
Assured Clients of Abbott & Bramwell Ltd who are registered members of their Freightcover General on-line facility

Assured's Address Fairacres House, Fairacres Road, High Lane, Stockport, SK6 8JQ

Policy Number STP021805221

Period 00:00 on 01 January 2018 to 24:00 on 31 December 2018,
local time at the Assured's address as above

Schedule Number 01

Effective from 00:00 on 01 January 2018,
local time at the Assured's address as above

Broker A&B Insurance Brokers
Fairacres House, Fairacres Road, High Lane, Stockport, SK6 BJQ
Tel: 0844 257 3010 Fax: 0844 257 3011

Issued by Northern Marine Underwriters Limited
5th Floor, The Exchange, New York Street, Manchester, M1 4HN
Tel: 0161 236 3380
*on behalf of Munich Re Syndicate Ltd (457 at Lloyd's),
pursuant to Binding Authority Agreement number B1097ABI 17 1003
(all enquiries should be addressed to Northern Marine Underwriters Ltd)*

***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***

Signed this 15th day of December 2017

David Perfect.

Northern Marine Underwriters Limited
Registered in England, Number 1262636
Registered Office: Goodbard House, 9 Infirmary Street, Leeds, LS1 2JP
Authorised and Regulated by the Financial Conduct Authority

Risks Covered

Subject Matter Insured

General Approved Goods &/or Merchandise as defined herein;
 But excluding:
 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

Voyages and Risks

1. In transit from places in the World to places in the World, as per **Premium Basis** herein;
 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.
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.
3. Domestic transits within the same country or territory.
4. In transit to, whilst at and from exhibition or demonstration site.
5. Storage outside the normal course of transit up to a maximum period of 90 consecutive days.

Bases of Valuation
 (as per **Voyages and Risks** above)

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.
 2. Assured's Invoice Value.
 3. Sales – Assured's Invoice Value.
 Purchases – Cost of Replacement.
 4. New Replacement Cost.
 5. Sales – Assured's Invoice Value.
 Purchases – Cost of Replacement
- 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.

Conveyances

Approved powered vessels (as per Institute Classification Clause) and/or airfreight and/or rail and/or post and/or road vehicles.

Limits and Information

Limits	<p>Maximum any one declaration any one customer;</p> <p>Any one:</p> <p>vessel, aircraft or conveyance £1,000,000</p> <p>Location or loss in the ordinary course of transit..... £1,000,000</p> <p>postal sending..... £50,000</p> <p>exhibition risk £100,000</p>
Inner Limits	<p>Additional Discharge Costs (as per CRG/ADC/ENH/1/2/05)£5,000</p> <p>Additional Forwarding Costs (as per CRG/AFC/BSC/1/2/05)£5,000</p> <p>Debris Removal (Transit) (as per CRG/DRT/STD/1/2/05).....£5,000</p> <p>Exhibition Costs (as per CRG/EXD/EXC/1/2/05)£5,000</p> <p>Fumigation (as per CRG/FUM/STD/1/2/05)£5,000</p> <p>Replacement by Air (as per CRG/RPA/STD/1/2/05).....£5,000</p> <p>Sorting, Segregation and Testing (as per CRG/SST/STD/1/2/05).....£2,500</p>
Storage Locations and Limits (other than in the normal course of transit)	<p>Maximum Limit/Sum Insured any one Warehouse</p> <p>any one declaration any one customer£1,000,000</p>
Nominated Loss Surveyors	<p>Local Lloyds Agent</p> <p>For details go to www.lloydsagency.com</p>

Premium

Premium Charged at the highest applicable rate for the countries/territories through which the goods pass as shown in the Premium Basis below on monthly declarations, to be made in accordance with the **Basis of Valuation** herein..

