstances that may render this extension operative.

The Assured must in the first instance take all reasonable steps to invoke the terms of the contract of purchase and obtain reimbursement from the sellers and/or any other interested parties.

In the event of any claim settlement under this extension, all the Assured's rights of recovery against the sellers and/or any other interested parties will be subrogated to the underwriters unless such rights have been waived by the Assured in accordance with any Subrogation Waiver Clause herein.

This extension is not to be deemed a double insurance.

## **Damage Claims Repairs**

In respect of damage claims recoverable hereunder where the Assured are appointed to effect repairs on behalf of Underwriters it is agreed that such repair costs shall be based on the Assured's normal commercial rate for such repairs including the Assured's normal element of profit.

## **Debris Removal**

It is agreed that subject to the operation of any insured peril, Underwriters will pay any costs and expenses necessarily incurred by the Assured in connection with:

- (a) removal of debris and/or destruction and/or disposal of damaged goods
- (b) dismantling and/or demolishing
- (c) shoring up and/or propping

The transfer of interest, covered hereunder, from one conveyance to another in the event of an accident to the original conveyance or following loss or damage which is recoverable hereunder.

## **But excluding absolutely**

Any expenses incurred in consequence of or to prevent or mitigate pollution or contamination, or any threat or liability thereof.

Subject to a limit of £25,000 any one incident.

It being agreed that this indemnity is additional to the limit agreed elsewhere in this Policy.

## **Deliberate Loss or Damage**

This policy is extended to cover loss or damage to the subject matter insured caused by:

- (a) fumigation subject to a limit of £25,000 any one incident.
- (b) Government and/or Civil Authorities acting to prevent or mitigate any pollution and/or fire hazard or threat thereof.

## **Electrical, Electronic, Electro Magnetic and Mechanical Derangement**

This policy is extended to include electrical, electronic, electro-magnetic and/or mechanical derangement of the subject matter insured provided there is evidence of an insured peril.

## **Extension of cover in Respect of Damaged Interests**

In the event of loss and/or damage to subject matter insured under this policy, cover is extended until such interest is finally repaired or otherwise disposed of. Including transits to, from and periods whilst at third party premises.

## **First Loss**

In the event that any limits expressed hereunder are exceeded for any reason, then it is noted and agreed that this Policy is to respond on a first loss basis up to that limit.

## **Goods Purchased by the Assured**

Cover attaches under this policy from the time the goods leave the suppliers' premises, as if the Contract of Sale or Purchase was "ex supplier" or "ex works" notwithstanding that goods and/or interest may have been purchased on FOB, CFR, FCA or similar terms.

Underwriters are to be subrogated to the Assured's rights of recourse against the suppliers or other parties.

## **Increased Value (Duty and/or Taxes)**

To cover increased value by reason of payment of duty, levies, taxes or carnet penalties at the port or place of destination or in any country through which the goods pass but only to apply to such duty, levies, taxes or carnet penalties that are imposed.

No claim to attach for any duty, levies or taxes (Other than carnet penalties) payable in the country of destination unless such amount is declared within the insured value hereunder.

## **Minimising Losses**

The Underwriters agree to pay any costs reasonably incurred in respect of measures taken by the Assured, their servants or agents for the purpose of averting or minimising losses arising under this policy. Such expenses shall be recoverable hereunder even where no actual loss or damage is sustained to the subject matter insured.

Costs in respect of discharge, storing, sorting and all other charges incurred in connection with the ascertainment of the extent of loss of and/or damage to and/or disposal of damaged goods insured hereunder shall be recoverable, irrespective of whether or not such loss and/or damage is ultimately recoverable under the policy.

## **On Deck Shipments**

For interest shipped on deck or container shipments in and/or over, cover includes the risks of jettison and loss overboard.

## **Packing**

### **Presentation Packing**

Underwriters agree to pay the reasonable costs of repairing or replacing any presentation packing lost or damaged provided that the presentation packing has been protected to withstand the normal rigours of the transit, even if such cost is incurred at final destination. However if replacement presentation packing is not available from the original manufacturer underwriters agree to reimburse the cost of depreciation.

### **Re-Packing**

Underwriters agree to pay for the reasonable costs of repairing and/or replacing the packing if at some stage during the insured transit the original packing is damaged by a peril insured against, even if such cost is incurred at final destination.

