

THROUGH TRANSPORT RISKS

The Member shall be covered in respect of the risks set out in the Addendum for Owners and Charterers, Through Transport Risks, Sections B1 – 7 on the terms, conditions, exceptions and limitations set out below:

B1. Carrying Equipment

- 1 You are insured for:
 - 1.1 Physical loss/damage of insured carrying equipment arising from:
 - any accidental cause
 - war/strikes riots & terrorist risks*
 - 1.2 Your liability for general average and salvage contributions in respect of insured carrying equipment (including war/strikes riots & terrorist risks*)
*subject to 5 below
- 2 You are *not* insured under this Clause:
 - 2.1 For costs of remedying/repairing:
 - 2.1.1 defects in design/manufacture - or for loss/damage to property or equipment arising from the replacement, repair or rectification of property/equipment in respect of which a claim is excluded under this paragraph (2.1.1)
 - 2.1.2 wear and tear
 - 2.1.3 mechanical/electrical breakdown or malfunction
 - 2.2 For loss/damage arising from:
 - 2.2.1 mysterious disappearance (and loss discovered on inventory)
 - 2.2.2 order of any authority
 - 2.2.3 nationalisation, embargo, requisition or compulsory purchase by an authority
 - 2.3 For loss/damage to lights, winding handles, tyres/wheels of a chassis/trailer unless due to loss of the chassis/trailer or to an accident also damaging another part of the chassis/trailer
 - 2.4 For risks:
 - 2.4.1 while the equipment is leased to someone else
 - 2.4.2 after the equipment has been requisitioned
 - 2.4.3 after you cease to have an interest in the equipment
 - 2.5 For loss/damage - except actual total loss - to equipment valued as at 6 below at less than:
 - US\$5000: reefer/tank container or trailer; rail wagon
 - US\$3000: trailer
 - US\$1000: all other carrying equipment

3 Declaration

- 3.1 You will show in your declaration the number of items - and aggregate insured value on the adjustment date - of each type of carrying equipment
- 3.2 You will not reduce the insured value of any item during your account year

4 Container Stowage & Securing System

- The Directors may reduce or reject a claim arising from container stowage on a ship which you own or charter to the extent that the claim is incurred or increased by:
- 4.1 your failure to adhere to the relevant provisions of the SOLAS Convention, IMDG Code or any other IMO Code *or*
 - 4.2 a stowage/securing system which is deficient *unless* the system:
 - complies with classification society recommendations *or*
 - has been approved by an organisation approved by the Managers *or*
 - you have taken other reasonable measures to ensure the system was appropriate

5 War/SRT(Strikes Riots & Terrorist) Risks

- 5.1 CTL (Constructive Total Loss)
If you are deprived by capture or seizure* of possession of equipment for a continuous period of 12 months, it will be regarded as a constructive total loss for the purposes of your insurance for war/SRT risks at the date this period commenced - *provided that* the equipment:
 - was insured for war/SRT risks *on that date and*
 - had not already become a total loss as a result of an insured risk *at some time during the period*

- 5.2 You are not insured *for war risks* arising from:
- 5.2.1 hostile detonation of a nuclear weapon
- 5.2.2 war (declared or not) between permanent members of the UN Security Council
- 5.2.3 capture or seizure* by an authority of your country
- 5.2.4 seizure* under *any* customs or quarantine regulation
- 5.2.5 ordinary judicial process, failure to pay a fine/penalty or provide security or any financial cause
- 5.3 You are not insured *for war or SRT risks* if your equipment is in:

- Afghanistan
- Algeria
- Angola (including Cabinda)
- Armenia
- Azerbaijan
- Chechnya
- Congo
- Democratic Republic of Congo
- Egypt
- Eritrea
- Georgia
- Indonesia
- Iran
- Iraq
- Persian/Arabian Gulf (and adjacent waters including the Gulf of Oman North of 24°N)
- Gulf of Aqaba and the Red Sea
- Territorial waters of the countries and areas listed above
- Israel and the Palestinian Authority
- Lebanon
- Libya (including Gulf of Sidre/Sirte)
- Oman
- Pakistan
- Sierra Leone
- Somalia
- Sri Lanka
- Sudan
- Syria
- Tajikistan
- Turkmenistan
- Uzbekistan
- Yemen (entire territory)

- 5.4 Subject to 5.3, if the equipment is not on board an overseas ship or aircraft when the loss/damage occurs you are insured for war risks only up to a limit of US\$50,000 - each accident and in the aggregate each account year
- 5.5 The Managers may terminate your insurance for war/SRT risks on seven days notice, taking effect at 2400 GMT on the seventh day after issue of the notice
- 5.6 Insurance for war/SRT risks will automatically terminate on:
- 5.6.1 hostile detonation of a nuclear weapon (*anywhere* - whether your equipment is involved or not)
- 5.6.2 war as at 5.2.2
- *seizure here includes arrest, restraint, detention, confiscation or expropriation*

6 Amounts Recoverable

Amounts recoverable from us will not exceed:

- 6.1 *Owned equipment:* *Loss:* insured value at time of loss – or market value if no insured value
- 6.2 *of* *Damage:* reasonable repair costs* - not exceeding insured value at the time the damage - or market value if no insured value
- 6.3 *Leased equipment:* *Loss:* amount payable under lease - or market value if no amount specified
- 6.4 *Damage:* reasonable repair costs* - not exceeding amount payable under lease **may include reasonable cost of your own labour and materials (not exceeding the market cost)*

7 Constructive Total Loss (CTL)

If the reasonable costs of repair of damage sustained in one accident are estimated to exceed the applicable amount specified at 6 above, we will pay this amount as a CTL, less any salvage value

8 Interest in Ship/Aircraft

G1:10 does not apply to this clause

B2. Third Party Liabilities

You are insured for:

Your liability:

- 1.1 For physical loss/damage of third party property
 - 1.2 For death, injury or illness of any third party
You are *not* insured for your liability to your employee except as stated at 3 below.
You are not insured *in any case* as specified at 2.3
 - 1.3* To compensate a third party for *its* liability:
 - 1.3.1 for physical loss/damage of third party property
 - 1.3.2 for death or injury of any third party, *including* your employee *unless* excluded at 2.3
 - 1.4* To compensate:
 - 1.4.1 a third party for its own third party liabilities *if* your liability arises solely under a contract:
 - for lease/sale of equipment for use in your insured services or
 - with your subcontractor or joint service/venture partner *or*
 - 1.4.2 your subcontractor or joint service/venture partner for physical loss/damage to its own property *if* your liability arises solely under a contract with the subcontractor or joint service/venture partner
 - 1.5 For consequential loss arising from 1.1-1.3 and 1.4.1
**you are insured under 1.3 and 1.4 for your contractual liability only*
- 2 You are *not* insured under this Clause for liabilities:
- 2.1 incurred under a provision in a contract that you incur liability without your fault or negligence
 - 2.2 which are liquidated damages
 - 2.3 *for* death, injury or illness of your employee which you incur as an employer
 - 2.4 which would normally be insured under an Employers Liability insurance - *except* as specified at 1.4 or 3
 - 2.5 *arising from* ownership, lease or operation by you/your employee of a road vehicle which is required to be licensed
 - 2.6 *arising from* an accident in USA/Canada involving your* chassis/trailer for use on public roads
 - 2.7 *in respect of* your* equipment leased to someone else *other than* to your joint service/venture partner for use in the joint service
 - 2.8 *in respect of* your handling equipment used with your consent by someone else
 - 2.9 *in respect of* your* carrying equipment *not* insured for loss or damage
 - 2.10 *as owner/lessee* of land which is *not* an insured location
 - 2.11 *arising from* erection or dismantling of insured handling equipment - *unless* for inspection, maintenance or repair (or relocation if not excluded under 2.12)
 - 2.12 *arising from* relocation of insured handling equipment - *other than* within the same terminal, port or depot
 - 2.13 which are *contractual* liabilities to compensate someone else for physical loss/damage to your* property **owned or leased*
- 3 Employees
The following are insured as specified at 1.2:
- The *assured* for liabilities directly to an employee of a joint assured and *conversely*
 - A *joint assured* for liabilities directly to an employee of the assured or *another* joint assured
- 4 Transfer of Interest in Equipment under Contract of Sale
You are *only* insured for liabilities in respect of equipment after your interest in it has been transferred under a contract of sale *if*:
- 4.1 we insured it immediately before the transfer *and*
 - 4.2 the contract of sale:
 - provides that the equipment is sold "as is where is" *and*
 - includes no warranty except that the equipment is as described and that the purchaser has quiet use *and*
 - expressly excludes any other warranty, including fitness of use and merchantability *and*
 - 4.3 the accident occurs during your period of insurance. The date of the accident for these purposes is the date of the loss/damage (or death, injury or illness) - not the date of sale
- 5 Limit of Liability
In the event that it is held in any court or tribunal that, under the applicable law, anyone, other than the

assured, a named joint assured or co-assured, using or legally responsible for the use of a chassis or trailer, is entitled to be insured under this insurance, then the general limit of liability for this insurance for such a person will not exceed the minimum insurance requirements under the applicable law for injury to or death of a person or damage to property

6 Special Limits

Special limit: US\$1,000,000 - each accident and in the aggregate each account year - unless otherwise stated in your certificate applies to claims:

6.1 under 1.3.2 & 3 above (and consequential loss arising from these claims under 1.5)

6.2 in USA arising from host liquor

B3. Fines and Duty

You are insured for:

1.1 *The following arising from a breach of regulations specified at 1.2:*

1.1.1 Your liability for:

- Fines and other penalties
- Duty and sales/excise tax and similar fiscal charges imposed on you (or anyone acting for you) by an authority *and* which would not have been payable except for the breach of regulations specified at 1.2

1.1.2 Confiscation by an authority of property including your insured equipment

1.2 *The regulations referred to at 1.1 relate to:*

1.2.1 import/export and carriage of cargo, conveyances or equipment

1.2.2 immigration

1.2.3 safety at work

1.2.4 security/anti-terrorism

1.2.5 pollution - *only* if arising from physical loss/damage of cargo or equipment.

