

The Contract of Insurance

Your policy wording, the information You have provided and/or the application form, the statement of fact, the policy Schedule, or notice issued by Us at renewal and any endorsement together form the contract of insurance between Us and You, and must be read together.

In return for You having paid or agreed to pay the premium, We will provide the cover set out in this policy, to the extent of and subject to the terms contained in or endorsed on this policy.

Important

This policy is a legal contract. You must tell Us about any material circumstances which affect Your insurance and which have occurred either since the policy started or since the last renewal date.

A circumstance is material if it would influence Our judgement in determining whether to provide the cover and, if so, on what terms. If You are not sure whether a circumstance is material ask Your insurance adviser. If You fail to tell Us it could affect the extent of cover provided under the policy.

You should keep a written record (including copies of letters) of any information You give Us or Your insurance adviser when You renew this policy.

Breach of Term

We agree that where there has been a breach of any term (express or implied) which would otherwise result in Us automatically being discharged from any liability, then such a breach shall result in any liability We might have under this policy being suspended. Such a suspension will apply only from the date and time at which the breach occurred and up until the date and time at which the breach is remedied. This means that We will have no liability in respect of any loss occurring, or attributable to something happening, during the period of suspension.

Terms not relevant to the actual loss

Where there has been non-compliance with any term (express or implied) of this policy, other than a term that defines the risk as a whole, and compliance with such term would tend to reduce the risk of:

- loss of a particular kind, and/or
- loss at a particular location, and/or
- loss at a particular time,

then We agree that We may not rely on the non-compliance to exclude, limit or discharge Our liability under this policy if You show that non-compliance with the term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.



Maurice Tulloch
Chief Executive Officer, UK & Ireland General Insurance



Aviva Insurance Limited.
Registered in Scotland, No. 2116.
Registered Office: Pitheavlis, Perth PH2 0NH.
Authorised by the Prudential Regulation Authority and regulated by
the Financial Conduct Authority and the Prudential Regulation Authority.

Introduction

Welcome to Aviva. We are committed to providing a first-class service. Aviva is the UK's largest insurer with over 200 years' experience in the insurance industry.

This is Your insurance policy which sets out Your insurance protection in detail. Your premium has been calculated on the basis of the extent of cover You have selected which is specified in the schedule, the information You have provided and the declaration You have made.

Please read the policy and the schedule carefully to ensure that the cover meets Your requirements. Please contact Your insurance adviser if You have any questions or if You wish to make adjustments.

Contents

This policy consists of individual sections. You should read this policy in conjunction with the schedule which confirms the sections You are insured under and gives precise details of the extent of Your insurance protection.

Contact details for claims and help

Services

As an Aviva customer, You can access additional services to help You keep Your business running smoothly. For Our joint protection telephone calls may be recorded and/or monitored.

Claims Service 0161 931 8076

Our claims line provides You with assistance whenever it is required. When We know about Your problem, We will start to put the solutions in place.

If You are unhappy regarding the handling of a claim, We would encourage You to seek resolution by contacting:

Marine Claims Manager	Tel: 0161 931 8076
Aviva	Fax: 0161 931 8011
4th Floor	E-mail: cargo-claims@aviva.co.uk
The Observatory	
Chapel Walks	
Manchester	
M2 1HL	

Legal and Tax Helpline 0845 300 1899

Call this helpline anytime, day or night, for advice on legal or tax matters in the United Kingdom. Given in confidence, the advice is free and You pay for just the cost of the call.

Commercial Legal Protection 0845 300 1899

If You have Commercial Legal Protection cover, please call the helpline for legal advice as soon as You are aware of an incident. Please have Your policy number to hand.

If You think You may need to claim, please call the helpline to request a claim form. We can only proceed with Your claim when We have details of the incident in writing.

A claim form is available to download at www.aviva.co.uk/legalprotection.

Risk Solutions Helpline 0845 366 6666

Call for advice on safety, fire, security and other issues that can affect your business. Most enquiries can be dealt with over the telephone, but if we can't give you an immediate answer, we will deal with your enquiry within one working day. This service is available during office hours with an answering service outside these times.

