



Cargo Risk Protection

schedule

Assured	Clients of Abbott & Bramwell Ltd who are registered members of their Freightcover General on-line facility
Policy Number	STP020805221
Period	01 January 2010 to 31 December 2010 (both dates inclusive)
Broker	Abbott & Bramwell Insurance Brokers London House, 320 London Road, Hazel Grove, Stockport, SK7 4RF Tel: 01625 856240 Fax: 01625 856241
Issued by	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)
	<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>
	Northern Marine Underwriters Ltd Registered Office Goodbard House 9 Infirmary Street Leeds LS1 2JP England T 0113 243 0666 F 0113 246 7574 www.nmu.co.uk Registered in England No. 1262636 Authorised and regulated by the Financial Services Authority Acting for Watkins Syndicate (WTK/457) at Lloyd's

schedule

RISKS COVERED

<p>Subject Matter Insured</p>	<p>General Approved Goods &/or Merchandise as defined herein; But excluding:-</p> <p>Aircraft Bulk shipments Bullion, cash, notes, stamps, deeds, tickets, travellers cheques, vouchers, documents and similar Cigarettes or other tobacco products Computer chips, CPUs and memory products Household goods and personal effects I-pods and MP players Livestock Mobile telephones and SIMS Motor vehicles Precious metals, precious stones, jewellery or watchers Spirits</p>
<p>Voyages and Risks</p>	<p>1. In transit from places in the World to places in the World; all other voyages including non-customary transshipment held covered subject to prompt notice from the Assured (on which such cover is dependent) at rates and on conditions then to be agreed by Underwriters; other than non-containerised on-deck shipments and Excluded Voyages as defined herein.</p> <p>2. In transit to free on board vessel or aircraft at port or airport (but 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. Storage outside the normal course of transit up to a maximum period of 90 consecutive days.</p>
<p>Bases of Valuation - (as per Voyages and Risks above)</p>	<p>1. The prime cost of the goods or merchandise plus the expenses of or incidental to shipping, the freight for which the Assured is liable, the charges of insurance, plus 10%, plus duty if incurred.</p> <p>2. Assured's Invoice Value.</p> <p>3. Sales – Assured's Invoice Value. Purchases – Cost of Replacement.</p> <p>4. New Replacement Cost.</p> <p>5. Sales – Assured's Invoice Value. Purchases – Cost of Replacement</p> <p>All other goods covered hereunder that are not the subject of a purchase or sales invoice: New Replacement Cost, plus the Assured's liability for any Duty and/or Taxes which become payable as a direct result of loss of and/or damage to the goods.</p>
<p>Conveyances</p>	<p>Approved powered vessels (as per Institute Classification Clause) and/or airfreight and/or rail and/or post and/or road vehicles.</p>

schedule

LIMITS AND INFORMATION

Limits	Maximum any one declaration any one customer; Any one: vessel, aircraft or conveyance £1,000,000 Location or loss in the ordinary course of transit £1,000,000 postal sending £50,000 exhibition risk £100,000
Inner Limits	Additional Discharge Costs (as per CRG/ADC/ENH/1/2/05) £5000 Additional Forwarding Costs (as per CRG/AFC/BSC/1/2/05) £5000 Debris Removal (Transit) (as per CRG/DRT/STD/1/2/05) £5000 Exhibition Costs (as per CRG/EXD/EXC/1/2/05) £5000 Fumigation (as per CRG/FUM/STD/1/2/05) £5000 Replacement by Air (as per CRG/RPA/STD/1/2/05) £5000 Sorting, Segregation and Testing (as per CRG/SST/STD/1/2/05) £2500
Storage Locations and Limits <i>(outside the ordinary course of transit)</i>	Maximum Limit/Sum Insured any one Warehouse any one declaration any one customer £1,000,000

schedule

PREMIUM

Premium	Declarations to be made in accordance with the Bases of Valuation herein.
Minimum Premium per Declaration	Minimum premium, per shipment £15.00