2 You are *not* insured under this Clause:

2.1 *in respect of* regulations relating to tariffs, competition or regulation of companies

2.2 *arising from* ownership, lease or operation by you/your employee of a road vehicle which is required to be licensed

2.3 *in respect of* your owned/leased carrying equipment *not* insured for loss/damage

2.4 *for* liability/confiscation arising from your making your customs bond/guarantee available to another operator - *unless* this arises from:

- assistance which the operator provides to you in your insured services *or*
- insured services which you provide to the operator

3 Joint Service/Venture Partner

You are also insured for your liability to compensate your joint service/venture partner for its liability as specified at 1 above which arises from your failure to perform your contractual obligations

4 Road Carriage

The Directors may reduce or reject a claim for breach of regulations concerning weight of cargo or carrying equipment on a public road if it appears to them that you or your employee have acted (or failed to act) intentionally or recklessly

5 Illegality

If insurance for any of the matters specified at 1 above is held to be illegal, this will apply only to the matters concerned and will not affect other insurance under this clause or elsewhere in your policy

6 Special Limits

6.1 Special limit: US\$1,000,000* - claims under 1.2.5

6.2 Special limit: US\$100,000* - for liability/confiscation arising from your customer's failure to pay properly assessed duty/tax - either to an authority or to you

**each accident and in the aggregate each account year - unless otherwise stated in your certificate*

B4. Cargo Liabilities

1 You are insured for:

Your liability for physical loss/damage of cargo, arising before or after you have carried (or arranged to carry) the cargo, from an item of insured carrying equipment supplied to your customer which:

1.1 is defective *or*

1.2 fails to meet the requirements of your contract with your customer

You are also insured for your liability for consequential loss arising from 1.1-1.2

2 You are *not* insured under this Clause:

2.1 if your liability arises under your contract of carriage

2.2 to the extent that your liability is increased by a declaration of value by your customer

2.3 for liabilities in respect of bullion, precious stones or cash/securities

3 Special Limits

3.1 US\$100,000 each accident and in the aggregate each account year*: claims under 1.2

3.2 US\$100,000 each accident*: claims in respect of:

- processed tobacco/tobacco products
 - bottled spirits
 - precious jewellery/precious metal
 - valuable works of art
 - thoroughbred horses
 - computers/handheld electronic products/mobile telephones (and electronic components of these)
- *unless otherwise stated in your certificate*

B5. Costs

1 You are insured for:

The following costs:

1.1 Mitigation

Costs of minimising a claim under your policy

1.2 Investigation & Defence

Costs arising from investigating an accident which may give rise to a claim under this cover and protecting your interests in relation to it (including legal and survey fees) - including the costs of recovering a debt if payment is withheld solely because of a claim under this cover

1.3 Disposal

1.3.1 Costs (other than as at 1.3.2) additional to costs which you would have incurred in any event, of disposing of insured equipment or cargo after an accident to it

1.3.2 Costs of removing insured carrying equipment on the order of an authority following an accident arising in connection with the management, navigation or operation of a ship which you own, charter or operate

• *but not for* costs of removing cargo within/on the equipment

• *and only* to the extent that the costs are *not* incurred or increased by cargo within/on the equipment

G1:10 is modified to this extent

1.4 Quarantine & Disinfection (including fumigation) - other than in the normal course of business

2 Approval/Agreement

You are *only* insured if:

2.1 The Managers have agreed to the costs *or*

2.2 The Directors decide that the costs were properly incurred

3 Limits

Unless otherwise stated in your certificate claims are subject to limits as below:

1.1-1.2: as for the claim being investigated/defended, or mitigated, and costs will be included in this claim for this purpose

1.3-1.4: your general limit

4 Deductibles

Unless otherwise stated in your certificate claims are subject to deductibles as below:

1.1: as for the claim being mitigated

1.2-1.4: nil

- 5 Interest in Ship/Aircraft
G1:10 will not apply to costs specified at 1.1 and 1.2 if the claim (or possible claim) is under S1

B6. Discretionary Insurance

You are insured as follows:

- 1 In addition to insurance under other clauses the Directors may in their discretion decide that we will reimburse you for risks incurred:
- 1.1 incidental to insured services
- 1.2 in case of interference by an international organisation or authority, which the Directors consider is unwarranted or requires investigation
- 1.3 where the Directors by special direction consider this in our interests, or those of our members

B7. Handling Equipment

- 1 You are insured for:
- 1.1 Physical loss/damage of insured handling equipment arising from:
- any accidental cause including mechanical/electrical breakdown *or* malfunction
 - strikes riots & terrorist risks*
- 1.2 Your liability for general average and salvage contributions in respect of insured handling equipment (including strikes riots & terrorist risks*)
- 1.3 Per diem lease charges incurred when re-delivery to the lessor of your insured leased handling equipment is:
- prevented because the equipment is a total loss *or*
 - delayed because you are obliged to repair it
- as a result of an insured risk *unless* the equipment is leased to you subject to a purchase option exercisable by you or for your benefit
- Special Limit (1.3): maximum of charges which you incur for 30 days from and including the original redelivery date - unless another period is specified in your certificate
- *subject to 4 and 8 below*
- 2 You are *not* insured under this Clause:
- 2.1* For costs of remedying/repairing:
- 2.1.1 defects in design/manufacture - or for loss/damage to property or equipment arising from the replacement, repair or rectification of property/equipment in respect of which a claim is excluded under this paragraph (2.1.1)
- 2.1.2 wear and tear
- 2.1.3 mechanical/electrical breakdown or malfunction of:
- communications equipment, alarm systems or external computers
 - equipment with market value less than US\$75,000
- 2.2* For loss/damage arising from:
- 2.2.1 inherent vice or latent defect
- 2.2.2 subsidence *unless* this is sudden, unintended and unexpected
- 2.2.3 computer, data processing or program error/breakdown
- *2.1-2.2 are limited to the equipment (or part of the equipment) immediately affected*
- 2.3 For loss/damage arising from:
- 2.3.1 mysterious disappearance (and loss discovered on inventory) - of spare parts, accessories, plant, tools or materials for maintenance/repair of equipment
- 2.3.2 nationalisation, embargo, quarantine, requisition or compulsory purchase by an authority
- 2.3.3 overload*
- 2.3.4 tests under abnormal conditions*
- 2.3.5 any modification - *unless* agreed by:
- the manufacturer *or*
 - an authority *or*
 - a surveyor approved by the Managers
- 2.3.6 erection or dismantling of equipment - *unless* for inspection, maintenance or repair (or relocation if not excluded under 2.3.7)
- 2.3.7 relocation of equipment - *other than* within the same terminal, port or depot
- * unless to comply with regulations*

- 2.4 For loss/damage or costs, fines (and other penalties):
 - 2.4.1 arising from the enforcement of any regulation concerning the use, reconstruction, repair or demolition of insured equipment
 - 2.4.2 imposed on you by an authority *other than* loss/damage by an authority during a fire, not caused (wholly/partly) by war risks, for the sole purpose of retarding the fire
- 2.5 For loss/damage arising from cessation/fluctuation/insufficiency of water, gas or electricity supplies
- 2.6 For loss/damage:
 - 2.6.1 of an expendable/replaceable part - *unless* arising from loss/damage to the equipment which is external to the part
 - 2.6.2 *while* the equipment is leased to someone else
 - 2.6.3 *after* the equipment has been requisitioned
 - 2.6.4 *after* you cease to have an interest in the equipment
 - 2.6.5 *while* the equipment is used with your consent by someone else *other than* a stevedore handling cargo
- 2.7 For war risks
- 2.8 For cessation of work