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Website www.cutredtape.co.uk

This is Aviva's free website offering many tools and resources to help You manage Your business effectively. You'll get access to

- free business advice in accounting, HR, sales and marketing, finance, technology, law and risk management
- over 700 legal and business guides
- easy to use templates to build legal documents including employee contracts, health and safety policies, dismissal letters
- email alerts on changes in law, legislation and regulation.

To register, please visit www.cutredtape.co.uk and follow the prompts.

Complaints Procedure

Our Promise of Service

Our goal is to give excellent service to all Our customers but We recognise that things do go wrong occasionally. We take all complaints We receive seriously and aim to resolve all Our customers' problems promptly. To ensure that We provide the kind of service You expect We welcome Your feedback. We will record and analyse Your comments to make sure We continually improve the service We offer.

What will happen if you complain

- We will acknowledge Your complaint promptly.
- We aim to resolve all complaints as quickly as possible.

Most of Our customers' concerns can be resolved quickly but occasionally more detailed enquiries are needed. If this is likely, We will contact You with an update within 10 working days of receipt and give You an expected date of response.

What to do if you are unhappy

If You are unhappy with any aspect of the handling of Your insurance We would encourage You to seek resolution by contacting:

If Your complaint is regarding a claim You can write to Marine Claims Manager, Aviva, 4th Floor, The Observatory, Chapel Walks, Manchester, M2 1HL or telephone 0161 931 8076, whichever suits You and ask Your contact to review the problem.

If Your complaint is regarding anything else We would encourage You, in the first instance, to seek resolution by contacting Your insurance adviser or usual Aviva point of contact, whichever suits You and ask Your contact to review the problem.

If You are unhappy with the outcome of Your complaint, You may refer the matter to the Financial Ombudsman Service at:

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Telephone:
0800 023 4567 (free from landlines) or
0300 123 9123

Or simply log on to their website at www.financial-ombudsman.org.uk.

Whilst We are bound by the decision of the Financial Ombudsman Service, You are not. Following the complaints procedure does not affect Your right to take legal action.

Important Information

Choice of Law

In the absence of any written agreement to the contrary this contract and any arbitration shall be subject to and governed by and construed in accordance with English Law and shall be subject to the exclusive jurisdiction of the English courts.

Data Protection Act – Information Uses

For the purposes of the Data Protection Act 1998, the Data Controller in relation to any personal data You supply is Aviva Insurance Limited.

Insurance Administration

Information You supply may be used for the purposes of insurance administration by the insurer, its associated companies and agents, by reinsurers and Your intermediary. It may be disclosed to the regulatory bodies for the purposes of monitoring and/or enforcing the insurer's compliance with any regulatory rules/codes. Your information may also be used for offering renewal, research and statistical purposes and crime prevention. It may be transferred to any country, including countries outside the European Economic Area for any of these purposes and for systems administration. In assessing any claims made, the insurer or its agents may undertake checks against publicly available information (such as electoral roll, county court judgements, bankruptcy or repossessions). Information may also be shared with other insurers either directly or via those acting for the insurer (such as loss adjusters or investigators). In the case of personal data, with limited exceptions, and on payment of the appropriate fee, You have the right to access and if necessary rectify information held about You.

Credit searches and Accounting

In assessing Your application, the insurer may search files made available to it by credit reference agencies who may keep a record of that search. The insurer may also pass to credit reference agencies information it holds about You and Your payments record. Credit reference agencies share information with other organisations, enabling applications for financial products to be assessed or to assist the tracing of debtors or to prevent fraud. The insurer may ask credit reference agencies to provide a credit scoring computation. Credit scoring uses a number of factors to work out risks involved in any application. A score is given to each factor and a total score obtained. Where automatic credit scoring computations are used by the insurer, acceptance or rejection of Your application will not depend only on the results of the credit scoring process.

Sensitive Data

In order to assess the terms of the insurance contract or administer claims which arise, the insurer may need to collect data which the Data Protection Act defines as sensitive (such as medical history or criminal convictions). By proceeding with this application You will signify Your consent to such information being processed by the insurer or its agents.

Marketing

Aviva Group and its agents may Use Your information to keep You informed by post, telephone, e-mail or other means about products and services which may be of interest to You. Your information may also be disclosed and used for these purposes after Your policy has lapsed. If You do not wish Your information to be used for these purposes please write to Aviva, FREEPOST, Mailing Exclusion Team, PO Box 6412, Derby, DE1 1SB.