Premium Basis	<u>United Kingdom to or from:</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Category 4</u>
	UK including UK FOB	0.03%	0.05%	0.07%	0.30%
	Europe including Scandinavia	0.08%	0.12%	0.16%	0.60%
	North America, Australasia, Russia, Far East, China, South Africa, Saudi Arabia, Bahrain, UAE, Qatar, Kuwait, Israel	0.15%	0.18%	0.22%	1.80%
	South America, Africa	0.50%	0.70%	0.80%	4.40%
	Rest of the World (other than Excluded Voyages)	0.30%	0.35%	0.45%	3.50%
	Exhibitions in the UK	0.15%	0.15%	0.15%	0.15%
	Exhibitions in Europe & Scandinavia	0.30%	0.30%	0.30%	0.30%
	Exhibitions in North America, Australasia, Russia, Far East, China	0.40%	0.40%	0.40%	0.40%
	Exhibitions in South America, Africa	1.80%	1.80%	1.80%	1.80%
	Worldwide Exhibitions (other than Excluded Voyages)	1.20%	1.20%	1.20%	1.20%
	Storage (per 30 days)	0.045%	0.045%	0.045%	0.045%

Minimum Premium per Declaration Minimum premium, per shipment £15.00

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

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**

The above rates are inclusive of Munich Re Syndicate Ltd schedule rates for War and Strikes risks ruling at inception of the policy, for the inclusion of War and Strikes risks cover as per the Institute Clauses incorporated herein.

Should the minimum schedule rate or any schedule additional rate be increased, the inclusive policy rate may be increased accordingly, at Underwriters' discretion.

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.

**UK Insurance
Premium Tax**

Insurance Premium Tax applies to UK/UK transits and storage

Declarations

Declarations to be submitted to Underwriters monthly, within 30 days of month end.

Applicable Clauses and Conditions

Institute Clauses <i>(as far as applicable)</i>	Institute Cargo Clauses (A)	CL 252	1/1/82
	Institute Cargo Clauses (Air) (excluding sendings by Post)	CL 259	1/1/82
	Institute War Clauses (Cargo)	CL 255	1/1/82
	Institute War Clauses (Air Cargo) (excluding sendings by Post)	CL 258	1/1/82
	Institute War Clauses (sendings by Post)	CL 257	1/1/82
	Institute Strikes Clauses (Cargo)	CL 256	1/1/82
	Institute Strikes Clauses (Air Cargo)	CL 260	1/1/82
	Institute Classification Clause	CL 354	1/1/01
	<i>(applicable to all risks)</i>	Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause	CL 370
Institute Cyber Attack Exclusion Clause		CL 380	10/11/03

Where these clauses are modified by this Schedule, or in the event of any other inconsistency, then this Schedule shall prevail.

NMU Wording

Administrative Conditions (CRG/ADM/STD/1/6/16)

General Conditions (CRG/GEN/ENH/1/5/05)

Market Conditions (CRG/MKT/STD/1/5/04)

Storage Conditions (CRG/STG/STD/1/5/05)

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.

The above NMU Wordings are appended to the Original and Duplicate of this Policy and the Institute Clauses are appended to the Original; further copies are available upon request.

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.

Applicable Clauses and Conditions

Excess £250 in respect of each and every loss in respect of those goods listed under category 4.

**Sanction Limitation
and Exclusion**

*JC2010-014
(amended)*

This insurance does not provide cover and **we** shall not 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 **us** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the United Kingdom, European Union or United States of America.

Introduction

Law and Jurisdiction This insurance is subject to English law and practice and to the exclusive jurisdiction of the English courts sitting in London. In particular, there are rules of law in relation to disclosure and under-insurance.

If you are in any doubt as to whether this insurance meets your needs, you should seek independent advice from your insurance advisor.

Cancellation This insurance may be cancelled by Underwriters or the Assured giving 30 days' notice in writing to take effect from midnight on the date of issue; reduced to 7 days in respect of War, Strikes, Riots and Civil Commotions risks, and 48 hours in respect of Strikes, Riots and Civil Commotions risks on shipments to or from United States of America.

Non-Contribution 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.

Institute Clauses 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.

Insurance Premium Tax 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.

Declaration and Adjustment The Assured is bound to declare all shipments falling within the scope of this insurance and Underwriters are bound to accept up to but not exceeding the limits specified herein.

If this Policy requires periodic declarations, then the Assured shall maintain an accurate record of all sendings falling within the scope of this insurance and shall make such records available to Underwriters for inspection at any reasonable time.

Declarations shall be made and premium shall be payable thereon in accordance with the **Bases of Valuation** detailed herein.