3 Declaration

- 3.1 You may add additional items subject to notifying us within 28 days of acquisition, and terms to be agreed
- 3.2 You will not reduce the insured value of any item during your account year
- 3.3 You will give us immediate notice of any change in location/working conditions which may increase the risk of a claim. If we do not agree to the increased risk, we will not be liable for resulting claims
- 3.4 A statement of value in your certificate reflects information which you have provided and is not binding on us for the purposes of 5.5

4 SRT (Strikes Riots & Terrorist) Risks

- 4.1 You are not insured for SRT risks arising from war (including civil war, revolution, rebellion, insurrection and hostile act by/against a belligerent power)
- 4.2 The Managers may terminate your insurance for SRT risks on seven days notice - taking effect at 2400 GMT on the seventh day after issue of the notice
- 4.3 Insurance for SRT risks will automatically terminate on:
 - 4.3.1 hostile detonation of a nuclear weapon (*anywhere* - whether your equipment is involved or not)
 - 4.3.2 war (declared or not) between permanent members of the UN Security Council
- 4.4 You are not insured *for SRT risks* if your equipment is in:

- | | |
|---|---|
| • Afghanistan | • Israel and the Palestinian Authority |
| • Algeria | • Lebanon |
| • Angola (including Cabinda) | • Libya (including Gulf of Sidre/Sirte) |
| • Armenia | • Oman |
| • Azerbaijan | • Pakistan |
| • Chechnya | • Sierra Leone |
| • Congo | • Somalia |
| • Democratic Republic of Congo | • Sri Lanka |
| • Egypt | • Sudan |
| • Eritrea | • Syria |
| • Georgia | • Tajikistan |
| • Indonesia | • Turkmenistan |
| • Iran | • Uzbekistan |
| • Iraq | • Yemen (entire territory) |
| • Persian/Arabian Gulf (and adjacent waters including the Gulf of Oman North of 24°N) | |
| • Gulf of Aqaba and the Red Sea | |
| • Territorial waters of the countries and areas listed above | |

5 Amounts Recoverable from us - Damage

- 5.1 We will at our option:
 - 5.1.1 replace what is damaged with equipment of the nearest (but no worse) age, type or condition *or*
 - 5.1.2 pay reasonable repair costs - not exceeding the insured value - including reasonable costs of your own labour and materials, not exceeding the market cost

- 5.2 We will deduct:
- the value of any part that can be used again
 - costs of any other work done in conjunction with the repair
- 5.3 We will not be responsible for the cost of temporary repairs, or for damage arising from use of equipment in a state of temporary repair, unless we have approved the temporary repair
- 5.4 You may commence permanent repairs immediately after notifying the Managers - provided you keep any damaged part for our inspection
- 5.5 If the insured value is also the *new replacement value* we will pay as at 5.1-5.3 without deduction for average. If the insured value is less than the *new replacement value* we will pay:
- cost of materials (including duties and taxes) - reduced by the percentage by which the insured value is less than the *new replacement value*
 - freight charges and labour costs - without deduction for average

6 Amounts Recoverable from us - Total Loss

- 6.1 *Actual total loss (ATL)*
We pay the insured value
- 6.2 *Constructive total loss (CTL)*
If the reasonable costs of repair of damage sustained in one accident, calculated as at 5 above, are estimated to exceed the insured value, we pay the insured value as a CTL, less any salvage value
- 6.3 *Leased equipment*
Our payment will not exceed the lesser of:
- the amount you are obliged to pay under the lease
 - the insured value

7 Market/Indemnity Value

- 7.1 If no insured value has been agreed - substitute *market value* for insured value in 5-6 above
- 7.2 If the equipment is over five years old - substitute *indemnity value* for *insured value* in 5-6 above. *Five years old* means *handed over by the manufacturer five years before the start of the account year in which the accident occurs*

8 Definition of Accident

- 8.1 For the purposes of this clause, *accident* means all individual losses or damage arising out of or directly occasioned by one event.
- 8.2 The extent of an accident is limited to 72 consecutive hours if the cause of the insured loss/damage is one of the following (or if an accident includes one or more individual losses or damage arising from one of the following):
- storm
 - earthquake/volcanic eruption
 - strikes riots & terrorist risks (in this case the accident is also limited to one city, town or village)
- 8.3 You may choose the date and time when the period of 72 hours commences and if any event lasts longer than 72 hours you may divide it into two *accidents* provided:
- no two periods overlap *and*
 - no period commences before your first recorded individual loss in that event during the period of your insurance
- 8.4 In the case of flood, *accident* means loss/damage, wherever occurring, arising between the movement of water into or over the insured equipment and its receding, regardless of the time involved *except* that no *accident* will be deemed to:
- start before your first recorded individual loss in that accident occurring during the period of your insurance or
 - extend beyond 30 days after you cease to be insured
- 8.5 The definition of *accident* at G6:2 does not apply to this clause

9 Interest in Ship/Aircraft

G1:10 does not apply to this clause

G1 GENERAL EXCLUSIONS & QUALIFICATIONS CLAUSE
G1 APPLIES ALL RISKS – UNLESS OTHERWISE STATED

1 Period of Insurance

You are only insured for insured risks arising from accidents which occur during your insurance with us

2 Indemnity Insurance

2.1 Unless the Directors decide otherwise, it is a condition precedent that we pay you only after:

2.1.1 the loss of your owned insured equipment/property *or*

2.1.2 you have spent money - for example: by paying a claim for which you are liable, repairing your insured equipment/property or paying under a lease in respect of loss/damage of equipment

2.2 The Managers may, at their discretion, reimburse the costs of reasonable repair in cases where your owned damaged insured equipment/property is not repaired

3 Overlapping Risks & Insured Services

3.1 Where a risk appears to be insured under more than one paragraph, it will be insured only under, and in accordance with, the paragraph which relates most directly to it

3.2 An *express* exclusion or qualification of a risk in one paragraph in your policy (whether or not by Additional Term & Condition) will override an inclusion or reference elsewhere in your policy

3.3 If a service is specifically excluded in your policy you are not insured for risks arising from it - even if these risks also arise in the course of your insured services

4 Insurance Terms

A term in your certificate which varies your policy will be subject to all other terms in your policy, except to the extent that it specifically varies them

5 Deductibles

5.1 *Special* deductibles apply to risks under specified clauses, paragraphs or insured services

General deductibles apply to all other risks under the cover specified

All deductibles are specified in your certificate

5.2 Except as specified at 5.3-5.4, if there is more than one deductible for claims arising from the same accident only the highest one will apply

5.3 In the case of two or more of the following types of claim arising from the same accident:

- handling equipment *and/or* property loss/damage
- business interruption
- any other claim

a separate deductible will apply to each type of claim. (The highest deductible will apply, as at 5.2, if there is more than one for any type of claim)

5.4 In the case of claims under more than one cover:

a separate deductible will apply to each cover

6 Limits of Liability (*except Terrorism*)

6.1 *Special* limits apply to risks under specified clauses, paragraphs or insured services

General limits apply to all other risks under the cover specified

Limits are specified in your certificate

6.2 Your General Limit is US\$1,000,000 each accident

unless otherwise specified in your certificate

6.3 Total reimbursement in respect of one accident is subject to the provisions of your policy. Notwithstanding these provisions, total reimbursement will not exceed US\$50 million *unless* this paragraph (6.3) is specifically deleted in your certificate

6.4 Total reimbursement in respect of risks arising from:

6.4.1 one accident *or*

6.4.2 a series of accidents arising from a cause or series of causes which are repeated, intermittent or continuous will not exceed the limits specified at 6.2

6.5 Where there are risks under different provisions in your policy, including under different covers/clauses/paragraphs, arising from the same accident:

6.5.1 *If limits are specified separately for any of the risks:*

- each limit will apply to the part(s) of the claim for which it is specified

- the total claim (including any part(s) to which separately specified limits already apply as above) will not exceed the highest of the separately specified limits. Unless the claim is subject to an aggregate or combined aggregate limit, this will be a combined single limit
- 6.5.2 *If the risks are under different covers:*
a separate limit will apply to each cover
- 6.5.3 *In any case:*
the total claim will not exceed the applicable limit shown in your certificate
- 6.6 If there are aggregate special limits under a clause and under a *paragraph* within the clause, claims under the *paragraph* will:
- count towards the limit under the clause *and*
 - not exceed the *lesser* of the unexhausted limit against:
 - the clause or
 - the paragraph
- 6.7 Limits are applied collectively to the assured and any joint assureds
- 6.8 Unless this paragraph (6.8) is specifically deleted in your certificate, claims for loss/damage of property/handling equipment and business interruption arising from:
- earthquake or volcanic eruption
 - storm
 - flood
- within zones identified in the risk mapping model will be subject to the lesser of:
- any general/special limit stated elsewhere in your policy as applying to the claim
 - a special limit of US\$5 million each accident
- 7 Limits of Liability (Terrorism)**
- 7.1 Subject to 7.2, a special limit each accident applies to claims for loss/damage to property/handling equipment and business interruption arising from terrorism as follows:
- *If a special limit for terrorism is specified in your certificate*
the specified limit applies, subject to a maximum limit of US\$10 million
 - *If no special limit for terrorism is specified in your certificate*
a limit of US\$1,000,000 applies
- 7.2 If a claim is subject to the US Terrorism Risk Insurance Act 2002 (TRIA), the Australian Commonwealth Terrorism Insurance Act 2003 (TIA) or similar legislation in other jurisdictions, 7.1 will be disregarded for the purposes of specifying the general/special limit which applies to it. But any part of the claim which would *not* have been reimbursed if 7.1 *had* applied to it, will be insured on TRIA/TIA* terms. This is subject to any special limit which is specifically stated in your certificate as applying to TRIA/TIA* claims.
**or other similar legislation*
- 7.3 A special limit applies as follows:
- 7.3.1 A special limit of Sterling £100,000 each accident per terrorism class applies to claims:
- for loss/damage to property/handling equipment and business interruption in the United Kingdom (excluding Northern Ireland, Channel Islands and Isle of Man) *and*
 - arising from fire/explosion arising (directly/indirectly) from terrorism
- 7.3.2 If there are:
- risks not included in a terrorism class and
 - risks included in a terrorism class
- arising from the same accident, any limits applied under this paragraph will be ignored for the purposes of calculating limits applying to risks not included in a terrorism class
- 7.3.3 This paragraph (7.3) will prevail in the case of inconsistency with 6 above or 7.1
- 7.4 If a limit lower than the limit stated at 7.1/7.3.1 is stated elsewhere in your policy in respect of a claim arising from a risk specified at 7.1/7.3.1, the lower limit will apply to the claim
- 8 Reduction of Claims**
Claims will be reduced by:
- 8.1 amounts which you receive or to which you are entitled by way of salvage
- 8.2 your interest in any residual value in insured property
- 9 General Exclusions**
You are not insured for risks arising from:
- 9.1 **Radioactive/nuclear risks**

- 9.2 **Pollution** *unless*:
- 9.2.1 the accident occurred within your period of insurance *and*
- 9.2.2 the claim is made against you within one year from the accident *and*
- 9.2.3 the pollution is sudden, unintended *and* unexpected *and*
- 9.2.4 you are aware of it within one week of the first occurrence - *unless* arising from cargo not in your possession
- 9.3 **Landfill, operation/use of dump site or disposal of waste** which you perform or permit *other than* carriage, handling or storage of cargo prior to its disposal as waste
- 9.4 **Dredging operations** (while being performed) or dumping of spoil
- 9.5 **Your failure to pay your debts***
- 9.6 **Your insolvency***
- 9.7 **Your involvement in illegal trade** - about which you knew or reasonably should have known
- 9.8 **Your intentional/reckless conduct** (to the extent that the likelihood of your incurring a risk is increased by this)
- 9.9 **Punitive, exemplary or multiple damages** - against you or anyone for whose conduct you are liable
- 9.10 **Your waiving your rights of recourse***
- 9.11 **Your management/operation of an airport** - or area/building where aircraft land or manoeuvre or are housed, maintained or repaired
- 9.12 **Asbestos**
- 9.13 **Any chemical, biological, bio-chemical or electromagnetic weapon**
- 9.14 **Use of any computer, program, virus, or any other electronic system/process** as a means of inflicting harm
- 9.15 **Sanctions**
- 9.15.1 We do not insure you and we shall not be liable to pay any claim or provide any benefit to the extent that the provision of such cover, payment of such claim or provision of such benefit would or might subject us (or our insurers/reinsurers) to the imposition of sanctions under, or would be in violation of, any economic, trade, financial or related sanctions or embargoes:
- 9.15.1.1 administered/enforced by the US Department of the Treasury Office of Foreign Assets Control (OFAC) the US Department of State or any other department or agency of the US government
or
- 9.15.1.2 imposed pursuant to:
- a. United Nations resolutions or
 - b. laws, rules, regulations, orders, decisions, directives, or common positions of the European Union (EU) or of any EU member state or
 - c. equivalent legislation imposed by any other national or international body.
- 9.15.2 Any certificates or other evidences of insurance certifying or evidencing coverage for any transaction, shipment, or claim in violation of, or sanctionable under, any of the sanctions or embargoes specified at 9.15.1 will automatically be null and void
- 9.15.3 Without prejudice to any other provisions in your policy, the Directors may in their discretion give you notice that your insurance will cease immediately if you have exposed or you will expose us to a material risk of being or becoming subject to any sanctions or embargoes (as identified above), or to any adverse action by a competent authority or government in respect of any sanctions or embargoes (as identified above).
- *or to the extent that a claim is increased by this*

10 **Interest in Ship/Aircraft**

- 10.1 You are not insured for risks:
- arising from your interest in a ship/aircraft *and*
 - arising from its management, navigation or operation
- 10.2 You have an interest if you:
- 10.2.1 own or operate the ship/aircraft
- 10.2.2 charter the ship except under a slot or space charter
- 10.2.3 charter the ship under a slot or space charter *unless*:
- You contract with the ship operator on terms which are no more adverse than Hague-Visby Rules or any compulsorily applicable transport law or convention *and*
 - You are not liable to the ship owner, lessee or operator, or performing carrier, for risks arising from the management, navigation or operation of the ship *and*
 - You are not responsible for loading the ship
- 10.2.4 charter the aircraft unless:
- You do not manage, navigate or operate the aircraft *and*

- You are not liable to the aircraft owner, lessee or operator for risks arising from the management, navigation or operation of the aircraft *and*
- You contract with the aircraft operator on terms which are no more adverse than the Warsaw Convention or any compulsorily applicable transport law or convention *and*
- You are not responsible for loading the aircraft

11 Loss Prevention

11.1 You will:

- 11.1.1 allow us to inspect your insured equipment/property
- 11.1.2 comply with regulations applying to your insured equipment
- 11.1.3 not habitually or intentionally overload your insured equipment - except for inspection/testing
- 11.1.4 comply with regulations, and industry/national standards, relating to vertical tandem lifts
- 11.1.5 maintain in good order, and use as appropriate, any protection provided for your insured equipment/property
- 11.1.6 take all reasonable steps to avoid or reduce risks of a claim under your equipment/property clauses
- 11.1.7 comply with regulations relating to dangerous goods
- 11.1.8 comply with regulations, and industry/national standards, relating to safety, security/anti-terrorism and people smuggling
- 11.1.9 allow us to inspect your operations
- 11.1.10 allow us to have copies of your contracts
- 11.1.11 comply with our reasonable requirement to implement loss prevention measures
- 11.1.12 maintain a tracking system allowing the location of insured equipment to be ascertained at any time
- 11.2 If you do not comply as at 11.1:
 - 11.2.1 we may inform you, with at least 30 days notice, that your insurance is wholly or partly suspended until you do
 - 11.2.2 the Directors may reduce or reject a claim which they consider results wholly or partly from the failure to comply

12 Double Insurance

If you are insured by us and by another insurer for the same risk, we will exclude any claim to the extent that it is recoverable from the other insurer, or would be recoverable except for a double insurance exclusion

13 Benefit of the Insurance

It is not the intention to confer any benefit of this insurance on any third party not specifically identified in the certificate

14 Northern Ireland

You are not insured for loss/damage to property/handling equipment or for business interruption in Northern Ireland arising (directly or indirectly) from civil commotion or terrorism

15 Abandonment

There will be no abandonment to us of any property

16 Fraudulent Claims

If you, or anyone acting on your behalf, makes a claim or seeks to obtain any benefit under your insurance which you know, or should have known, is in any respect fraudulent we may cancel all your insurances immediately. This cancellation will have the effect stated at G3:17

17 Paperless Trading

You are insured, subject to all other terms of your policy, for risks arising from your participation in the Bolero system, and in any other system of paperless trading/documentation approved by the Managers

18 Currency

If we pay a claim in a currency other than the Member currency, limits of liability and deductibles will be converted from the Member currency at the rate prevailing:

- 18.1 in respect of liability claims, on the date on which you paid the claim
- 18.2 in respect of equipment/property claims, on the date of loss

19 English Language

If we issue a version of any part of your policy in a language other than English, this is for guidance only. The English version will take precedence in the event of any dispute or possible inconsistency

GENERAL PROVISIONS

G2 CLAIMS CLAUSE

G2 APPLIES TO ALL RISKS – UNLESS OTHERWISE STATED

1 Notification

- 1.1 You will notify the Managers as at 1.2, and as directed in your certificate, of any accident likely to lead to a claim under your insurance *and* any claim made against you for which you are (or may be) insured
- 1.2 Notification as at 1.1 will be immediate and in *any case* by the earliest of the following:
 - 1.2.1 in time for appropriate investigation, defence or mitigation - for example: by survey
 - 1.2.2 before terms are agreed for your next account year
 - 1.2.3 three months after any accident or claim specified at 1.1