Financial Services Compensation Scheme

We are members of the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from this scheme if We cannot meet Our obligations, depending on the type of insurance and the circumstances of Your claim.

Further information about the scheme is available from the FSCS website www.fscs.org.uk, or write to:

Financial Services Compensation Scheme
10th Floor, Beaufort House
15 St Botolph Street
London
EC3A 7QU

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Use of Language

Unless otherwise agreed, the contractual terms and conditions and other information relating to this contract will be in English.

Customers with Disabilities

This policy and associated documentation are also available in large print, audio and Braille. If You require any of these formats please contact Your insurance adviser.

Telephone Call Charges and Recording

Calls to 0800 numbers from UK landlines and mobiles are free. The cost of calls to 03 prefixed numbers are charged at national call rates (charges may vary dependent on your network provider) and are usually included in inclusive minute plans from landlines and mobiles. For Our joint protection telephone calls may be recorded and/or monitored.

Your Cancellation Rights

There are no statutory cancellation rights under this policy.

Policy Availability

If, at any stage You would like to receive a new copy of Your policy booklet, please contact either Your regular Aviva point of contact or Your insurance adviser, at the address shown on Your policy schedule.

Aviva Marine Cargo Policy

We, Aviva Insurance Limited, hereby agree, in consideration of the payment to Us by or on behalf of the Assured of the premium specified in the Schedule, to insure against loss damage liability or expense in the manner hereinafter provided.

Subjectivity Condition

The policy, the application form, statement of fact and/or declaration made by You, and any clauses endorsed on the policy and The Schedule should be read together and form the contract of insurance between You and Us.

We will clearly state if the cover provided by the policy is subject to You:

- (a) providing Us with any additional information requested by the required date(s)
- (b) completing any actions agreed between You and Us by the required date(s)
- (c) allowing Us to complete any actions agreed between You and Us.

Upon completion of these requirements (or if they are not completed by the required dates), We may, at Our option:

- (a) modify Your premium
- (b) issue a mid-term amendment to Your policy terms and conditions
- (c) require You to make alterations to the risk insured by the required date(s)
- (d) exercise Our right to cancel Your policy
- (e) leave the policy terms and conditions, and Your premium, unaltered.

We will contact You with Our decision and where applicable, specify the date(s) by which any action(s) agreed need to be completed by You and/or any decision by Us will take effect.

Our requirements and decisions will take effect from the date(s) specified unless and until We agree otherwise in writing. If You disagree with Our requirements and/or decisions, We will consider Your comments and where We consider appropriate, will continue to negotiate with You to resolve the matter to Your and Our satisfaction. In the event that the matter cannot be resolved:

- (a) You have the right to cancel this policy from a date agreed by You and Us and, providing no claims have been made, We will refund a proportionate part of the premium paid for the unexpired period of cover
- (b) We may, at Our option, exercise Our right under the policy cancellation condition.

Except where stated all other policy terms and conditions will continue to apply.

The above conditions do not affect Our right to void the policy if We discover information material to Our acceptance of the risk. Please refer to the Important Note within the Contract of Insurance page of Your policy booklet.

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Section One – Policy Definitions

Each time We use one of the words or phrases listed below, it will have the same meaning wherever it appears in Your policy unless We state otherwise. A defined word or phrase will start with a capital letter each time it appears in the policy, except when used in headings and titles.

Each Section of the policy contains definitions which apply to that particular section and they must be read in conjunction with the following policy definitions.

Certificate of Insurance

The document produced by Us (or on Our behalf) as evidence of insurance.

The Schedule

The document which specifies details of The Policyholder, subject matter insured and any excesses, endorsements and conditions applying to the policy.

We/Us/Our/Aviva

Aviva Insurance Limited.

You/Your/The Policyholder

The persons, companies, partnerships or unincorporated associations named in The Schedule as The Policyholder.

Premises

Shall mean that portion(s) of a building of substantial construction used by You for the storage of the subject matter but shall not include any yard, compound, garden or open space.

Substantial Construction

Shall mean built only of brick and/or stone and/or concrete and/or steel frame and steel construction &/or plastic coated metal profile sheet on steel frame above brick with a slate and/or tiled and/or metal and/or asbestos and/or concrete roof.