Errors or unintentional omissions in the making of declarations shall not invalidate this insurance provided steps are taken to rectify these as soon as possible.

Service Standards

NMU In the event that you wish to make a complaint, you can do so at any time by referring the matter to
The Compliance Manager
Northern Marine Underwriters Limited
5th Floor
The Exchange
New York Street
Manchester
M1 4HN
Tel: 0161 236 3380
Email: compliance@nmu.co.uk

Lloyd's In the event that you remain dissatisfied with the outcome of your complaint you may escalate your complaint to the Complaints team at Lloyd's.

Their address is:
Complaints
Fidentia House
Walter Burke Way
Chatham Maritime
Chatham
ME4 4RN

Details of Lloyd's complaints procedures are set out in a leaflet "Your Complaint - How Can We Help" available at www.lloyds.com/complaints and also available from the above address.

FOS If you remain dissatisfied after Lloyd's has considered your complaint, you may have the right to refer your complaint to the United Kingdom Financial Ombudsman Service. Alternatively, you may be entitled to refer your complaint to your local ombudsman or dispute resolution body.
The address of the United Kingdom Financial Ombudsman Service is:
Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR
Phone: 0800 023 4567 / 0300 123 9123
Website: www.financial-ombudsman.org.uk

**Lloyd's of London
– Authorisation and
Regulation**

Lloyd's is authorised under the Financial Services and Markets Act 2000 and regulated by the Financial Conduct Authority and Prudential Regulation Authority.

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 or, if overseas, the nearest Lloyd's Agent, whose details can be found at www.lloydsagency.com.

In the UK or Republic of Ireland, we may choose not to arrange a survey where a claim is unlikely to exceed £2,500 or the equivalent in other currencies.

Duty of the Assured

In the event of loss of or damage to the subject matter insured, it is the duty of the Assured (and their servants or agents) to take all reasonable steps to avert or minimise such loss or damage and to ensure that all rights against third parties (for example shipping lines, carriers, warehouse keepers, other bailees and suppliers) are properly preserved and exercised.

In particular, the Assured is required:

1. In no circumstances, except under written protest, to give clean receipts where goods are in doubtful condition.
2. When delivery is made by container, to ensure that the container and its seals are examined immediately by a responsible official. If the container is delivered damaged or with seals broken or missing, or with seals other than as stated in the shipping documents, to clause the delivery receipt accordingly and retain all defective or irregular seals for subsequent identification.
3. To claim immediately on the relevant third party(ies) for any loss or damage and to give them the opportunity to arrange their own survey.
4. To give notice in writing to third parties within 3 days of delivery if the loss or damage was not apparent at the time of taking delivery.
5. To notify the Police in the event of theft or suspected theft.

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

Any claim under this insurance should be submitted without delay, accompanied by all correspondence with carriers and other parties regarding their alleged liability.

Documentation of Claims

The following documents are required to support your claim (R) and assist (A) in the areas indicated:

	Cause	Quantum	Recovery
Sales invoice		R	A
Packing list		R	A
Original Certificate, or declaration		R	A
Repair invoice		R	A
Quantified statement of claim		R	A
Original Bill of lading	R	A	A
Air waybill	R	A	A
CMR consignment note	R	A	A
Other waybill or consignment note	R	A	A
Delivery or interchange receipt	R	A	R
Outturn report	R	A	A
Correspondence holding carrier liable			R
Reply or settlement from carrier	A		R

Depending on the precise circumstances of a shipment or claim, other supporting documentation may be requested.

Do not delay reporting a claim while gathering documentation.

Definitions

For the purposes of this insurance, these words and phrases shall always be taken as having the following meanings:

Assured As stated in the **Schedule**, and any party to whom insurable interest in subject matter insured hereunder passes under a contract of sale. And **you** and **your** shall be construed accordingly.

Bases of Valuation 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.

Excess The amount for which the Assured is responsible as the first part of each claim.