schedule

PREMIUM

Categories of Goods	The following goods (as detailed in category 1, 2, 3 & 4) and/or similar goods are examples of “Approved Goods and/or Merchandise”, to be adequately packed and protected and stowed and/or secured for the intended transit and/or as per trade custom, but are in no way a limitation to the type of goods and/or merchandise considered as “Approved” for the purposes of the various rating categories herein.
Category 1 – general goods	Machinery Books Machinery tools and parts Building sundries Engineering goods Hardware Hand and power tools Insulation materials Office sundries Office machinery Test equipment Domestic appliances – small Scientific instruments Musical instruments Electronic equipment Carpets in bales Floor coverings Non-hazardous chemicals (in bags or in new drums) Soft drinks in plastic bottles or cans Non-fragile medical and surgical supplies Non-fragile motor vehicle spares and accessories Car radio components Model kits Garden furniture Metal and plastic hollowware Motor vehicle tyres in bundles Dried foodstuff Stationery Wooden and upholstered furniture Piece goods, haberdashery, yarn and textiles (excluding made-up garments) Paint and printing ink Knock down furniture and/or kits Sports equipment (excluding clothing) Paper goods Steel pipes Motor cycles – when packed by approved logistics provider
Category 2 – Specific Risk Goods	Footwear Clothing/made up garments Perfume Leather bags and belts Costume jewellery

schedule

PREMIUM

Category 3 – Specific Risk Goods	Cookers Refrigerators Freezers Washing machines Television sets Video recorders Video tape/CD's/DVD's Hi-Fi and CD players Calculators Photographic equipment Computer equipment including monitors
Category 4 - Fragile Goods	China Marble Earthenware Glass Glassware Glass Bottles of drink excluding spirits Mirrors Tiles Electric bulbs (excluding breakage of filaments) Ceramics
War and Strikes Risks Premium	<p>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.</p> <p>Should the minimum schedule rate or any schedule additional rate be increased, the inclusive policy rate may be increased accordingly, at Underwriters' discretion.</p> <p>If a rate is shown for "Rest of the World" or any other regional description, then whenever the schedule additional rate is in excess of the minimum rate, the above inclusive rate may be subject to the appropriate increase, at Underwriters' discretion.</p>
UK Insurance Premium Tax	Where applicable subject to Insurance Premium Tax at the prevailing rate.

schedule

APPLICABLE CLAUSES AND CONDITIONS

<p>Institute Clauses <i>(as far as applicable)</i></p>	<p>Institute Cargo Clauses (A) Institute Cargo Clauses (Air) (excluding sendings by Post) Institute War Clauses (Cargo) Institute War Clauses (Air Cargo) (excluding sendings by Post) Institute War Clauses (sendings by Post) Institute Strikes Clauses (Cargo) Institute Strikes Clauses (Air Cargo) Institute Classification Clause</p>	<p>CL 252 CL 259 CL 255 CL 258 CL 257 CL 256 CL 260 CL 354</p>	<p>1/1/82 1/1/82 1/1/82 1/1/82 1/1/82 1/1/82 1/1/82 1/1/01</p>
<p><i>(applicable to all risks)</i></p>	<p>Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause Institute Cyber Attack Exclusion Clause</p>	<p>CL 370 CL 380</p>	<p>10/11/03 10/11/03</p>
	<p>Where these clauses are modified by this Schedule, or in the event of any other inconsistency, then this Schedule shall prevail.</p>		
<p>NMU Wording</p>	<p>Administrative Conditions</p>		
	<p>General Conditions</p>		
	<p>Market Conditions (CRG/MKT/STD/1/5/04)</p>		
	<p>Where these conditions or any clause within them are modified by this Schedule, or in the event of any other inconsistency, then this Schedule shall prevail.</p>		
	<p>Copies of the Institute Clauses are available upon request.</p>		
	<p>Policy-specific clauses and conditions appear on the following page(s). 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.</p>		