Vehicle

Any one road vehicle and shall include trailer or trailers or container or containers combined.

Container

Any container, tank-tainer, demountable body, flat or similar unit (including ancillary equipment whilst attaching to such unit).

Unattended

Where neither You nor any person(s) authorised by You have the subject matter insured (or any Vehicle on which it is loaded) under constant observation and at the same time have a reasonable prospect of preventing any unauthorised interference with the subject matter insured and/or Vehicle.

Section Two – General Conditions

The following conditions apply to Your policy.

(1) Cancellation (arising from War risks)

This insurance may be cancelled at any time in writing by either You or Us giving

- (a) 7 days notice in respect of risks covered by the Institute War Clauses.
- (b) 7 days (or 48 hours in respect of shipments to or from the United States of America) notice in respect of risks covered by the Institute Strikes Clauses.
- (c) 30 days notice in respect of all other risks.

Notice shall commence at midnight on the day when it was issued but cancellation shall not apply to any risks which have attached in accordance with the terms of this policy before the cancellation becomes effective.

Cancellation

- (a) You may cancel this policy at any time after the date We have received the premium by providing 30 days notice in writing to Us
- (b) If there is a default under Your Aviva credit agreement which finances this policy, We may cancel this policy by providing notice in writing to You in accordance with the default termination provisions set out in Your Aviva credit agreement.

If Your policy is cancelled under (a) or (b) above and provided that there have been no:

- (i) claim(s) made under the policy for which We have made a payment
- (ii) claim(s) made under the policy which are still under consideration
- (iii) incident(s) which You are aware of and are likely to give rise to a claim which has already been or is yet to be reported to Us

during the current Period of Insurance We may, at Our discretion, refund to You a proportionate part of the premium paid for the unexpired period.

- (c) Where there is no Aviva credit agreement to finance this policy, We will cancel this policy from the inception date if the premium has not been paid and no return premium will be allowed. Such cancellation will be confirmed in writing by Us to Your last known address.
- (d) We may also cancel this policy at any time by sending not less than 30 days notice in writing to Your last known address.

We will refund a proportionate part of the premium for the unexpired period provided that there have been no:

- (i) claim(s) made under the policy for which We have made a payment
- (ii) claim(s) made under the policy which are still under consideration
- (iii) incident(s) which You are aware of and are likely to give rise to a claim which has already been or is yet to be reported to Us

during the current Period of Insurance.

(2) Certificates

If We provide You with and/or authorise You to issue certificates it is a condition that You

- (a) only use certificates for shipments which are covered by this policy.
- (b) do not amend the printed policy conditions or exceed the shipment limit specified in The Schedule without Our prior written approval.
- (c) ensure each certificate is properly countersigned by one of Your authorised representatives.
- (d) never complete a certificate after known loss or damage without Our prior written approval.

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Certificates can be produced through Our online system at www.avivamarine.com, please contact Your broker to arrange access.

(3) Declaration

It is a condition of this contract that You declare every consignment without exception to Us as soon as possible in accordance with the basis of valuation and the declaration procedure specified in The Schedule. We will accept up to, but not exceeding, the sum specified in The Schedule in respect of any one vessel, aircraft or conveyance. Where the policy is subject to periodic declaration, You should carefully record details of the shipments in the manner agreed and submit each declaration to Us as soon as possible after the end of each declaration period to enable Us to calculate any additional premium due. Declarations can be made quickly and easily online to Us at www.avivamarine.com, using Our online system.

We may, at any reasonable time, inspect Your records to check compliance with the procedures set out above.

(4) Non-Adjustable Policies

If Your schedule states that Your policy is Non-Adjustable the premium is based on the estimated sendings that You have supplied to Us. If You exceed these, within the policy period, underwriters reserve the right to charge an additional premium to cover these sendings.

(5) Errors and Omissions

You will not lose Your right to indemnity due to unintentional error or omission in declaring consignments under this policy to Us, provided that You advise Us of such errors or omissions as soon as You are aware of them.

(6) Non Contribution

We will not pay for any loss, damage or expense to the subject matter insured which, If this insurance did not exist, is or would be covered at the time of such loss, damage or expense under any other insurance. In such circumstances We shall only pay for any excess beyond the amount that would have been payable under the other Insurance if this insurance had not been effected.