### **Process of Manufacture, Modification, Repair**

No claim to attach hereto for damage to the subject matter insured which may be sustained whilst same is under any process of manufacture, modification or repair and resulting directly therefrom.

## **Rejected Shipments**

Shipments which cannot be delivered to the Assured and/or Consignee and which are returned are covered whilst at the risk of the Assured until sold or otherwise disposed of, subject to the terms and conditions of this policy.

### **Replacement of Damaged Electrical, Electronic or Mechanical Equipment Parts**

It is agreed that in respect of imports, the Assured may stipulate the repairers to be used, where the repairs by any other party would prejudice the rights of the Assured in terms of the manufacturers guarantee, warranty or similar proviso.

### **Security at Assured's own premises**

If this insurance covers stock while stored at the Assured's own premises, it is a condition precedent to liability under this policy that:

- (a) All security devices and/or protections in place at the Assured's premises as approved by the Underwriters shall be maintained in accordance with the manufacturer's specifications throughout the currency of this insurance.
- (b) Such security devices and/or protections shall not be withdrawn or varied to the detriment of the Underwriters without their consent and immediate advice shall be given to Underwriters of any notice of withdrawal of police response or other security force protection.
- (c) In the event of any loss of or damage to the insured property or of any occurrence which may give rise to a claim under this policy, the Assured shall:-
  - (i) report any loss or damage or any occurrence which may give rise to a claim under this Policy immediately to the police and any other appropriate law enforcement authorities.
  - (ii) protect the insured interests in order to avert a possible loss or to prevent further loss or damage.
  - (iii) give immediate notice to the Underwriters and/or their designated representatives.

### **Survey Fees**

Where the Assured and/or Consignee have complied with instruction contained in the policy or on the certificate of insurance to call for a survey in respect of loss or damage which may result in a claim hereunder, it is hereby understood and agreed that reasonable expenses incurred and fees charged in respect of that survey are for Underwriters account even though a claim may not subsequently result hereunder.

### **Test and Re-qualification Expenses**

In respect of electronic, electrical, electro-mechanical and/or mechanical equipment insured hereunder, cover is extended to include any expenses incurred by the Assured for the purpose of re-test and re-qualification of the subject matter insured consequent upon the operation of an insured peril, notwithstanding that it may subsequently be proven no actual physical loss or damage was sustained as a result of the occurrence. Cover hereunder is subject to a limit of £25,000 any one incident.

### **Un-seaworthiness and Unfitness**

The seaworthiness of the vessel or craft and the fitness of the vessel, craft, conveyance, liftvan/container or aircraft for the safe carriage of the subject matter insured is admitted as between the Assured and Underwriters.

### **Used and/or Damaged Goods**

This policy covers loss of or damage to used goods which have not been fully reconditioned and/or damaged goods whilst in transit subject to policy terms and conditions but unless agreed by Underwriters prior to shipment exclude:

- (a) rust, oxidisation, discolouration and corrosion
- (b) breakage, scratching, denting, bruising, chipping and cost of re-painting
- (c) twisting, bending and distortion

unless attributable to the carrying conveyance being involved in an accident or casualty.

**Waiver of Subrogation**

Subrogation is hereby waived against the Assured and/or any parties given an indemnity by or held harmless by the Assured in the course of their business, but the Assured shall not waive recourse against any bailee carrier forwarder warehousekeeper or logistics provider. It is also agreed that the Assured accepting released or limited Bills of Lading or Shipping Receipts shall not prejudice this insurance.

**Waiver of Surveys**

It is agreed to waive surveys in respect of claims not expected to exceed £2,500 or equivalent in other currencies, net of cover deductible, if any, such claims to be accepted by Underwriters on presentation of the Assured's statement or debit note only.

Notwithstanding the foregoing, it is agreed that the Assured shall, at Underwriters request, submit full supporting documents in respect of claims in excess of £1,000 net of cover deductible, if any.