Excluded Voyages Countries to, from or within which we do not provide cover unless declared by the Assured and agreed by Underwriters prior to shipment:

- | | |
|------------------|---------------|
| Afghanistan | Liberia* |
| Angola | Rwanda* |
| Cambodia* | Sierra Leone* |
| DR Congo* | Somalia* |
| (formerly Zaire) | Sudan* |
| Eritrea | Uganda* |
| Ethiopia* | Yemen* |
| Iraq | |

Note

This insurance automatically provides cover only for those transits specifically detailed in the Premium Basis.

*Countries indicated by * have legislation which may require insurance of imports from or exports to be arranged within that country.*

As the risks presented by shipment to various territories change from time to time, cover may not always be available to other countries in addition to those listed above.

If you are in any doubt, please refer to your insurance advisor.

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.
	Wider Europe	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	As stated in the Schedule . Insurance on shipments will attach no earlier than the beginning of the period and no later than the end of the period. 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. If notice of cancellation is given, then the end of the period will be midnight on the last day before cancellation becomes effective.	
Subsidiary Company	As defined in section 736 of the Companies Act 1985.	
Underwriters	Northern Marine Underwriters Limited, on behalf of Munich Re Syndicate Ltd (457 at Lloyd's), part of the Munich Re Group. And we , us and our shall be construed accordingly.	

Accumulation

CRG/ACC/BSC/1/5/04

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.

Where practicable, the Assured shall give prompt notice to Underwriters of all such circumstances.

Additional Discharge Costs

CRG/ADC/ENH/1/2/05

In the event of damage to subject matter insured, this insurance shall extend to reimburse the Assured for additional charges reasonably incurred to:

- 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.

Subject to a limit any one incident as specified in the Schedule.

Additional Forwarding Costs

CRG/AFC/BSC/1/2/05

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:

- 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.

Subject to a limit any one incident as specified in the Schedule.

Attachment and Termination of Cover

CRG/ATC/STD/1/5/04

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.

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.

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.

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.

Average – applicable to Storage Risks only

CRG/AVG/BSC/1/5/04

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.

Brands and Trade Marks

CRG/BTM/ENH/1/5/04

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.

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.

Certificates of Insurance

CRG/COI/LOC/1/5/04

Where the Policyholder is granted the facility to issue negotiable certificates of insurance, such certificates must not exceed the scope or ambit of this insurance, unless agreed in writing by Underwriters, **otherwise** the Policyholder will be required to indemnify Underwriters for any losses sustained thereby.

Letters of Credit

Where the Policyholder is obliged to arrange insurance in accordance with any instructions contained in a letter of credit, such cover is granted provided that it does not exceed the scope or ambit of this insurance.

Notwithstanding the above and irrespective of the requirements of the letter of credit, the interest of the named Assured shall always be protected by this insurance.

Civil Authorities - Deliberate Damage clause

This policy covers loss or damage to subject matter directly caused by:

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

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.

Claused Bills of Lading Clause

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.

Concealed Damage

CRG/CND/60D/1/5/04

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.

Contingent Interest

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.

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.

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.

Provided always that:-

Prompt notice is given to Underwriters of any incident that might result in this extension becoming operative;
The existence of this extension is not disclosed to any other party having an interest in the goods;
The Assured takes all reasonable steps to enforce the terms of the underlying sale or purchase contract;
All rights and benefits of any action that the Assured possesses or acquires against third parties are subrogated to Underwriters;
This extension is not deemed to be double insurance.

Damage Claim Repairs

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

Debris Removal (Transit)

CRG/DRT/STD/1/2/05

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:

- any expenses incurred in consequence of or to prevent or mitigate pollution or contamination, or any threat thereof or liability therefor; and/or
- the cost of removal of cargo from any vessel or craft.

Subject to a limit any one incident as specified in the Schedule.

Depreciation Exclusion

CRG/DPX/OPT/1/5/04

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.

Derangement Exclusion

CRG/DRX/BCS/1/5/04

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.

Duty

CRG/DTY/BSC/1/5/04

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.

Errors and Omissions Clause

The Original Assured hereunder is not to be prejudiced by any unintentional delay in reporting hereunder or by any error, omission, incorrect valuation or incorrect description of subject matter, conveyance or voyage, but in no case shall cover exceed the limits stated herein *provided notice is given to Insurers as soon as is practicable on discovery of such error or omission*. The insurance shall not be affected by the failure of the Original Assured to comply with any of the warranties or conditions over which they have no control.