(7) (a) Own Vehicle Conditions

The following conditions shall apply to any Vehicle owned by You or under Your control containing the subject matter insured:

(1) It is a condition of this policy that:

- (i) the Vehicle is maintained in an efficient and roadworthy condition
- (ii) all ropes, sheets, tarpaulins and the like are maintained in an efficient condition
- (iii) all protective appliances and locking devices are installed in accordance with the manufacturers' recommendations, in operation, properly and suitably maintained and neither withdrawn nor varied without Our consent.

(2a) When a Vehicle is left loaded and Unattended during the ordinary course of transit the following conditions shall also apply

- (i) the ignition key shall be removed from the Vehicle
- (ii) all doors, windows and other openings shall be securely closed and properly fastened
- (iii) all protective appliances, alarms, immobilisers and locking devices shall be put into effect in accordance with the manufacturers' instructions
- (iv) if the Vehicle is fitted with a boot or similar compartment the subject matter insured must be kept there
- (v) if the Vehicle is an estate or a hatchback Vehicle the subject matter insured must be kept under the load cover or parcel shelf or otherwise covered over and hidden from view

(2b) We will not pay for any loss of or damage to the subject matter insured caused by theft if the Vehicle is loaded and Unattended during the ordinary course of transit at the end of any normal working day or on any non-working days unless the Vehicle is

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- (i) kept in a fully enclosed, securely locked building of Substantial Construction
- or
- (ii) in a permanently attended Vehicle security park or compound secured by locked gates
- or
- (iii) in a public car park with an authorised attendant on duty at all times

(b) Own Vehicle Overnight Co-Insurance Conditions

If You are unable to comply with part (2b) of the Own Vehicle Conditions then We may elect:

- (i) to treat You as Your own insurer for 20% of the total sum insured in respect of the subject matter insured,
 - or
 - (ii) that You shall bear the first £500 of each and every claim,
- whichever is the greater.

(8) Fraud

If a claim made by You or anyone acting on Your behalf is fraudulent or fraudulently exaggerated or supported by a false statement or fraudulent means or fraudulent evidence is provided to support the claim, We may:

- (a) refuse to pay the claim,
- (b) recover from You any sums paid by Us to You in respect of the claim,
- (c) by notice to You cancel the policy with effect from the date of the fraudulent act without any return of premium.

If We cancel the policy under (c) above, then We may refuse to provide cover after the time of the fraudulent act. This will not affect any liability We may have in respect of the provision of cover before the time of the fraudulent act.

If this policy provides cover to any person other than You and a claim made by such person or anyone acting on their behalf is fraudulent or fraudulently exaggerated or supported by a false statement or fraudulent means or fraudulent evidence is provided to support the claim, We may:

- (a) refuse to pay the claim,
- (b) recover any sums paid by Us in respect of the claim (from You or such person, depending on who received the sums or who benefited from the cover provided),
- (c) by notice to You and such person cancel the cover provided for such person with effect from the date of the fraudulent act without any return of premium in respect of such cover.

If We cancel a person's cover under (c) above, then We may refuse to provide cover after the time of the fraudulent act. This will not affect any liability We may have under such cover occurring before the time of the fraudulent act.

(9) Non Disclosure, Misrepresentation or Misdescription

1. Before this policy was entered into

If You have breached Your duty to make a fair presentation of the risk to Us before this policy was entered into, then:

- where the breach was deliberate or reckless, We may avoid this policy and refuse all claims, and keep all premiums paid;
- where the breach was neither deliberate nor reckless, and but for the breach:
 - We would not have agreed to provide cover under this policy on any terms, We may avoid this policy and refuse all claims, but will return any premiums paid
 - We would have agreed to provide cover under this policy but on different terms (other than premium terms), We may require that this policy includes such different terms with effect from its commencement, and/or
 - We would have agreed to provide cover under this policy but would have charged a higher premium, Our liability for any loss amount payable shall be limited to the proportion that the premium We charged bears to the higher premium We would have charged, as outlined in Schedule 1 to the Insurance Act 2015.