# administrative conditions

## INTRODUCTION

<b>Law and Jurisdiction</b>	<p>This insurance is subject to English law and practice and to the exclusive jurisdiction of the English courts sitting in London.</p> <p>This insurance is therefore governed, inter alia, by common law rules of insurance and by the Marine Insurance Act 1906.</p> <p>In particular, there are rules of law in relation to disclosure and under-insurance.</p>
<b>Material Facts</b>	<p>If at any time after inception of this insurance there is a substantial change in your business, for example affecting the subject matter insured or the overseas markets from which you buy or to which you sell, you must advise Underwriters, who reserve the right to amend the rates, terms and conditions of this insurance.</p>
	<p><b><i>If you are in any doubt as to whether this insurance meets your needs, you should seek independent advice from your insurance advisor.</i></b></p>
<b>Non-Contribution</b>	<p>This insurance does not cover subject matter that is insured by or would, but for the existence of this insurance, be insured by any other existing policy or policies; except in respect of any additional sum beyond the amount which would have been payable under such policy or policies had this insurance not been effected.</p>
<b>Institute Clauses</b>	<p>The Institute Clauses referred to herein are those current at inception of this insurance. In the event that such clauses are revised, then provided we give you at least 30 days' notice, the revised clauses will apply to risks attaching after expiry of that notice.</p>
<b>Insurance Premium Tax</b>	<p>Underwriters will calculate the tax liability of the Assured, who agrees to pay all amounts due. Late notification by Underwriters of tax due as a result of de minimis rules being exceeded or any other reason will not reduce or negate the liability of the Assured to pay the tax.</p>
<b>Declaration and Adjustment</b>	<p>Declarations shall be made and premium shall be payable thereon in accordance with the <b>Bases of Valuation</b> detailed herein.</p>

# administrative conditions

## SERVICE STANDARDS

<p><b>Northern Marine Underwriters Limited</b> Faulkner House Faulkner Street Manchester M1 4DY 0161 236 3380 (fax) 0161 236 0633</p>	<p>Northern Marine Underwriters Limited is authorised and regulated by the Financial Services Authority.</p> <p>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.</p> <p>If you are unhappy with the reply or explanation received, we ask that you contact our Compliance Manager, at the address shown left.</p> <p>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.</p> <p>We will let you have a formal response within 20 business days.</p> <p>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.</p>
<p><b>Munich Re Underwriting Limited</b> St Helens 1 Undershaft London EC3A 8EE 020 7886 3900 (fax) 020 7886 3901</p>	<p>In issuing this insurance, Northern Marine Underwriters Limited acts as agent for Watkins Syndicate (WTK/457) at Lloyd's.</p> <p>The Managing Agent for the Syndicate is Munich Re Underwriting Limited.</p> <p>If we cannot resolve any problem to your satisfaction, you may contact the Compliance Director of Munich Re Underwriting Limited.</p>
<p><b>Lloyd's of London</b> One Lime Street London EC3M 7HA 020 7327 1000 (fax) 020 7626 2389</p>	<p>Lloyd's is regulated by the Financial Services Authority.</p> <p>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 Lloyd's Complaints Department.</p>
<p><b>Financial Ombudsman Service</b></p>	<p>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) <b>and you are</b></p> <ul style="list-style-type: none"> <li>• a private policyholder; or</li> <li>• a business with a group annual turnover of less than £1 million; or</li> <li>• a charity with an annual income of less than £1 million; or</li> <li>• a trust with a net asset value of less than £1 million.</li> </ul>
<p><b>Financial Services Authority</b> 25 The North Colonnade Canary Wharf London E14 5HS 020 7066 1000</p>	<p>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.</p> <p>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: <a href="http://www.fsa.gov.uk/consumer">www.fsa.gov.uk/consumer</a>.</p>

# administrative conditions

## CLAIMS PROCEDURE

<b>Instructions for Survey</b>	<b>Upon the occurrence of any happening or event likely to give rise to a claim under this insurance, immediate notice must be given in writing with full particulars to the broker named herein. Please refer to the Claims Procedure section of the Website.</b>
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# administrative conditions