The Original Assured's right to indemnity under this policy shall not be prejudiced by any inadvertent omission to establish the fitness of a container or liftvan for the safe transit of the subject matter, where such container or liftvan is provided by a third party.

Exhibitions and Demonstrations

CRG/EXD/EXC/1/2/05

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.

Excluding loss or damage due to:

- 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.

And, in respect of used and/or second-hand items, **excluding** loss or damage due to:

- rust, oxidation and discolouration;
- scratching, bruising, chipping, denting and subsequent cost of repainting;
- twisting, bending and distortion;

unless proven to have been caused by a peril insured against.

Exhibition Costs

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 Subject to a limit any one incident as specified in the Schedule.

Fumigation

CRG/FUM/STD/1/2/05

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. Subject to a limit any one incident as specified in the Schedule.

General Average

CRG/GAV/BSC/1/5/04

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.

Labels

CRG/LAB/BSC/1/5/04

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.

Mildew, Infestation and Vermin Clause

Including the risks of Mildew, Infestation and Vermin howsoever arising.

On Deck Shipments

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

Packing Presentation Packing

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

Re-Packing

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

Packing Clause

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.

The Assured agrees to assist Underwriters in all respects to pursue rights of recovery against sellers and/or other responsible third parties.

The above agreement is not to interfere with rights of subrogation against packers and/or their Insurers.

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.

Pairs and Sets

CRG/PAS/BSC/1/5/04

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.

Postal Sendings

CRG/POS/BSC/1/5/04

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.

Process

CRG/PRO/BSC/1/5/04

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.

Repacking Costs Clause

CRG/RPC/STD/1/5/04

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.

Replacement by Air

CRG/RPA/STD/1/2/05

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.

Returned Goods

CRG/RTG/STD/1/5/04

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.

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.

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. Reports of such return shipments to be made to Underwriters as soon as they come to the notice of the Assured.

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.

Returned Goods (Repairs) Clause

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.

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.

The Basis of Valuation shall be:

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

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.

Rust, Oxidation and Discolouration Exclusion

CRG/ROX/OPT/1/5/04

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.

Scratching, Chipping and Denting Exclusion

CRG/SCX/OPT/1/5/04

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.

Seals Intact

CRG/SIN/STD/1/5/04

Claims in respect of theft, shortage or non-delivery of a whole package or item shipped in a full container or full vehicle load shall not be invalidated solely because seals appear intact.

Production of:

- documentary evidence that the package or item was loaded into the container, and
- a copy of the discharge tally sheet or claused delivery note shall be sufficient evidence of loss, in the absence of proof to the contrary.

Second-Hand Machinery Clause

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) -

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.

Where insured for second-hand value, conditions and rates as applicable to new machinery but subject to Second-hand Replacement Clause as under.

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.

Provided always that in no case shall the liability of Insurers exceed the insured value of the complete machine.

Cover to exclude loss damage or expense caused by or arising from: twisting, bending, distortion, wear, tear, gradual deterioration; rust, oxidisation and/or discolouration; scratching, bruising, denting, chipping or cost of repainting or repolishing.

Settlement Options

CRG/SEO/OPT/1/7/07

We may at our option indemnify you by means of repair, replacement or cash settlement.

Sonic Boom Exclusion

CRG/SBX/BSC/1/5/04

This insurance does not cover loss, destruction or damage directly caused by pressure waves created by aircraft or other aerial devices travelling at sonic or supersonic speeds.

**Sorting, Segregation
and Testing**

CRG/SST/STD/1/2/05

This insurance is extended to reimburse the Assured for costs (including transportation, repacking and reshipment) reasonably incurred to sort or segregate shipping packages showing signs of external damage and/or to test any items contained therein to ascertain possible loss or damage, even though a claim may not subsequently arise.
Subject to a limit any one incident as specified in the Schedule.

Sue & Labour Clause

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.

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.

**Testing and Sorting
Clause**

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.

Transit Clause Extension

CRG/TCE/BSC/1/5/04

Underwriters will hold covered, upon receipt of prompt notice from the Assured and at a premium to be agreed, if in the ordinary course of transit the subject matter insured

- 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.