2. Before a variation was agreed

If You have breached Your duty to make a fair presentation of the risk to Us before any variation to this policy was agreed, then:

- where the breach was deliberate or reckless, We may cancel this policy with effect from the date of the variation, and keep all premiums paid;
- where the breach was neither deliberate nor reckless, and but for the breach:
 - We would not have agreed to the variation on any terms, We may treat this policy as though the variation was never made, but will return any additional premiums paid
 - We would have agreed to the variation but on different terms (other than premium terms), We may require that the variation includes such different terms with effect from the date it was made, and/or
 - We would have agreed to the variation but would have increased the premium, or would have increased it by more than We did, or would not have reduced it or would have reduced it by less than We did, Our liability for any loss amount payable shall be limited on a proportionate basis, as outlined in Schedule 1 to the Insurance Act 2015.

This condition operates in addition to any provisions relating to underinsurance in this policy.

Section Three – Additional Cover

This Section has been specially designed to protect Your business interests and Your brand and extends the policy cover beyond the protection provided by the Institute and Joint Cargo Committee Clauses, subject to the terms and conditions of the policy.

All of the following covers apply to Your policy

General Average

We will pay general average and salvage charges in full without reference to insured and contributory values.

Labels

In the event of loss or damage recoverable under this policy which affects only the labels, wrappers and/or capsules of the subject matter insured We will pay only for the cost of new labels, wrappers and/or capsules and the cost of re-labelling.

The maximum amount We will pay under this cover will not exceed the sum insured of the subject matter which is being relabelled/re-wrapped and/or re-encapsulated.

Pairs and Sets

If the subject matter insured consists of articles which form a pair or set We will pay only for the proportionate sum insured of the article lost or damaged, without reference to any special value the damaged article may have as part of a pair or set.

Transit Clause Extension

The Duration – Transit Clause 8.8.1 of the Institute Cargo Clauses (A) CL382 01/01/2009 is extended so that this insurance attaches from the time the subject matter insured is first moved in the warehouse or at place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit or for the purpose of temporary storage on the carrying vehicle or other conveyance for a period not exceeding 96 consecutive hours when within Your custody and control and continues in accordance with this Clause throughout the ordinary course of transit and until unloaded at the place where this insurance terminates.

When the subject matter insured is stored on a Vehicle under Your custody and control the terms and conditions of the Own Vehicle Conditions must be fully complied with.

Insurance Premium Tax/Overseas Tax

We will calculate Your insurance premium (or similar) tax liability at the applicable rate on all taxable insurance premium(s) and You agree to pay to Us all amounts due. Late notification by Us of any tax due as a result of de minimus rules being exceeded or any other reason will not reduce or negate Your liability to pay the tax.

Section Four – Special Conditions

All of the following Special Conditions apply to Your policy.

Derangement Clause

Excluding electrical, mechanical and/or electronic derangement unless caused by a peril insured against.

Postal Sendings

If the subject matter insured is despatched by postal services and valued £1,000 or more per package and/or parcel it must be

(1) insured for the minimum amount available with the postal service

or

(2) despatched via a system which provides evidence of both posting and delivery

Process

We will not pay for any loss or damage to the subject matter insured, which is due to or directly results from any process of use, testing or repair.

Second-hand and/or Used and/or Damaged And/or Unpacked Goods

We will not pay for any loss of or damage to:

- second-hand and/or used goods which have not been fully reconditioned and/or refurbished
- damaged goods
- unpacked goods

which is attributable to:

- rust, oxidation and/or discoloration
- chipping, denting, scratching, bruising and cost of repainting
- twisting, bending and distortion

unless it can be proved that such loss or damage has occurred as a result of a peril insured against during the insured transit.

Cutting Clause

In the event of the subject matter insured being damaged in such a way as to be reasonably usable if cut to a shorter length or width, underwriters only to pay the insured value of the damaged part cut off.

Section Five – Institute and Joint Cargo Committee Clauses

The following clauses are standard marine market wordings. The Institute Clauses referred to in the policy, The Schedule and endorsements are those current at the inception of this contract. If these clauses are revised during the period of the contract, and provided We give You at least 30 days notice, the revised Institute Clauses shall apply to risks which attach on or after the date of expiry of this notice.

Cargo ISM Endorsement JC 98/019

Applicable to shipments on board Ro-Ro passenger ferries.

Applicable with effect from 01 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
- (3) cargo high speed craft of 500 gt or more

Applicable with effect from 01 July 2002 to shipments on board all other cargo ships and mobile offshore drilling units of 500gt or more.