<p>Excess</p>	<p>£250 in respect of each and every loss in respect of those goods listed under category 4.</p>
----------------------	--

administrative conditions

INTRODUCTION

Law and Jurisdiction	<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>
Material Facts	<p>If at any time after inception of this insurance there is a substantial change, 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><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></p>
Non-Contribution	<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>
Institute Clauses	<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>
Insurance Premium Tax	<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>
Declaration	<p>Declarations shall be made and premium shall be payable thereon in accordance with the Bases of Valuation detailed herein.</p>

administrative conditions

SERVICE STANDARDS

<p>Northern Marine Underwriters Limited 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>Munich Re Underwriting Limited 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>Lloyd's of London 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>Financial Ombudsman Service</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) and you are</p> <ul style="list-style-type: none"> • a private policyholder; or • a business with a group annual turnover of less than £1 million; or • a charity with an annual income of less than £1 million; or • a trust with a net asset value of less than £1 million.
<p>Financial Services Authority 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: www.fsa.gov.uk/consumer.</p>

administrative conditions

CLAIMS PROCEDURE

Instructions for Survey	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 also refer to the Claims Procedure page within the web site.
------------------------------------	---

administrative conditions

DEFINITIONS

Assured	<p>For the purposes of this insurance, these words and phrases shall always be taken as having the following meanings:</p> <p>As stated in the Schedule, and any party to whom insurable interest in subject matter insured hereunder passes under a contract of sale.</p> <p>And you and your shall be construed accordingly.</p>																
Bases of Valuation	<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>																
Excess	<p>The amount for which the Assured is responsible as the first part of each claim.</p>																
Excluded Voyages	<p>Countries to, from or within which we do not provide cover unless declared by the Assured and agreed by Underwriters prior to shipment:</p> <table data-bbox="446 1019 893 1310"><tr><td>Afghanistan</td><td>Liberia</td></tr><tr><td>Angola</td><td>Rwanda</td></tr><tr><td>Cambodia</td><td>Sierra Leone</td></tr><tr><td>DR Congo</td><td>Somalia</td></tr><tr><td>(formerly Zaire)</td><td>Sudan</td></tr><tr><td>Eritrea</td><td>Uganda</td></tr><tr><td>Ethiopia</td><td>Yemen</td></tr><tr><td>Iraq</td><td></td></tr></table> <div data-bbox="388 1357 1439 1655" style="border: 1px solid black; padding: 10px;"><p>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.</p><p>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.</p></div>	Afghanistan	Liberia	Angola	Rwanda	Cambodia	Sierra Leone	DR Congo	Somalia	(formerly Zaire)	Sudan	Eritrea	Uganda	Ethiopia	Yemen	Iraq	
Afghanistan	Liberia																
Angola	Rwanda																
Cambodia	Sierra Leone																
DR Congo	Somalia																
(formerly Zaire)	Sudan																
Eritrea	Uganda																
Ethiopia	Yemen																
Iraq																	

administrative conditions

DEFINITIONS

Geographical Areas	Australasia	Australia, New Zealand.
	Europe	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.
	Far East	Hong Kong, Japan, Malaysia, Philippines, Singapore, South Korea, Taiwan, Thailand, Vietnam.
	Middle East	Bahrain, Israel, Kuwait, Qatar, Saudi Arabia, United Arab Emirates.
	North America	The United States of America (excluding Hawaii) and Canada.
	United Kingdom	The United Kingdom of Great Britain and Northern Ireland, including the Channel Islands, the Isle of Man and other offshore islands.
Incident	Any occurrence or series of occurrences attributable to one proximate cause.	
Period	<p>As stated in the Schedule.</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>	
Subsidiary Company	As defined in section 736 of the Companies Act 1985.	
Underwriters	<p>Northern Marine Underwriters Limited, as agent for Watkins Syndicate (WTK/457) at Lloyd's, part of the Munich Re Group.</p> <p>And we, us and our shall be construed accordingly.</p>	