## DEFINITIONS

<p><b>Assured</b></p>	<p><b>For the purposes of this insurance, these words and phrases shall always be taken as having the following meanings:</b></p> <p>As stated in the <b>Schedule</b>, and any party to whom insurable interest in subject matter insured hereunder passes under a contract of sale.</p> <p>And <b>you</b> and <b>your</b> shall be construed accordingly.</p>																														
<p><b>Bases of Valuation</b></p>	<p>The bases that the Assured should use for declarations and that Underwriters will use for claims adjustment, unless otherwise declared by the Assured and agreed by Underwriters prior to known loss damage or arrival.</p>																														
<p><b>Excess</b></p>	<p>The amount for which the Assured is responsible as the first part of each claim.</p>																														
<p><b>Excluded Goods</b></p>	<p>Goods or merchandise for which we do not provide cover unless declared by the Assured and agreed by Underwriters prior to shipment:</p> <ol style="list-style-type: none"> <li>1. Precious metals, diamonds and other stones;</li> <li>2. Bullion, money, credit cards, debit cards, ATM cards, cash-replacement cards, store and gift vouchers and cards, travellers' cheques, securities, bonds, deeds, bank notes, treasury notes, stamps, and similar cash substitutes;</li> <li>3. Weapons and explosives of all kinds;</li> <li>4. Live animals and plants;</li> <li>5. Plasma screens;</li> <li>6. Assured's own computer equipment;</li> <li>7. Household goods and personal effects; privately-owned motor vehicles.</li> </ol>																														
<p><b>Excluded Voyages</b></p>	<p>Countries to, from or within which we do not provide cover, other than to FOB within a non excluded country, unless declared by the Assured and agreed by Underwriters prior to shipment:</p> <table border="0" data-bbox="446 1505 1348 1870"> <tr> <td>Afghanistan</td> <td>Haiti</td> <td>Rwanda</td> </tr> <tr> <td>Angola</td> <td>Iraq</td> <td>Sierra Leone</td> </tr> <tr> <td>Burundi</td> <td>Lebanon</td> <td>Somalia</td> </tr> <tr> <td>Cambodia</td> <td>(other than Tripoli &amp; Beirut)</td> <td>Sudan</td> </tr> <tr> <td>Colombia</td> <td>Liberia</td> <td>Syrian Arab Republic</td> </tr> <tr> <td>DR Congo</td> <td>Malawi</td> <td>Uganda</td> </tr> <tr> <td>(formerly Zaire)</td> <td>Nigeria</td> <td>Yemen</td> </tr> <tr> <td>Eritrea</td> <td>Paraguay</td> <td>Zambia</td> </tr> <tr> <td>Ethiopia</td> <td></td> <td></td> </tr> <tr> <td>Guinea-Bissau</td> <td></td> <td></td> </tr> </table> <div data-bbox="388 1886 1439 2168" style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p><b>Please note that although this policy is written on a worldwide basis, it is the Assured's responsibility to check that it is lawful to conduct trade with the country where the goods are being shipped to or from in order for cover to be in force under this policy.</b></p> <p><b>The Assured should note that certain countries have legislation that restricts or prohibits insurance and/or terms of sale/purchase. Cover under this policy excludes shipments that are made on terms which are in breach of any legislation.</b></p> </div>	Afghanistan	Haiti	Rwanda	Angola	Iraq	Sierra Leone	Burundi	Lebanon	Somalia	Cambodia	(other than Tripoli & Beirut)	Sudan	Colombia	Liberia	Syrian Arab Republic	DR Congo	Malawi	Uganda	(formerly Zaire)	Nigeria	Yemen	Eritrea	Paraguay	Zambia	Ethiopia			Guinea-Bissau		
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Eritrea	Paraguay	Zambia																													
Ethiopia																															
Guinea-Bissau																															

# administrative conditions

## DEFINITIONS

<b>Geographical Areas</b>	<b>Australasia</b>	Australia, New Zealand.
	<b>Europe</b>	Andorra, Austria, Belgium, Denmark, Finland, Faroe Islands, France, Germany, Gibraltar, Greece, Holland, Iceland, Italy, Liechtenstein, Luxembourg, Monaco, Norway, Portugal, Republic of Ireland, Spain, Sweden, Switzerland.
		Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Turkey.
	<b>Far East</b>	Hong Kong, Japan, Malaysia, Philippines, Singapore, South Korea, Taiwan, Thailand, Vietnam.
	<b>Middle East</b>	Bahrain, Israel, Kuwait, Qatar, Saudi Arabia, United Arab Emirates.
	<b>North America</b>	The United States of America (excluding Hawaii) and Canada.
	<b>United Kingdom</b>	The United Kingdom of Great Britain and Northern Ireland, including the Channel Islands, the Isle of Man and other offshore islands.
<b>Incident</b>	Any occurrence or series of occurrences attributable to one proximate cause.	
<b>Period</b>	<p>As stated in the <b>Schedule</b>.</p> <p>Insurance on shipments will attach no earlier than the beginning of the period and no later than the end of the period.</p> <p>Insurance on goods in storage will attach no earlier than the beginning of the period and will terminate no later than the end of the period.</p> <p>If notice of cancellation is given, then the end of the period will be midnight on the last day before cancellation becomes effective.</p>	
<b>Subsidiary Company</b>	As defined in section 736 of the Companies Act 1985.	
<b>Underwriters</b>	<p>Northern Marine Underwriters Limited, as agent for Watkins Syndicate (WTK/457) at Lloyd's, part of the Munich Re Group.</p> <p>And <b>we, us</b> and <b>our</b> shall be construed accordingly.</p>	