2 Obligation of Member

- In the event of an accident/claim specified at 1 above you will:
- 2.1 take all reasonable measures to avoid/minimise the risk
 - 2.2 give prompt notice to a third party who may be responsible
 - 2.3 take all reasonable measures to obtain maximum recovery from a third party as at 2.2 and avoid time bars. You will fail to comply with this paragraph (2.3) if you fail to take measures because of the possibility of a claim/counterclaim by the third party against you arising from the same accident, *if* we are prejudiced by this
 - 2.4 cooperate with the Managers:
 - 2.4.1 in the exercise of the powers specified at 7 below
 - 2.4.2 by promptly providing information/documentation and facilitating surveys
 - 2.4.3 by complying with their request to establish whether a claim arises from terrorism
 - 2.5 *not* admit liability or settle a claim without the Managers' prior agreement

3 Presentation of Claims

- Claims for reimbursement from us must be presented within one year from:
- 3.1 Claims for loss of equipment/property: Date of loss as at G1:2.1.1
 - 3.2 Other claims eg liability or repair of equipment: Date of payment as at G1:2.1.2

4 Proof of Loss

- If you make a claim, you will if the Managers require:
- 4.1 provide signed and sworn proof of your payment or loss as specified at 1 above
 - 4.2 submit to examination on oath

5 Directors Discretion

The Directors may reduce or reject your claim if you fail to comply with 1-4 above - and in that event you will return to us sums already reimbursed (unless the Directors decide otherwise)

6 Distribution of Third Party Recoveries

- Amounts recovered from third parties in respect of a claim will be credited to us to the full extent of the amounts which we have paid out (including costs of making the recovery)
- Any balance will be credited to you to the extent of amounts which you have incurred (for example: deductibles)
- Any excess will be distributed equitably between you and us - taking into account amounts paid/incurred and the relevant dates

7 Powers of the Managers

- The Managers may:
- 7.1 direct the conduct of any claim or proceedings relating to a risk for which you are or may be insured
 - 7.2 settle, compromise or dispose of the claim/proceedings as at 7.1 as they see fit
 - 7.3 at any time appoint - and discontinue the appointment of - lawyers, surveyors and others on your behalf, in connection with a matter which may result in a claim

- 7.4 require from persons appointed as at 7.3 relevant advice, documents and information in their control:
- at any time - whether or not the appointment has been discontinued
 - as if the persons were appointed to act and at all times had acted on *our* behalf
 - notwithstanding legal or other privilege

8 Death, Injury & Illness

1-7 above apply also to claims for death, injury and illness for which you would/might have been insured except for a deductible

GENERAL PROVISIONS

G3 POLICY CONDITIONS CLAUSE

G3 APPLIES TO ALL RISKS – UNLESS OTHERWISE STATED

1 Material Information

It is a condition precedent that you will:

- 1.1 provide full and accurate information in response to the Managers' request - in connection with your application for insurance, or at any other time
- 1.2 provide the Managers with all material information
- 1.2.1 when you apply for insurance
- 1.2.2 when an amendment to the terms of insurance is sought
- 1.2.3 when the policy is reviewed - whether or not changes to the policy are agreed
- 1.2.4 promptly at any other time during the period of your insurance

2 Powers

- 2.1 If you fail to comply with 1 above we may:
- 2.1.1 avoid the insurance
- 2.1.2 reject a claim which relates to circumstances which should have been disclosed or which is the subject of misleading/inaccurate information
- 2.2 If the Directors consider that information specified at 1 above adversely affects the nature of the risk under your insurance we may inform you, with at least 30 days notice, that you will cease to be insured

3 Audit

- 3.1 We may examine your books and records at any time during your insurance, and for three years afterwards, as far as they relate to your insurance (without prejudice to G1:11)
- 3.2 If you fail to cooperate with the Managers as at 3.1 we may avoid the insurance

4 Surveys

The Managers may require a survey of your premises, operations, equipment or insured ships at any reasonable time, whether before or after your insurance has commenced. If:

- you fail to comply with this requirement *or*
 - the results of the survey are, in the opinion of the Managers, unsatisfactory
- or*
- you fail to comply with the Managers' recommendations following a survey within a reasonable time
- we may inform you, with at least 30 days notice, that you will cease to be insured

5 Confirmation of Insurance

If the assured requests us to confirm insurance to someone else, our confirmation:

- is only for information
- confers no rights on the person to whom we make it
- does not extend or amend the insurance

6 The Assured and Joint Assureds

- 6.1 There is only one assured under each policy - designated in the certificate. Anyone else insured under the same policy is a joint assured
- 6.2 An applicant for joint assurance:
- 6.2.1 will comply fully with 1.1 - in case of failure to do this we may avoid the insurance of the assured and all joint assureds
- 6.2.2 is deemed to have appointed the assured (or applicant for insurance) as its agent, with whom we can deal exclusively

- 6.3 If the Managers agree to joint assurance:
6.3.1 the insurance will be subject to all the provisions of the assured's insurance - and to terms relating to the joint assurance
6.3.2 the joint assured is insured only for risks arising out of the assured's insured services and for which the assured would itself have been insured

7 Assignment

- 7.1 You will not assign your insurance (or any interest under it) unless and to the extent that the Managers agree
7.2 Any purported assignment without the Managers' agreement (or not complying with any terms which the Managers require) will be void
7.3 We may, in settling a claim presented by the assignee, retain an amount which the Managers estimate as sufficient to discharge the assignor's liabilities to us which:
- are in existence at the time of the assignment *or*
 - have arisen later *or*
 - are thought likely to arise later
- We may do this whether or not it is stipulated as a term of the Managers' agreement to the assignment

8 Continuous Contract

Every insurance is a continuous contract and terms continue unchanged from one year to the next - *unless* otherwise agreed, and subject to 9-11 and 16-17 below

- This is not affected by the issue of subsequent policies
- Policies apply from 0000 GMT on the commencement date specified in the certificate - unless another time is specified

9 Notice

- 9.1 Not later than one month in advance the Managers may give the assured - or the assured may give the Managers - notice that on the review date:
- 9.1.1 a change in terms may be required *or*
9.1.2 the insurance will cease
- 9.2 If notice is given as at 9.1.1 and no change is agreed by the review date:
- 9.2.1 the Managers may agree a *continuation period* - subject to agreed terms
9.2.2 changes agreed during the *continuation period* will apply retrospectively from the review date - or as otherwise agreed
- 9.3 Your insurance will cease automatically:
- 9.3.1 on the review date if no change or *continuation period* is agreed
9.3.2 on expiry of a *continuation period* if no change is agreed
- 9.4 The Directors may give you notice that your insurance will cease - taking effect not less than 30 days from the date on which the notice is given

10 Cesser of Insurance

You immediately cease to be insured on:

- 10.1 your winding up/bankruptcy
10.2 termination of your insured services
10.3 your ceasing to have an insurable interest in the subject matter of the insurance
10.4 your death or insanity - in the case of an individual

11 Effect of Cesser

- 11.1 If you cease to be insured as specified at the following paragraphs of this Clause (G3): 9.3, 9.4 or 10 - *unless* 16-17 below apply:
- 11.1.1 you remain liable for amounts due from you to us - whether levied before or after cessation
11.1.2 we remain liable for claims arising from accidents on or before the date of cessation
- 11.2 If premium is a lump sum or deposit subject to a minimum *and* you cease to be insured as specified at 9.3 or 10.1 you will pay the lump sum or minimum premium in full - if already paid no part will be repayable
11.3 otherwise than as at 11.2 - premium will be calculated pro-rata up to cessation

12 Mutual Premium

The price for your insurance is a mutual premium - unless the Managers agree that it will be a fixed premium, or a combination of the two

13 Calculation of Premium

13.1 Premium may be:

- a lump sum
- a deposit - which may be subject to a minimum and adjusted by an adjustment rate
- determined by applying an adjustment rate
- any combination of the above

13.2 If premium is calculated by applying an adjustment rate you will provide the Managers with a declaration within 28 days after the adjustment date, to allow the premium to be calculated

14 Interest

We may charge you interest on amounts due not received by the due date. The rate is determined by the Directors in accordance with para 4.2 Part E Section 1 of the Bye-Laws

15 Claims Held

If we do not receive an amount due from you in due time we may withhold any payments due from us to you until the amount is received

16 Cancellation

16.1 If we do not receive an amount due or declaration from you in due time the Managers may (in addition to our rights specified at 14-15 above) give notice requiring you to pay (or make the declaration) by a specified date within not less than seven days from the date the notice is served

16.2 If we do not receive full payment (or the declaration) by the date specified at 16.1, all your insurances are cancelled immediately and without further formality