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

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

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

Cargo ISM Forwarding Charges Clause

(For use only with JCC Cargo ISM Endorsement JC 98/019)

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

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

This clause, which does not apply to General Average or Salvage or Salvage Charges, is subject to all other terms conditions and exclusions contained in the policy and to JCC Cargo ISM Endorsement JC98/019.

Contracts (Rights of Third Parties) Act 1999 Exclusion Clause (Cargo) JC – 2000/02

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.

Cargo

Institute Classification Clause CL354 – 01/01/2001

Qualifying Vessels

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

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

or

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

Cargoes and/or interests carried by vessels not classed as above must be notified promptly to underwriters for rates and conditions to be agreed. **Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable commercial market terms.**

Age Limitation

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

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

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

or

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

Craft Clause

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

National Flag Society

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

Prompt Notice

(5) Where this insurance requires You to give prompt notice to Us, the right to cover is dependent upon compliance with that obligation.

Law and Practice

(6) This insurance is subject to English Law and practice.

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

Cargo

Institute Radioactive Contamination Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause – CL370

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

- (1) In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from
- 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
 - 1.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

Termination of Transit Clause (Terrorism) – JC 2009/056 – 01/01/2009

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

- (1) Notwithstanding any provision to the contrary contained in the contract of Insurance 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 act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted or
- any person acting from a political, ideological or religious 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 completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance, or
- 1.3 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which You or Your employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
- 1.4 when You or Your employees elect to use any carrying vehicle or other conveyance or any Container for storage other than in the ordinary course of transit, or
- 1.5 in respect of marine transits, on the expiry of 60 days after completion of discharge over side of the subject matter insured from the oversea vessel at the final port of discharge, or
- 1.6 in respect of air transits, on the expiry of 30 days after unloading the subject-matter insured from the aircraft at the final place of discharge,

whichever shall occur first.

Cargo

- (2) If the contract of insurance 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.

Institute Replacement Clause CL372 – 01/12/2008 – in respect of New Goods only

In the event of loss of or damage to any part(s) of an insured machine or other manufactured item consisting of more than one part caused by a peril covered by this insurance, the sum recoverable shall not exceed the cost of replacement or repair of such part(s) plus labour for (re)fitting and carriage costs. Duty incurred in the provision of replacement or repaired part(s) shall also be recoverable provided that the full duty payable on the insured machine or manufactured item is included in the amount insured.

Our total liability shall in no event exceed the amount insured of the machine or manufactured item.

Institute Replacement Clause – Proportional Valuation CL373 – 01/12/2008 – in respect of Secondhand &/or Used Goods only

In the event of loss of or damage to any part(s) of an insured machine or other manufactured item consisting of more than one part caused by a peril covered by this insurance, the sum recoverable shall not exceed such proportion of the cost of replacement or repair of such part(s) as the amount bears to the new cost of the machine or manufactured item, plus labour for (re)fitting and carriage costs. Duty incurred in the provision of replacement or repaired part(s) shall also be recoverable provided that the full duty payable on the insured machine or manufactured item is included in the amount insured.

Our total liability shall in no event exceed the amount insured of the machine or manufactured item.

Institute Replacement Clause – Obsolete Parts Endorsement JC2008/023) – (as applicable)

(for use only with the Institute Replacement Clause CL372 – 01/12/2008 or Institute Replacement Clause – Proportional Valuation CL373 – 01/12/2008)

In the event of a claim recoverable under this policy necessitating the manufacture of any new part(s) for the repair of an insured machine or other manufactured item, the sum recoverable shall not exceed the manufacturer's last list price for the year of manufacture of the lost or damaged part(s), uplifted for inflation. Inflation shall be determined by reference to the Retail Price Index, or other officially published data of the country of manufacture of the insured machine or manufactured item, up to a maximum total uplift of 25%.

If no such manufacturer's list price is available, the total liability shall in no event exceed the amount insured of the machine or manufactured item.

Cargo Accumulation Clause JC2012/010

Should there be an accumulation of the subject matter insured whilst in transit beyond the conveyance limits expressed in this insurance by reason of any interruption of the transit beyond the control of the insured and/or by reason of any casualty and/or at a transhipping point and/or on a connecting vessel or conveyance it is agreed that this insurance shall attach for the full amount at risk subject to insurers' liability being limited to a maximum of 200% of the relevant conveyance limit provided notice is given to insurers as soon as practicable by the insured of such accumulation.