# general conditions

<p><b>Accumulation</b> CRG/ACC/BSC/1/5/04</p>	<p>In the event of an accumulation of goods during the ordinary course of transit by reason of circumstances beyond the control of the Assured, Underwriters will hold covered an amount at risk not exceeding twice the relevant vessel or conveyance limit stated in the schedule.</p> <p><b>Where practicable</b>, the Assured shall give prompt notice to Underwriters of all such circumstances.</p>
<p><b>Additional Forwarding Costs</b> CRG/AFC/BSC/1/2/05</p>	<p>In the event of an insured transit being terminated at a port or place other than that to which the subject matter was insured hereunder, this insurance shall extend to reimburse the Assured for additional charges reasonably incurred to:</p> <ul style="list-style-type: none"> <li>• discharge, unload, handle and store the goods; and</li> <li>• re-load, transport and forward the goods to the original intended destination, or, at the Assured's option, forward the goods to any alternative destination.</li> </ul> <p>Subject to a limit any one incident as specified in the Schedule.</p>
<p><b>Attachment and Termination of Cover</b> CRG/ATC/STD/1/5/04</p>	<p>This insurance commences at the attachment of the Assured's interest in the goods but unless specifically agreed elsewhere not prior to the time the goods are set in motion for the commencement of transit.</p> <p>But, in respect of goods purchased by the Assured on FCA, CFR or similar terms, and in the event of dispute as to the time of loss or damage, it is agreed that cover commences at the time the goods are set in motion for the commencement of transit; in consideration of which, the Assured agrees to assist Underwriters in all respects to pursue rights of recovery against suppliers.</p> <p>Cover continues during loading, packing (including transits to and from packers', forwarders', consolidators', carriers' premises, warehousekeepers and other bailees including whilst there for a period not exceeding seven days or held covered for any longer period at additional premium to be agreed), containerisation, deconsolidation and unloading, including customary and non-customary transhipment.</p> <p>Cover terminates in accordance with the provisions of the Duration clause of the applicable Institute Clauses; but in respect of sales by the Assured on FCA, CFR or similar terms, cover terminates once the goods have been finally positioned or stowed in the carrying vessel, aircraft or conveyance.</p>
<p><b>Average Applicable to storage at own premises</b> CRG/AVG/BSC/1/5/04</p>	<p>If, at the time of loss or damage, subject matter insured is of greater value than any declared sum insured or the applicable limit expressed herein, then the Assured shall be considered as being their own insurer for the difference and shall bear a rateable share of such loss or damage.</p>
<p><b>Concealed Damage</b> CRG/CND/30D/1/5/04</p>	<p>Any loss or damage discovered on opening containers, cases or packages within 30 days of termination of the insured transit shall be deemed to have occurred during such transit (irrespective of attachment of Assured's interest) unless there is conclusive proof to the contrary, <b>provided always that</b> any containers, cases or packages showing visible signs of damage at the time of delivery must be opened and their contents checked for quantity and condition immediately.</p>