16.3 If the insurance has previously ceased under 9 or 10 above, this paragraph (16) and 17 below will supersede 11 above

16.4 If at the time your insurance ceases as specified at 10.1 we have not received any due payment or declaration, the insurance will be cancelled without notice or formality - but the Directors may decide to reinstate it on terms as they think fit

17 Effect of Cancellation

17.1 In the event of cancellation as at 16 above or as at G1:16, you remain liable for amounts due from you to us - whether levied before or after cessation

17.1.1 If premium is a lump sum or deposit subject to a minimum - you will pay the lump sum or minimum premium in full - if already paid no part will be repayable

17.1.2 Otherwise than at 17.1.1 - premium will be calculated pro-rata up to cancellation

17.2 We cease to be liable for claims unpaid at the date of cancellation *whether:*

- the claim arises before the date of cancellation - *or* after it
- the claim arises during the account year in which the insurance is cancelled - *or* in any other year
- we have admitted responsibility or appointed a lawyer, surveyor etc - *or* not

17.3 The Directors may admit claims excluded as at 17.2 on terms as they think fit

17.4 If we receive the amount (or declaration) after cancellation, the Managers may reinstate the insurance - but you will not be insured, unless the Directors decide otherwise, for claims arising out of accidents occurring between the dates of cancellation and reinstatement

18 Set Off

18.1 No set off will be taken into account in assessing amounts due from you to us - including set off arising from winding up or bankruptcy - even if set off has been allowed in the past

18.2 We may set off any amounts due from you to us against amounts due from us to you - without prejudice to any other provision in your insurance

19 Claims for Amounts Due

You will claim (in writing) amounts due to you from us (including repayment of premium) within six months from the end of the account year to which the credit relates - otherwise your claim is absolutely barred

20 Directors & Managers Discretion

The Directors and Managers may exercise, or refrain from exercising, any power or duty under the policy or Bye-Laws in their absolute discretion

21 Brokers

Your insurance broker:

- is your agent, not ours
- has no authority to issue or confirm policies on our behalf to anyone

22 Service of Notices

22.1 We will serve notices required by your insurance in accordance with the Bye-Laws Part F:

- by post/fax to the assured or its broker, at the address or fax number last recorded by the Managers
 - personally (on a director/officer in the case of a company)
- Notice will be deemed served:
- if sent by post - on the third day after posting, subject to 22.2
 - if sent by fax - on the date of transmission

22.2 A notice terminating insurance for war/strikes riots & terrorist risks will be deemed served on the day it is posted, collected by courier or sent by fax

23 Law & Jurisdiction

23.1 Our insurance, and any other contract between you and us, is subject to English law. Every insurance which we provide and the rights and obligations of you (or anyone else) and us arising out of or in connection with the insurance is subject to and will be construed in accordance with English law

23.2 All disputes between you (or anyone else, including your broker) and us relating to the insurance (or application for or offer of insurance) or contract will be referred to London arbitration in accordance with the Arbitration Act 1996 and any statutory modification or re-enactment. If the parties are unable to agree on a sole arbitrator within 21 days of the first party giving notice of a dispute and calling for the appointment of an arbitrator, then the Chairman of the General Council of the Bar of England and Wales will appoint a sole arbitrator. The submission to arbitration and all proceedings in connection with it will be subject to English law

23.3 In respect of disputes as at 23.2:

- No other action or legal proceedings will be maintained against us unless and until the dispute has been referred to arbitration and the award has been published and become final
- Our sole obligation is to pay any sum as directed by the final arbitration award

23.4 23.1-23.3 also apply to disputes involving:

- the Managers
- anyone acting on our, or the Managers', behalf
- your broker

GENERAL PROVISIONS

G4 INSURED SERVICES CLAUSE

1 Insured Services

1.1 You may be insured for your liability arising from any service:

- listed in this clause *and* specified in your certificate. If a service listed in this clause is *not* specified in your certificate, you are not insured for liabilities in respect of it
- *not* listed in this clause, which is specified in your certificate

1.2 You are also insured for the following to the extent that they are solely in support of your insured services:

1.2.1 administration and sales/marketing activities

1.2.2 facilities for visitors at your insured location

This paragraph (1.2) is subject to any exclusion in your policy relating to liabilities to your employee

2 Transport Operator Cover

You may be insured, subject to 1 above, for your liability arising from any of the following services provided directly or through your subcontractor. You are in any case insured for transit storage and incidental handling

2.1 *Transport Operator Services*

- Air charterer Rail operator
- Barge operator Ship operator (short sea)
- Cargo broker Slot/space charterer
- FDA Agent Stack train operator
- Freight forwarder Tank operator
- Haulage operator Truck broker
- NVOC
- 2.2 Warehouse operator - see 9 below
- 2.3 Customs (house) broker or customs carrier

- 3 Cargo Handling Facility and Operational Port Authority Cover**
Including North American Port Authorities
You may be insured, subject to 1 above, for your liability arising from any of the following services:
 - provided directly or through your subcontractor *and*
 - in respect of premises included in your Insured Locations Schedule
- 3.1 *Operational facilities*
Air freight terminal Intermodal rail depot
Bonded area/customs warehouse Marine terminal
Container freight station Storage/repair depot
Inland container depot
Leasing company depot for containers/trailers
- 3.2 *Traffic handled*
Cars(accompanied on ferries) Fruit/meat/fish(non-containerised)
Cars (new) General cargo (breakbulk)
Containers Livestock
Cruise/liner passengers Oil/gas/hazardous liquids
Dry bulk Trailers/other ro-ro cargoes
Ferry passengers
Wet bulk (other than oil/gas/hazardous liquids)
- 3.3 *Other activities*
Advice and information New car preparation
Chassis pool Reefer container pre-trip inspection
Fumigation/coloration of cargo Ships' Agency
Freight forwarder Social Club
Garbage collection Stevedoring: at your terminal
Haulage operator Stevedoring: *not* at your terminal
Lighterage Tank container repair/cleaning
Minor maintenance/repair
Local collection/delivery of cargo from/to your premises
Provision/installation/maintenance for your customer of computer hardware/software
- 3.4 *Warehouse Operator*
see 9 below
- 3.5 You are only insured for liabilities arising from ship repair or marina operations as follows:
 - *Ship repair*: if Clause C13 (or N13/P13) applies to your insurance
 - *Marina*: if Clause C14 (or N14/P14) applies to your insurance

- 4 Landlord Port Authority Cover**
Including North American Port Authorities
- 4.1 *Port traffic*
You may be insured* for your liability as landlord port authority in respect of any of the following - or for any of the warehouse operator services specified at 8 below:
 - Cars(accompanied on ferries) Fruit/meat/fish(non-containerised)
 - Cars (new) General cargo (breakbulk)
 - Containers Livestock
 - Cruise/liner passengers Oil/gas/hazardous liquids
 - Dry bulk Trailers/other ro-ro cargoes
 - Ferry passengers
 - Wet bulk (other than oil/gas/hazardous liquids)
- 4.2 *Port activities/facilities (1)*
You may be insured* for your liability arising from any of the following activities:

- as landlord port authority and/or
 - undertaken by you directly or through your subcontractor
- as specified in your certificate
- Advice and information Marine traffic control
 Buoys/lights provision Navigational aids provision
 Diving Pilotage
 Drydock River authority
 Emergency services provision Security
 Garbage collection Social club
 Maintenance of clean berths/channels - subject to G1:9.4 - excluding liability arising during dredging operations
 Provision/installation/maintenance for your customer of computer hardware/software
- 4.3 *Port activities/facilities (2)*
 You may be insured* for your liability as landlord port authority only in respect of any of the following facilities:
- Factories/warehouses Residential property
 Fishing berths/port Restaurants
 Offices Shop
 Public car parks
- 4.4 *Port activities/facilities (3)*
 You may be insured* for your liability arising from any of the following activities:
- as landlord port authority and/or
 - undertaken through your subcontractor, subject to G1:10
- as specified in your certificate. You cannot be insured if you undertake these activities directly (unless you are insured under port ships cover):
- Ferry services within port Tug provision
 Operation of pilot ships
- 4.5 You are only insured for liabilities arising from ship repair or marina operations as follows:
- *Ship repair*: if Clause P13 (or N13) applies to your insurance
 - *Marina*: if Clause P14 (or N14) applies to your insurance
- *subject to 1 above, in respect of facilities included in your Insured Locations Schedule*
- 5 Airport Cover**
 You may be insured, subject to 1 above, for your liability from any of the following services:
 Airport owner/operator
 Airport contractor (under a contract specified in your Approved Contract Schedule)
 Supplier of aviation fuel (including fuelling/de-fuelling aircraft)
- 6 Small Ships Cover**
 You may be insured, subject to 1 above, for your liability arising as any of the following:
 Owner/bareboat charterer
 Time charterer
 Ship manager
 Ship operator
- 7 Logistics Operator Cover**
 You may be insured, subject to 1 above, for your liability as specified at 2 and 3 above and 9 below (in addition to services specified at L1:4)
- 8 Rail Operator Cover**
 You may be insured, subject to 1 above, for your liability as specified at 2 and 3 above and 9 below
- 9 Warehouse Operator Cover**
At your insured locations
 Cover as specified at 2.2, 3.4, 7 & 8 for:
Transit storage and consolidation/deconsolidation:
- for your other insured services
 - for other operators
- Operating a bonded area or customs warehouse
 Operating delivery vans for your other insured services