general conditions

<p>Accumulation 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>Where practicable, the Assured shall give prompt notice to Underwriters of all such circumstances.</p>
<p>Additional Discharge Costs CRG/ADC/ENH/1/2/05</p>	<p>In the event of damage to subject matter insured, this insurance shall extend to reimburse the Assured for additional charges reasonably incurred to:</p> <ul style="list-style-type: none"> • discharge, unload, handle and store damaged and/or sound goods; and • re-load, transport and forward damaged and/or sound goods to the original intended destination. <p>Subject to a limit any one incident as specified in the Schedule.</p>
<p>Additional Forwarding Costs 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"> • discharge, unload, handle and store the goods; and • 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. <p>Subject to a limit any one incident as specified in the Schedule.</p>
<p>Attachment and Termination of Cover 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' and carriers' premises, including whilst there for a period not exceeding thirty days or held covered for any longer period at additional premium to be agreed), containerisation, deconsolidation and unloading, including 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>Average – applicable to Storage Risks only CRG/AVG/BSC/1/5/04</p>	<p>In respect of goods stored other than in the ordinary course of transit, 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>Brands and Trade Marks CRG/BTM/ENH/1/5/04</p>	<p>Subject always to all other conditions and exclusions, damage to subject matter insured bearing embossed or indented brands or other permanent markings identifying the manufacturer or brand and carrying or implying any guarantee may be treated as a constructive total loss where the Assured is able to demonstrate to Underwriters' satisfaction that the sale of such damaged goods would be detrimental to the Assured's good name.</p> <p>To mitigate the loss, the Assured shall dispose of the damaged goods to the best advantage, Underwriters receiving the benefit of any proceeds, or they shall be destroyed in the presence of a representative of both Underwriters and the Assured.</p>

general conditions

<p>Civil Authorities - Deliberate Damage clause</p>	<p>This policy covers loss or damage to subject matter directly caused by:</p> <p>a duly appointed authority acting to prevent or mitigate a pollution hazard or threat thereof, provided that the accident or occurrence creating the situation which required such action would have resulted in a recoverable claim under the policy, subject to all of its terms, conditions and exclusions</p> <p>a duly appointed authority during a conflagration or for the purpose of retarding same; provided that neither such conflagration nor damage is caused or contributed to by War perils elsewhere excluded herein.</p>
<p>Claused Bills of Lading Clause</p>	<p>This policy is not to be prejudiced solely by reason of the marking of the Bill of Lading (or like document) with a clause indicating items insufficiently packed.</p>
<p>Concealed Damage CRG/CND/60D/1/5/04</p>	<p>Any loss or damage discovered on opening containers, cases or packages within 60 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, provided always that 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>
<p>Contingent Interest</p>	<p>Where individual shipments are declared by the Assured and accepted by Underwriters, 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, including on goods purchased FOB and/or on similar terms, and including cover for differences in conditions where the insurance arranged by the seller is more restrictive than the cover provided hereunder.</p> <p>Underwriters agree to provide warehouse to warehouse cover subject to policy terms and conditions, 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 re-sale or return.</p> <p>Provided always that:-</p> <p>Prompt notice is given to Underwriters of any incident that might result in this extension becoming operative;</p> <p>The existence of this extension is not disclosed to any other party having an interest in the goods;</p> <p>The Assured takes all reasonable steps to enforce the terms of the underlying sale or purchase contract;</p> <p>All rights and benefits of any action that the Assured possesses or acquires against third parties are subrogated to Underwriters;</p> <p>This extension is not deemed to be double insurance.</p>
<p>Damage Claim Repairs</p>	<p>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.</p>