# general conditions

<p><b>Contingent Interest</b> CRG/CIN/STD/1/5/04</p>	<p>This insurance is extended to cover the Assured's contingent interest in any goods for which they have no responsibility to insure under the terms of sale or purchase.</p> <p>Underwriters agree to provide cover subject to Policy terms, but only to the extent that the Assured is unable to recover any loss or damage from the insurance effected by the buyer or seller, as applicable.</p> <p>Where interest in the goods reverts to the Assured during transit for any reason, the goods will be covered continuously, including any reasonable period whilst awaiting re-sale or return and any additional transit consequent upon such resale or return.</p> <p><b>Provided always that:</b></p> <ul style="list-style-type: none"> <li>• prompt notice is given to Underwriters of any incident that might result in this extension becoming operative;</li> <li>• the existence of this extension is not disclosed to any other party having an interest in the goods;</li> <li>• the Assured takes all reasonable steps to enforce the terms of the underlying sale or purchase contract;</li> <li>• all rights and benefits of any action that the Assured possesses or acquires against third parties are subrogated to Underwriters.</li> </ul> <p>This extension is not deemed to be double insurance.</p>
<p><b>Duty</b> CRG/DTY/BSC/1/5/04</p>	<p>The Assured may declare as an additional insurance the duty (including levy or similar charges, howsoever described) paid or payable at the port or place of destination on subject matter insured, on the same terms and conditions, and with claims to be adjusted in the same proportion, as the subject matter insured, excluding duty which does not become payable.</p>
<p><b>Exhibitions and Demonstrations</b> CRG/EXD/EXC/1/2/05</p>	<p>Where a limit for such is specified in the Schedule, this insurance is extended to cover the subject matter insured plus display stands and equipment including advertising and promotional items, owned by the Assured or for which they are responsible, whilst in transit to and from and whilst at exhibition or demonstration site for a maximum of 30 days, including during unpacking, assembly, awaiting and on exhibition, dismantling and repacking.</p> <p><b>Excluding loss or damage due to:</b></p> <ul style="list-style-type: none"> <li>• moth, vermin, wear and tear, and gradual deterioration;</li> <li>• latent defect, faulty assembly or construction;</li> <li>• theft from the exhibition or demonstration site, unless following forcible or violent entry, exit or removal.</li> </ul> <p><b>And</b>, in respect of used and/or second-hand items, <b>excluding loss or damage due to:</b></p> <ul style="list-style-type: none"> <li>• rust, oxidation and discolouration;</li> <li>• scratching, bruising, chipping, denting and subsequent cost of repainting;</li> <li>• twisting, bending and distortion;</li> </ul> <p>unless proven to have been caused by a peril insured against.</p> <p><b>Exhibition Costs</b></p> <p>In the event that subject matter insured is lost or damaged en-route to exhibition and the Assured's attendance at that exhibition is consequently cancelled, this insurance shall extend to reimburse the Assured for exhibition fees that are not refundable</p> <p>Subject to a limit any one incident as specified in the Schedule.</p>
<p><b>Fumigation</b> CRG/FUM/STD/1/2/05</p>	<p>In the event that subject matter insured is fumigated during the ordinary course of transit and irrespective of whether actual infestation is identified, this insurance shall extend to reimburse the Assured for the fumigation costs incurred, if they are additional to normal practice and necessitated by the operation of an insured peril.</p> <p>Subject to a limit any one incident as specified in the Schedule.</p>
<p><b>General Average</b> CRG/GAV/BSC/1/5/04</p>	<p>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.</p>