**Twisting, Bending and
Distortion Exclusion**

CRG/TBX/OPT/1/5/04

This insurance does not cover twisting, bending or distortion, unless proven to have been caused by a peril insured against.

**Un-seaworthiness and
Unfitness**

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

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

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

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

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

**Cargo ISM
Endorsement**

JC98-019

Applicable to shipments on board Ro-Ro passenger ferries.
Applicable with effect from 1st July 1998 to shipments on board:
(1) Passenger vessels transporting more than 12 passengers and
(2) Oil tankers, chemical tankers, gas carriers, bulk carriers and cargo
high-speed craft of 500gt or more.

Applicable with effect from 1st 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 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:

- (a) Either that such vessel was not certified in accordance with ISM
Code.
- (b) Or that a current Document of Compliance was not held by her
owners or operators.

As required under the SOLAS convention 1974 as amended.

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.

**Cargo ISM Forwarding
Charges**

(for use only with JC98-019)

CRG/CIF/STD/1/5/04

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:

- (a) to such vessel not being certified in accordance with the ISM Code,
or
- (b) to a current Document of Compliance not being held by her owners
or operators

as required under the SOLAS Convention 1974 as amended.

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

Computer Millennium Clause

JC98-024

In no case shall this insurance cover any loss, damage, expense or liability of whatsoever nature which might otherwise be recoverable under this insurance arising out of or in any way connected with, whether directly or indirectly, the use or operation of any computer, computer system, computer software, programme or process or any electronic system where any such loss, damage, expense or liability arises, whether directly or indirectly, as a consequence of (i) the date change to the year 2000 or any other date change and/or (ii) any change or modification of or to such computer, computer system, computer software, programme or process or any electronic system in relation to such date change.

This exclusion does not apply to:

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

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

Contracts (Rights of Third Parties) Act 1999 – Exclusion (Cargo)

JC2000-002

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.

Insolvency Exclusion Endorsement

CRG/IXE/STD/1/5/04

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

contained within the Institute Clauses incorporated herein is amended to read

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

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

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

**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 overseas of the goods hereby insured from the overseas vessel at the final port of discharge,
 - 1.5 in respect of air transits, on the expiry of 30 days after unloading the subject matter insured from the aircraft at the final place of discharge,**whichever shall 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.

Storage risks, outside the ordinary course of transit, are subject to the following additional clauses:

**Debris Removal
(Storage)**

CRG/DRS/STD/1/5/04

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.
Subject to a limit of £2,500 any one incident.

**Intruder Alarm Warranty
(Own Premises)**

CRG/IAW/STD/1/2/05

Unless otherwise agreed in writing by Underwriters, **it is warranted that:**

1. subject matter insured in storage in premises owned by or under the direct control of the Assured shall be protected by an intruder alarm approved by Underwriters, installed inspected and maintained under contract by an NSI-registered installer; and
2. the alarm system shall be kept in full working order and tested regularly, and shall be set for operation and all alarm system keys removed from the premises whenever that part of the premises used for storage of subject matter insured is unoccupied or closed for business; and
3. Underwriters shall be informed immediately if:
 - the Assured receive notice of withdrawal or reduction, or possible withdrawal or reduction, of Police or alarm company response to alarm calls, or
 - the alarm is otherwise rendered inoperable or ineffective.

Stillage Warranty

CRG/STW/STD/1/2/05

Warranted that all subject-matter insured shall be stored a minimum of 10 cm (four inches) **above floor level** in premises owned by or under the control of the Assured, **and** that written instructions that all subject-matter insured must be stored a minimum of 10 cm (four inches) **above floor level** shall be given to all third party warehouse operators used by the Assured for the storage of subject-matter insured.

Exclusions

CRG/STX/STD/1/5/05

This insurance does not cover:

1. Mysterious disappearance or unexplained shortage disclosed at normal stocktaking.
2. Theft, unless following violent and/or forcible entry into or exit from the premises.
3. Storage in basements or cellars, or otherwise below ground unless specifically agreed in writing by Underwriters.
4. Storage in the open, unless specifically agreed in writing by Underwriters.
5. Storage at retail premises, unless specifically agreed in writing by Underwriters.