Operating temperature controlled warehouses
Storing cargo (other than transit storage)

GENERAL PROVISIONS

G5 REINSURANCE CLAUSE

1 Structure

- 1.1 The *reinsured insurer* insures the *primary assured*, under a *primary insurance* policy
1.2 We reinsure the *reinsured insurer*

2 Certificate of Reinsurance

- We issue a *Certificate of Reinsurance* to the *reinsured insurer*
2.1 The certificate will specify:
 - the percentage which we reinsure
 - the conditions of reinsurance2.2 The certificate may also confer membership of the Association on the primary assured

3 Premium

- 3.1 The *reinsured insurer* pays a mutual premium - as set out in the certificate
3.2 The *primary assured* will receive return of premium or pay additional premium at the same percentage of its basic premium as the percentage which we pay to our assureds - adjusted proportionately in respect of:
 - the period covered by the *primary insurance* policy
 - the percentage of the liability of the *reinsured insurer* which we reinsure (if we do not fully reinsure this liability)

4 More than One Insurer

- If the *primary insurance* policy is subscribed by more than one *reinsured insurer*:
 - the *reinsured insurers* will be liable to the assureds *and*
 - the assureds will be liable to the *reinsured insurers*jointly, not severally, for any amounts due - in the proportions set out in the policy

5 Powers etc under the Primary Insurance

- 5.1 It is a condition precedent to our liability under the reinsurance that the *reinsured insurer* will:
5.1.1 *not* exercise any of its powers, duties and discretions (including those of the *reinsured insurer's* management) without the Managers' prior approval
5.1.2 comply with G2:1-3
5.2 We will control handling of claims likely to affect our reinsurance

6 Definitions

- The following words will be interpreted as stated below
6.1 For the purpose of construing the primary insurance:
we/us *the Reinsured Insurer*
you/the assured *the Primary Assured*
the Managers *the Managers for the time being of the Reinsured Insurer*
Certificate of Insurance *Certificate of Reinsurance*
6.2 For the purpose of construing the reinsurance:
we/us *as at G6:1.3.2*
you/the assured *the Reinsured Insurer*
the Managers *as at G6:1.3.4*
Certificate of Insurance *Certificate of Reinsurance*

7 Premium

G3:12 does not apply to the *primary insurance* policy

8 Primary Insurance

The term *primary* is used in this clause solely to distinguish the insurance of the primary assured by the reinsured insurer and does not mean that the insurance is primary to any other insurance

GENERAL PROVISIONS

G6 DEFINITIONS CLAUSE

1 Introduction

1.1 Application

In any documentation relating to an offer or policy of insurance the words listed below have the meaning set against them - if not inconsistent with the context

1.2 Layout

1.2.1 capitals, italics, bold type and variable font sizes are used for clarity or emphasis, but are not relevant to the interpretation of the insurance

1.2.2 text is *generally* (although not necessarily) underlined, for guidance only, to indicate that a word or phrase is included in the list at 2 below

1.3 You and We

1.3.1 *You/your* means:

an assured and any joint assured under the assured's insurance - as designated in your certificate(s)

1.3.2 *We/us/the Association (our)* means:

The Club (Club's), ie The United Kingdom Mutual Steam Ship Assurance Association (Europe) Limited.

1.3.3 *Assured/Joint Assured* means:

the person(s) so designated in your certificate

1.3.4 *The Managers* means:

the Managers of the Club (or its branches) as defined at 1.3.2 and their employees and agents acting within the scope of their authority

1.3.5 *The Directors* means:

the Board of Directors for the time being of the Club as defined at 1.3.2

1.4 Documentation

1.4.1 *Policy (of insurance)* means:

the terms of your insurance with us, as set out in the Act, the Bye-Laws and your certificate of insurance (and schedules) - which incorporates, to the extent stated in the certificate in each particular case, your policy book (as at 1.4.6)

1.4.2 *Certificate (of insurance)* includes:

endorsements, schedules and certificates of reinsurance

1.4.3 *Cover* means:

a grouping of clauses, *for example* Transport Operator cover

1.4.4 *Clause* means:

a constituent, numbered part of your cover, *for example* T1 - Cargo Liabilities as part of the Transport Operator cover

1.4.5 *Paragraph* means:

a numbered paragraph within a clause, *for example* T1:6 - rules concerning personal effects within the Transport Operator cover for Cargo Liabilities

1.4.6 *Policy Book* means:

a collection of clauses (as at 1.4.4) which are, wholly or partly, incorporated into your policy by means of your certificate

1.5 Insurance/insured

Insurance/insured means insurance/insured - or reinsurance/reinsured - by us in accordance with the applicable terms. Subject to this:

- *insured berth* means a berth specified in your Assets Schedule
- *insured (carrying/handling) equipment* means equipment specified in your Assets Schedule
- *insured location* is defined separately at 2 below
- *insured property* is defined separately at 2 below
- *insured services* is defined separately at 2 below

- *insured ship* means a ship specified in your Assets Schedule
- *insured trading area* is the area stated in respect of each ship in your Assets Schedule
- *insured value* is defined separately at 2 below

1.6 General Interpretation

- 1.6.1 *May* is "permissive"
- 1.6.2 *Will* is "imperative"
- 1.6.3 Singular words include the plural - and vice versa
- 1.6.4 Words representing persons, eg *anyone, another person, someone else*, also include companies and associations
- 1.6.5 *By* includes *on behalf of*
- 1.6.6 *Agree/agreed/agreement* means *agree (etc) in writing*
- 1.6.7 *Carried* includes intended for *carriage* and *having been carried*
- 1.6.8 *Costs* includes *expenses*
- 1.6.9 *Electrical* includes *electronic*
- 1.6.10 *For example (eg)* means *by way of example without limitation of the generality of the foregoing*
- 1.6.11 *General limit* means *our general limit of liability* as defined at G1:6
- 1.6.12 *Includes/including* means *includes/including without limitation of the generality of the foregoing*
- 1.6.13 *Injury* means *bodily injury*
- 1.6.14 *Liability (liable)* means *legal liability (legally liable)*
- 1.6.15 *Notice* means *notice in writing*
- 1.6.16 *Port* includes *harbour*
- 1.6.17 *Premium* (used on its own) means a mutual premium, a fixed premium or a combination of the two
- 1.6.18 *Regulations* means *regulations made by any authority*
- 1.6.19 *Risk* means *(legal) liability, loss, damage or costs*
- 1.6.20 *Special limit* means *our special limit of liability* as defined at G1:6
- 1.6.21 *Terms* includes *conditions, exclusions, qualifications* and (where applicable) *price*

2 The Definitions

Accident

one accident or occurrence or a series of accidents or occurrences arising from one fortuitous event

Account year

the annual period of the insurance of the assured commencing each year on the date shown in your certificate

Adjustment date

the date on which the declaration of your gross freight receipts, gross annual income or similar earnings, insured values, movements, handling or any other agreed adjustment factor is to be made

Adjustment rate

one of the following rates, as specified in your certificate:

- a rate on your gross freight receipts or gross annual income or similar earnings during an account year
- a rate per movement or handling during an account year
- a rate per annum on the insured value of equipment
- any other rate agreed by the Managers

Aircraft

Includes aeroplane/helicopter (fixed or rotary wing), airship and balloon

All risks policy

policy covering fortuities generally though not inevitabilities such as wear and tear or depreciation

Amount due (from you)

any of the following amounts due from you to us:

- all or part of any mutual/fixed/supplementary/release premium
- any amount due from you in respect of a claim
- any other sum due for any reason whatsoever

Asbestos

asbestos in any form whether or not the asbestos was at any time

- airborne as a fibre, particle or dust
- contained in or formed as part of a product, structure or other real or personal property
- carried on clothing
- inhaled or ingested

- transmitted by any other means
- Authority**
- any central or local government, or agency of such government
 - any body or person empowered to make regulations or issue directions in relation to:
 - the administration of any seaport, airport or railway
 - the import, export or transport of any cargo
 - safety of working conditions
 - immigration
 - the imposition of any tax or duty
 - the control of pollution
 - any court or tribunal

Avalanche
includes mudslide

Average
reduction of reimbursement of a claim because the value of equipment or property in your declaration is less than its actual or new replacement value (see also *general average*)