general conditions

<p>Debris Removal (Transit) CRG/DRT/STD/1/2/05</p>	<p>This insurance is extended to reimburse the Assured, in addition to any other amount recoverable hereunder, for extra expenses reasonably incurred for the removal and disposal of debris of subject matter insured, or part thereof, damaged or destroyed by the operation of an insured peril, but excluding absolutely:</p> <ul style="list-style-type: none"> * any expenses incurred in consequence of or to prevent or mitigate pollution or contamination, or any threat thereof or liability therefore; and/or * the cost of removal of cargo from any vessel or craft. <p>Subject to a limit any one incident as specified in the Schedule.</p>
<p>Depreciation Exclusion CRG/DPX/OPT/1/5/04</p>	<p>In the event of damage to subject matter insured, Underwriters' liability shall not exceed the lesser of the reasonable cost of repair and the sum insured in respect of the damaged item, and shall not extend to include any depreciation consequent thereon.</p>
<p>Derangement Exclusion CRG/DRX/BSC/1/5/04</p>	<p>This insurance does not cover electrical, electronic or mechanical breakdown, failure, derangement or disturbance, unless proven to have been caused by a peril insured against.</p>
<p>Duty 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>Exhibitions and Demonstrations 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 14 days, including during unpacking, assembly, awaiting and on exhibition, dismantling and repacking.</p> <p>Excluding loss or damage due to:</p> <ul style="list-style-type: none"> • moth, vermin, wear and tear, and gradual deterioration; • latent defect, faulty assembly or construction; • theft from the exhibition or demonstration site, unless following forcible or violent entry, exit or removal. <p>And, in respect of used and/or second-hand items, excluding loss or damage due to:</p> <ul style="list-style-type: none"> • rust, oxidation and discolouration; • scratching, bruising, chipping, denting and subsequent cost of repainting; • twisting, bending and distortion; <p>unless proven to have been caused by a peril insured against.</p> <p>Exhibition Costs</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>Fumigation 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>General Average 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>Labels 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>Mildew, Infestation and Vermin Clause</p>	<p>Including the risks of Mildew, Infestation and Vermin howsoever arising.</p>
<p>On Deck Shipments</p>	<p>For interest shipped on deck or container shipments in and/or over, cover includes the risks of jettison and loss overboard.</p>
<p>Packing</p>	<p>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.</p> <p>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.</p>
<p>Packing Clause</p>	<p>In the event of a claim being made for loss or damage which is alleged to be caused by insufficiency or unsuitability of packing or preparation of the subject matter insured, Underwriters hereby agree that they will not use such alleged insufficiency or unsuitability as a defence against the claim in any case where the packing or preparation was carried out by a party other than the Assured and the insufficiency or unsuitability arose entirely without the Assured's privity or knowledge. For the purpose of this clause "packing" shall be deemed to include stowage in a container and/or other similar inter-modal methods of unit load.</p> <p>The Assured agrees to assist Underwriters in all respects to pursue rights of recovery against sellers and/or other responsible third parties.</p> <p>The above agreement is not to interfere with rights of subrogation against packers and/or their Insurers.</p> <p>Notwithstanding the above, it is further agreed that where packing or preparation is undertaken by the Assured, Underwriters accept such packing or preparation as sufficient or suitable to protect the subject matter insured against loss or damage and further agree to waive the rights of subrogation against the Assured, provided such packing is customary for the trader or subject or in accordance with established packing practices of the Assured.</p>
<p>Pairs and Sets CRG/PAS/BSC/1/5/04</p>	<p>Where subject matter insured consists of articles in a pair or set, this insurance will not pay more than the proportionate sum insured of any particular part or parts which may be lost or damaged, and shall not extend to any consequent depreciation of the pair or set or any part thereof.</p>
<p>Postal Sendings CRG/POS/BSC/1/5/04</p>	<p>Where a limit is specified in the Schedule, this insurance is extended to cover dispatches via ordinary letter post, private postal systems, personal courier, bicycle courier, motorcycle courier and taxi.</p>

general conditions

<p>Process 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>Repacking Costs Clause CRG/RPC/STD/1/5/04</p>	<p>This insurance is extended to cover the reasonable cost of re-packing, re-cartoning, re-baling, re-bagging, and/or re-palletising the subject-matter insured following a loss recoverable under this insurance provided always that the re-packing costs are necessary to prevent further loss of or damage to the subject-matter insured. Subject to a limit of £5,000 any one incident.</p>
<p>Replacement by Air 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. Subject to a limit any one incident as specified in the Schedule.</p>
<p>Returned Goods 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