# general conditions

<p><b>Labels</b> CRG/LAB/BSC/1/5/04</p>	<p>Where only labels wrappers or capsules are damaged, this insurance will not pay more than the lesser of the insured value of the damaged goods and the cost of replacing the damaged labels wrappers or capsules, and shall not extend to include any depreciation consequent thereon.</p>
<p><b>Packing Exclusion Endorsement</b> CRG/PXE/STD/1/5/04</p>	<p>Underwriters agree that they will not use alleged insufficiency or unsuitability of the packing or preparation of the subject matter insured as a defence against a claim if that packing or preparation was carried out by a party other than the named Assured and the insufficiency or unsuitability arose entirely without their privity or knowledge.</p> <p>In consideration of which, the Assured agrees to assist Underwriters in all respects to pursue rights of recovery against sellers and/or other responsible third parties.</p> <p>For the purposes of this clause, “packing” shall be deemed to include stowage in a container and/or other similar inter-modal method of unit load.</p>
<p><b>Process</b> CRG/PRO/BSC/1/5/04</p>	<p>This insurance does not cover damage to subject matter insured which is sustained whilst it is in use or being worked upon and results directly therefrom.</p>
<p><b>Replacement</b> CRG/REP/BSC/1/5/04</p>	<p>In the event of loss of or damage to any part or parts of the subject matter insured, the sum recoverable shall not exceed the cost of replacement or repair of such part or parts plus charges for forwarding and refitting, if incurred.</p> <p>But, in respect of used and/or second-hand goods, where cover has been agreed by Underwriters, the sum recoverable shall not exceed such proportion of the cost of replacement or repair as the insured value bears to the value of the goods when new plus charges for forwarding and refitting, if incurred.</p> <p>Excluding duty unless the full duty is included in the amount insured, in which case loss, if any, sustained by payment of additional duty shall also be recoverable.</p> <p>Provided always that in no case shall the liability of Underwriters exceed the insured value of the complete item.</p>
<p><b>Replacement by Air</b> CRG/RPA/STD/1/2/05</p>	<p>The Replacement clause is extended to reimburse the Assured for the costs of air freighting replacement or damaged goods to or from suppliers, customers or repairers, even though the insured goods were not originally dispatched by airfreight.</p> <p>Subject to a limit any one incident as specified in the Schedule.</p>
<p><b>Returned Goods</b> CRG/RTG/STD/1/5/04</p>	<p>This insurance is extended to continuously cover subject matter insured which is immediately returned by the consignee, including temporary storage for a period of up to 30 days, excluding goods returned for refurbishment, reconditioning or repair, unless necessitated by the operation of an insured peril during the original transit.</p> <p>Where returned goods were not insured under this insurance for the original voyage or where cover under this insurance has not been continuous, then cover will be subject to Institute Cargo Clauses (B) including heavy weather damage, loss overboard, malicious damage and theft or non-delivery of a complete shipping unit, and Institute War and Strikes Clauses.</p> <p>These risks are held covered at rates to be agreed, subject to the particular circumstances of each case, and subject to Underwriters’ agreement regarding the overall extension period required.</p> <p>Reports of such return shipments to be made to Underwriters as soon as they come to the notice of the Assured.</p> <p>For the purposes of this clause, “complete shipping unit” shall mean any unit of shipment comprising more than one package box or carton, such as a pallet load or a container load, specifically detailed in a bill of lading, air waybill or other similar consignment note.</p>

# general conditions

<b>Seals Intact</b> CRG/SIN/STD/1/5/04	Claims in respect of theft, shortage or non-delivery of a whole package or item shipped in a full container or full vehicle load shall not be invalidated solely because seals appear intact. Production of: <ul style="list-style-type: none"><li>• documentary evidence that the package or item was loaded into the container, and</li><li>• a copy of the discharge tally sheet or claused delivery note</li></ul> shall be sufficient evidence of loss, in the absence of proof to the contrary.
<b>Sonic Boom Exclusion</b> CRG/SBX/BSC/1/5/04	This insurance does not cover loss, destruction or damage directly caused by pressure waves created by aircraft or other aerial devices travelling at sonic or supersonic speeds.
<b>Sorting, Segregation and Testing</b> CRG/SST/STD/1/2/05	This insurance is extended to reimburse the Assured for costs (including transportation, repacking and reshipment) reasonably incurred to sort or segregate shipping packages showing signs of external damage and/or to test any items contained therein to ascertain possible loss or damage, even though a claim may not subsequently arise. Subject to a limit any one incident as specified in the Schedule.
<b>Stowage Accessories</b> CRG/STA/STD/1/2/05	Where a limit for goods in own vehicles is specified in the Schedule, this insurance is extended to cover loss of or damage to stowage accessories such as ropes, sheets and the like owned by the Assured or for which they are responsible whilst on any vehicle used in connection with their business. Subject to a limit any one incident as specified in the Schedule.
<b>Transit Clause Extension</b> CRG/TCE/BSC/1/5/04	Underwriters will hold covered, upon receipt of prompt notice from the Assured and at a premium to be agreed, if in the ordinary course of transit the subject matter insured <ul style="list-style-type: none"><li>• takes more than 60 days from the time it is discharged from the overseas vessel at the final port of discharge, or</li><li>• takes more than 30 days from the time it is unloaded from the aircraft at the final airport of discharge</li></ul> to reach the intended destination for termination of the voyage insured hereunder, or <ul style="list-style-type: none"><li>• is in bonded store and/or warehouse at the port of discharge for which cover would otherwise terminate by reason of delay beyond the Assured's control.</li></ul>