Sanction Limitation and Exclusion Clause JC2010/014

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

Section Six – Claims Procedure

In the event of any loss or damage for which We may be liable it is essential that You and/or Your agent follow the following procedures.

(1) Do not give a clean receipt where goods are in a doubtful condition (except under written protest)

You must note on the delivery receipt any discrepancies such as shortage, non-delivery, leakage, and damage including that which may only be superficial damage to the outer packaging such as denting, scuffing, staining etc.

(2) Report potential claims immediately to Us

This must be done by telephone, email or facsimile (fax) to the local office noted as follows:

Marine Claims Manager Tel: 0161 931 8076
Aviva Fax: 0161 931 8011
4th Floor E-mail: cargo-claims@aviva.co.uk
The Observatory
Chapel Walks
Manchester
M2 1HL

or Claims Settling agent shown on the policy or Certificate of Insurance.

This notice must include

- (a) the location of the consignment
- (b) contact names and numbers
- (c) a brief description of the extent of loss and/or damage

A decision will then be made whether to appoint a surveyor or investigator.

Advice will be given regarding what action should be taken next to pursue the claim.

(3) Immediate notification must be given to carriers and bailees by telephone or fax

This will allow them the opportunity to inspect the damage or commence tracer action for missing or short delivered goods.

In the event of non-delivery notice must be given as soon as it becomes apparent that the goods have not been received when expected.

(4) Write to carriers and other bailees within 3 Days of delivery holding them responsible for the loss and/or damage

The time limits for providing notice of claim vary between the different Conditions of Carriage or Bailment but timescales are generally very short and failure to provide notification of claim within these timescales will enable carriers and bailees to repudiate valid claims.

It is Your duty and Your agents' to take steps to protect and preserve the rights and remedies available to Us.

These are the rights under subrogation which enable insurers to stand in place of the insured once the insurance claim has been paid and recover from the parties responsible for the loss an amount up to but not exceeding the amount of the claim settlement

(5) Formal claim against Carriers and Bailees

When the extent of the loss and/or damage has been quantified a costed claim must be submitted to the responsible party together with supporting documentation.

If there are likely to be delays in quantifying the claim, estimates must be submitted within a reasonable time and an acknowledgement of receipt sought.

Note – As with initial notification of claim the formal claim must be submitted to carriers and/or bailees within the timescales laid down in the Conditions of Carriage or Bailment (usually 9 and 12 months) in order to prevent valid claims being declined.

Cargo

(6) On Account Payments

Where a claim cannot be quantified within 30 working days of Our admission of liability and such claim is anticipated by Us to be in excess of £10,000, We will arrange to make an interim claims payment to You of 50% of the agreed anticipated net claim.

Provided that in the event that such interim payment exceeds the final agreed claim settlement figure, You shall reimburse Us with the difference within 30 days of the date that the final claims settlement figure is agreed.

(7) Fast Track Claims Service

If Your claim is for £3,000 or less, We can speed it through our system. All You need to do is make sure that You complete the relevant claim form and include all the necessary supporting documents.

(8) Notify to the police

As soon as reasonably possible, any loss or damage caused by theft or malicious damage must be notified to the police and a crime number obtained.

(9) Documents required to evidence the claim

- (a) original Certificate of Insurance or policy or policy and Declaration reference (as applicable) (b) original sales or commercial invoices
- (c) original transit and consignment documents eg. "Shipped" Bill of Lading, Carrier Air Waybill, House Air Waybill, CMR Note, Certificate of Shipment, Rail Consignment Note and/or other contracts of carriage
- (d) Packing Lists (to identify the goods actually packed in each carton, case, etc.)
- (e) Receipts issued during transit and at delivery Landing (or Short landing) Accounts, Weight Notes, Delivery Receipts and similar documents
- (f) Survey report (if issued)
- (g) Repair and/or replacement estimates
- (h) Other documentary evidence
- (i) Statement of claim
- (j) Details of the loss and/or damage including a calculation or estimate of the claim amount.
- (k) copies of all correspondence exchanged with the carriers, bailees, suppliers and other parties regarding their liability for the loss and/or damage.