<p>Returned Goods (Repairs) Clause</p>	<p>In the event of any goods and/or merchandise being returned to the Assured as being defective in their operation, needing repair, refurbishment, rectification or being warranty repairs or warranty replacements and the Assured has a responsibility to insure such goods under this policy, Insurers agree to indemnify the Assured for loss or damage but cover shall be limited to Institute Cargo Clauses (B) including heavy weather, theft, pilferage, non-delivery, malicious damage and risks as per the Institute War and Strikes Clauses.</p> <p>If the Assured has a responsibility to cover the return transit following repair, the Insurers will indemnify the Assured for loss or damage as per normal policy conditions.</p> <p>The Basis of Valuation shall be:</p> <table border="1" data-bbox="412 743 1419 898"> <tr> <td data-bbox="412 743 849 801">Goods less than twelve months old:</td> <td data-bbox="852 743 1419 801">New Reinstatement Value</td> </tr> <tr> <td data-bbox="412 804 849 898">Goods more than twelve months old:</td> <td data-bbox="852 804 1419 898">Assured's current sales price less an allowance for general wear, tear and depreciation</td> </tr> </table> <p>Cover provided by this policy is extended to include the subject matter insured being returned by the Assured to manufacturers or repairers for the purpose of refurbishment, reconditioning or repair, including periods whilst at manufacturers or repairers and undergoing same and subsequent return to the Assured. Excluding loss of or damage to the subject matter arising directly out of any process, manufacture, conversion, treatment and the like. Shipments are insured for the current market value until refurbishment, reconditioning or repair has been completed, at which point the subject matter insured is deemed to be insured for its new replacement value.</p>	Goods less than twelve months old:	New Reinstatement Value	Goods more than twelve months old:	Assured's current sales price less an allowance for general wear, tear and depreciation
Goods less than twelve months old:	New Reinstatement Value				
Goods more than twelve months old:	Assured's current sales price less an allowance for general wear, tear and depreciation				
<p>Rust, Oxidation and Discolouration Exclusion CRG/ROX/OPT/1/5/04</p>	<p>This insurance does not cover rust, oxidation and discolouration in respect of unpacked and/or partially protected goods, unless proven to have been caused by a peril insured against.</p>				
<p>Scratching, Chipping and Denting Exclusion CRG/SCX/OPT/1/5/04</p>	<p>This insurance does not cover scratching, bruising, chipping, denting and subsequent cost of repainting in respect of unpacked and/or partially protected goods, unless proven to have been caused by a peril insured against.</p>				
<p>Seals Intact CRG/SIN/STD/1/5/04</p>	<p>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:</p> <ul style="list-style-type: none"> • documentary evidence that the package or item was loaded into the container, and • a copy of the discharge tally sheet or claused delivery note <p>shall be sufficient evidence of loss, in the absence of proof to the contrary.</p>				

general conditions

<p>Second-Hand Machinery Clause</p>	<p>Where insured for new replacement cost at the time of shipment, conditions and rates as applicable to new machinery will apply but subject to the Obsolete Parts Clause (as under) -</p> <p>Obsolete Parts Clause In the event of a claim arising under this insurance necessitating the manufacture of any new parts or accessories the liability of Insurers in respect of such parts or accessories shall be limited to the manufacturer's latest available list price of identical parts or accessories of the year of manufacture of the machine plus an uplift of up to 20% to cover inflation.</p> <p>Where insured for second-hand value, conditions and rates as applicable to new machinery but subject to Second-hand Replacement Clause as under.</p> <p>Second-hand Replacement Clause In the event of loss of or damage to any part or parts of an insured machine caused by a peril covered by the policy, the sum recoverable shall not exceed such proportion of the cost of replacement of the parts lost or damaged as the insured value bears to the value of new machinery. Plus charges of forwarding and refitting, if incurred, but 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 Insurers exceed the insured value of the complete machine.</p> <p>Cover to exclude loss damage or expense caused by or arising from: twisting, bending, distortion, wear, tear, gradual deterioration; rust, oxidation and/or discolouration; scratching, bruising, denting, chipping or cost of repainting or repolishing.</p>
<p>Settlement Options CRG/SEO/OPT/1/7/07</p>	<p>We may at our option indemnify you by means of repair, replacement or cash settlement.</p>
<p>Sonic Boom Exclusion CRG/SBX/BSC/1/5/04</p>	<p>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.</p>
<p>Sorting, Segregation and Testing CRG/SST/STD/1/2/05</p>	<p>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.</p>
<p>Sue & Labour Clause</p>	<p>In case of any imminent or actual loss or misfortune arising from a peril covered hereunder, it shall be lawful for the Assured, their factors, servants and assigns, to sue, labour and travel for, in and about the defence, safeguard and recovery of the said interest, or any part thereof without prejudice to this insurance, and Insurers shall meet all such costs.</p> <p>In the event of damage to cargo giving rise to a claim hereunder Insurers shall pay any additional expenses incurred by the Assured in discharging, handling, storing, reloading or transporting sound and/or damaged goods by any means notwithstanding the original mode of conveyance.</p>