# market

<p><b>Cargo ISM Endorsement</b> JC98-019</p>	<p>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 12 passengers and (2) Oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high-speed craft of 500gt or more.</p> <p>Applicable with effect from 1st July 2002 to shipments on board all other cargo ships and mobile offshore drilling units of 500gt or more.</p> <p>In no case shall this insurance cover loss, damage or expense where the subject matter insured is carried by a vessel that is not ISM Code certified or whose owners or operators do not hold an ISM 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:</p> <p>(a) Either that such vessel was not certified in accordance with ISM Code. (b) Or that a current Document of Compliance was not held by her owners or operators.</p> <p>As required under the SOLAS convention 1974 as amended.</p> <p>The 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.</p>
<p><b>Cargo ISM Forwarding Charges</b> (for use only with JC98-019) CRG/CIF/STD/1/5/04</p>	<p>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 subject matter insured hereunder following release of cargo from a vessel arrested or detained at or diverted to any port or place (other than the intended port of destination) where the voyage is terminated due either:</p> <p>(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</p> <p>as required under the SOLAS Convention 1974 as amended.</p> <p>This clause, which does not apply to General Average or Salvage or Salvage Charges, is subject to all other terms, conditions and exclusions contained herein and to the Cargo ISM Endorsement JC98-019.</p>
<p><b>Contracts (Rights of Third Parties) Act 1999 – Exclusion (Cargo)</b> JC2000-002</p>	<p>The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to this insurance or to any certificate(s) of insurance issued hereunder. Neither this insurance 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.</p>

# market

<p><b>Computer Millennium Clause</b> JC98-024</p>	<p>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.</p> <p>This exclusion does not apply to:</p> <ol style="list-style-type: none"><li>1. Claims for loss of or damage to the subject matter insured reasonably attributable to<ol style="list-style-type: none"><li>a. fire or explosion</li><li>b. vessel or craft being stranded grounded sunk or capsized</li><li>c. overturning or derailment of land conveyance</li><li>d. collision or contact of vessel craft aircraft or conveyance with any external object other than water</li><li>e. total loss of aircraft in flight</li><li>f. discharge of cargo at a port of distress</li><li>g. total loss of any package lost overboard or dropped whilst loading on to, or unloading from, vessel craft or aircraft</li><li>h. general average sacrifice</li><li>i. jettison or washing overboard</li><li>j. entry of sea lake or river water into vessel craft hold conveyance liftvan or place of storage</li></ol></li><li>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.</li></ol> <p>Subject always to the terms, conditions, limits and exclusions contained elsewhere in this policy.</p>
<p><b>Insolvency Exclusion Endorsement</b> CRG/IXE/STD/1/5/04</p>	<p>The exclusion of <b>loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel or aircraft</b> (as applicable) contained within the Institute Clauses incorporated herein is amended to read <b>loss damage or expense proximately caused by insolvency or financial default of the owners managers charterers or operators of the vessel or aircraft.</b></p> <p>But, in any event, such exclusion shall not apply where:</p> <ul style="list-style-type: none"><li>• 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</li><li>• 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</li><li>• 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.</li></ul>

# market conditions

<p><b>Termination of Transit Clause (Terrorism)</b> CRG/TTC/100/1/5/04</p>	<p>This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.</p> <p>1 Notwithstanding any provision to the contrary contained in this Policy or the Clauses referred to therein, it is agreed that in so far as this Policy covers loss 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:</p> <p><b>either</b></p> <p>1.1 As per the transit clauses contained within the Policy,</p> <p><b>or</b></p> <p>1.2 on delivery to the Consignee's or other final warehouse or place of storage at the destination named herein,</p> <p>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,</p> <p><b>or</b></p> <p>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,</p> <p>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,</p> <p><b>whichever shall first occur.</b></p> <p>2 This Policy extends to include cover up to a maximum of £100,000 or the equivalent in other currencies any one loss or series of losses, at any one location within mainland Great Britain specified herein, arising out of one event in respect of any loss of or damage to the subject-matter insured caused by any terrorist or any person acting from a political motive which would have been excluded from cover under this Policy due to clause 1 above.</p> <p>3 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.</p> <p>4 This clause is subject to English law and practice.</p>
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**Please contact us should you require clarification of any aspect of this summary.**