general conditions

<p>Testing and Sorting Clause</p>	<p>Should visible signs of external damage to packing or goods insured herein be discovered, Underwriters agree to meet the reasonable costs of testing and sorting the goods whether or not any actual damage is subsequently found. Including the cost of transporting the goods to or from the test facility, plus the cost of repacking and shipment to destination after completion. Subject to a limit of £2,500 any one incident, unless such costs are reasonably incurred in order to prevent or minimise a loss to the subject matter.</p>
<p>Transit Clause Extension CRG/TCE/BSC/1/5/04</p>	<p>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</p> <ul style="list-style-type: none"> • takes more than 60 days from the time it is discharged from the overseas vessel at the final port of discharge, or • takes more than 30 days from the time it is unloaded from the aircraft at the final airport of discharge to reach the intended destination for termination of the voyage insured hereunder, or • 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.
<p>Twisting, Bending and Distortion Exclusion CRG/TBX/OPT/1/5/04</p>	<p>This insurance does not cover twisting, bending or distortion, unless proven to have been caused by a peril insured against.</p>
<p>Un-seaworthiness and Unfitness</p>	<p>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.</p>
<p>Used and/or Damaged Goods</p>	<p>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:</p> <ul style="list-style-type: none"> (a) rust, oxidisation, discolouration and corrosion (b) breakage, scratching, denting, bruising, chipping and cost of re-painting (c) twisting, bending and distortion <p>unless attributable to the carrying conveyance being involved in an accident or casualty.</p>

market conditions

<p>Cargo ISM Endorsement</p> <p><i>JC98-019</i></p>	<p>Applicable to shipments on board Ro-Ro passenger ferries.</p> <p>Applicable with effect from 1st July 1998 to shipments on board:</p> <p>(1) Passenger vessels transporting more than 12 passengers and</p> <p>(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.</p> <p>(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>Cargo ISM Forwarding Charges</p> <p><i>(for use only with JC98-019)</i></p> <p>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</p> <p>(b) to a current Document of Compliance not being held by her owners or operators 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>

market conditions

<p>Computer Millennium Clause 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"> 1. Claims for loss of or damage to the subject matter insured reasonably attributable to <ol style="list-style-type: none"> a. fire or explosion b. vessel or craft being stranded grounded sunk or capsized c. overturning or derailment of land conveyance d. collision or contact of vessel craft aircraft or conveyance with any external object other than water e. total loss of aircraft in flight f. discharge of cargo at a port of distress g. total loss of any package lost overboard or dropped whilst loading on to, or unloading from, vessel craft or aircraft h. general average sacrifice i. jettison or washing overboard j. entry of sea lake or river water into vessel craft hold conveyance liftvan or place of storage 2. General average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded elsewhere in this insurance. <p>Subject always to the terms, conditions, limits and exclusions contained elsewhere in this policy.</p>
<p>Contracts (Rights of Third Parties) Act 1999 – Exclusion (Cargo) 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>
<p>Insolvency Exclusion Endorsement CRG/IXE/STD/1/5/04</p>	<p>The exclusion of loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel or aircraft (as applicable) contained within the Institute Clauses incorporated herein is amended to read loss damage or expense proximately caused by insolvency or financial default of the owners managers charterers or operators of the vessel or aircraft.</p> <p>But, in any event, such exclusion shall not apply where:</p> <ul style="list-style-type: none"> • prior to loading of the subject matter insured on board the vessel or aircraft, all reasonable practicable and prudent measures have been taken by the Assured, their servants or agents, to establish the financial reliability of the party in default; or • the insurance has been assigned to the party claiming hereunder, who has bought or agreed to buy the subject matter insured in good faith and without notice of such insolvency or financial default; or • the Assured has purchased the subject matter insured on terms under which the supplier or their servants or agents have been responsible for arranging the carriage.

market conditions

**Termination of
Transit Clause
(Terrorism)**
JC2001-056

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

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:

either

1.1 As per the transit clauses contained within the Policy,

or

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

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

or

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

1.5 in respect of air transits, on the expiry of 30 days after unloading the subject matter insured from the aircraft at the final place of discharge,

whichever shall first occur.

2 If this Policy or the Clauses referred to therein specifically provide cover for inland or other further transits following on from storage, or termination as provided for above, cover will re-attach, and continues during the ordinary course of that transit terminating again in accordance with clause 1.

3 This clause is subject to English law and practice.

Please contact us should you require clarification of any aspect of this summary.