Barratry
intentional sinking of a vessel by the master or crew to the prejudice of, and without the connivance of, the owner

Berth
any quay, jetty, pier, wharf or other structure or object alongside which ships moor

Breach of copyright
includes infringement of plans, patents, trade names, trade marks and registered designs

Breakbulk
cargo (except bulk cargo) which is not in carrying equipment, when carried on board a ship

Broker
an insurance broker, consultant or other intermediary or agent directly or indirectly involved in dealing on your behalf as regards your insurance

Bulk
unpacked goods of a homogeneous nature

Bullion
gold, silver or platinum in bars or similar bulk form

Cargo
goods, including:

- carrying equipment *unless* supplied by you
- anything used or intended to be used to pack or secure goods, carried from one place to another place

in respect of which you contract to provide services, or in which you have an insurable interest

Carrying equipment
any container, chassis, trailer, rolling stock, genset, swap body, igloo and anything else specified as carrying equipment in your Assets Schedule

Cash
bank notes and coins (whether or not currently legal tender) - and travellers and bank cheques, drafts, credit and charge cards and any cards or documents entitling the holder to receive cash, goods or services

Cessation of work
loss/damage arising from

- cessation of work (total or partial)
- cessation, interruption or retarding of any process or operation as a result of strikes, labour disturbances or locked out workers - *except* physical loss/damage directly caused by strikers, locked out workers or similar persons

Charter(chartered)
a time, voyage, space or slot *charter*, but *not* a bareboat charter (*chartered* under a time, voyage, space or slot charter)

Chassis

- a trailer or semi-trailer designed to be hauled by a truck or tractor and used for the transportation of containers or intermodal cargo
- a part, including spares and accessories, of a chassis
- plant, tools or materials for the maintenance or repair of a chassis

Clean Up Costs
costs of removal of a pollutant after pollution of land, sea, the atmosphere, any watercourse or body of water

Combined single limit

the limit to which a total claim in respect of one accident, parts of which arise from different risks, will be subject

Computer

a device which accepts information in digital form and processes it for some result based on a program or sequence of instructions and which can perform substantial computation, including numerous arithmetic operations or logic operations - including the base unit but not a keyboard, monitor or other peripheral

Condition precedent

a condition which must be fulfilled for the cover to be valid

Container

- an article of transport of permanent character fitted with corner castings specifically designed to facilitate transport by more than one mode of carriage
- plant tools or materials for the maintenance or repair of a container

Contract (contractual)

any contract relating to your insured services, including a port statute, port tariff and port regulations to which you are subject (under such a contract)

Conveyance

any ship, aircraft, road vehicle or rail wagon used or intended to be used for the carriage of cargo

Customer

any person for whom you provide, directly or through your subcontractors, insured services

Damage protection plan

an agreement between you and a customer whereby, in return for additional premium, the lessee is relieved of its obligation under the leasing contract to pay for repair of damage to equipment during the period of the lease

Death, injury or illness

includes hospital, medical and funeral expenses

Death or injury

includes hospital, medical and funeral expenses

Declaration

declaration of information which is to be provided by you to us in order to calculate your premium

Defamation

libel, slander and publication or utterance of disparaging material in violation of privacy rights

Deposit

the part of the premium payable each account year in advance, adjusted at the adjustment rate on the adjustment date, subject to any applicable minimum

Earthquake

includes seaquake, tsunami and seismic activity

Electronic components

integrated circuits, system boards and SIM cards, computer memory and computer processors, CD-ROM drives, DVD drives, sound cards, video cards and modems

Equipment

carrying or handling equipment

Executive officer

any director, board member, commissioner, president, vice-president or managerial employee

Expendable/replaceable parts

flexible drives, ropes, belts, chains, elevator and conveyor bands, batteries, tyres, trailing wires and cables, flexible pipes and hoses, jointing and packing materials, transistors, fuses and similar electrical component

FDA Agent

Food and Drugs Administration US Resident Agent

Financial lessor

lessor of property/equipment under an agreement or option to purchase

Fiscal representative

a person acting as representative for tax or duty purposes or as otherwise defined in any applicable national or international law or convention

Fixed premium

price (or any part of price) for insurance which has not been agreed to be a mutual premium

Flood

rising water, surface water, waves, tidal waves, tidal water, overflow of streams, rivers, lakes, ponds or other bodies of water, spray from any of the foregoing, all whether driven by wind or not

Freight forwarder

a transport operator providing services, which may include documentation and customs clearance, as agent or principal, but sub contracting all physical carriage and handling to one or more operators

General average

sacrifice or expenditure to save property involved in a sea voyage, to which, in principle, all owners of the saved property contribute proportionately (see also *average*)

Gross freight receipts

gross revenue plus payments to agents and subcontractors in respect of services as transport operator, but excluding customs duty, sales tax or similar fiscal charges, paid on behalf of customers

Gross revenue

revenue net of payments to agents and subcontractors in respect of services as transport operator

Handheld electronic products

products designed primarily for the storage, management, use or transmission of information by electronic means (for example: organisers, computer games, remote control devices), but not products in which the electronic component only controls another, mechanical or other, function (for example: toothbrushes, power tools)

Handling equipment

- an item of machinery or other apparatus (not being an aircraft, container, locomotive, ship or trailer) used for the handling, movement or storage of cargo or carrying equipment, and operations incidental to such activities
- a part, including spares and accessories, of handling equipment
- plant, tools or materials for the maintenance or repair of handling equipment or of any customer's equipment
- anything specified as handling equipment in your Assets Schedule

Host Liquor

supplying alcoholic beverages in the course of your insured services *as long as* you are not in the business of manufacturing, distributing, selling or serving alcoholic beverages

Illegal trade

handling, movement, storage of, or transaction in, people, goods, cargo or money in the course of trade which is prohibited by national law or international agreement/convention

In writing/written

visibly expressed in any permanent mode, including telegram, fax and electronic means

Incur as an employer

includes incurring liability under any state or private workers compensation insurance, disability benefits or similar law or scheme

Indemnity value

the cost of replacing an item of insured equipment/property with equipment/property of the nearest (but no worse) type, age and condition, and any labour, dismantling, freight and erection costs of the replacement equipment/property but only to the extent that the total of such costs does not exceed the insured value

Indirect declarant

a person making a customs declaration in his/her own name but on behalf of someone else or as otherwise defined in any applicable national or international law or convention

In flight

the time commencing with the actual take off run of the aircraft and continuing thereafter until it has completed its landing run and its engines are shut down

Insanity

becoming incapable by reason of mental disorder of managing and administering property and affairs

Insured location

the location at which you provide any insured services and in respect of which the Managers have agreed that you are insured, and which is included in your Insured Location Schedule (or Assets Schedule)

Insured property

property *at the locations specified in your certificate* which is:

- specified in your certificate *or*
- third party property in your care, custody and control which you are legally liable to insure against physical loss and damage

Insured services

services set out in your certificate in respect of which the Managers have agreed that you are insured

Insured value

an amount, which may be *new replacement value*, *depreciated value*, *indemnity value* or other *agreed value*, which the Managers have agreed that we will pay in the event of the total loss of an insured item

Joint service partner

a ship operator or NVOC with whom you operate a joint service

Joint venture partner

an operator with whom you pool equipment in order to operate a joint service

Lack of due diligence

failure to exercise reasonable skill, care and competence in the circumstances

Land

includes buildings and other things fixed to land so as to become part of it, mines, subsoil and airspace

Landlord port authority

an authority which owns or is responsible for the infrastructure of a port, but which does not itself handle cargo (either directly or through subcontractors) and which itself undertakes activities or operates facilities (either directly or through subcontractors) in respect of which it is insured only if, and to the extent, specified in your policy

Lease/leased/lessor/lessee

includes rent and hire, but excludes owning and re-positioning of carrying equipment in respect of which payment is not made or received

Leasing contract

a contract approved by the Managers for the purposes of your lessor cover whereby you lease equipment to a customer on terms, amongst others, that the customer will be responsible for all physical loss/damage of the equipment (other than fair wear and tear) from the time the customer takes delivery of it until either the customer redelivers it to you or you repossess it, and will also be responsible for all third party liabilities arising from its condition or use during that period

Liquidated damages

a fixed sum agreed in advance under your contract with your customer as payable in the event of a breach of the contract

Logistics operator

an operator:

- undertaking supply chain management, defined as planning, implementing and controlling the flow and storage of goods, services and related information from point of origin to point of consumption
- operating under contracts specified in your Approved Contracts Schedule which extend liability provisions, for example: to just in time delivery, assembly (including packing, labelling and bar coding) and financial penalties for failure to conform

Loss Payee

includes mortgagees and mortgagors specified in your Loss Payee or Loss Payee Joint Assured Schedule

Lump sum

a premium not subject to adjustment by means of an adjustment rate

Material information

information and facts, and any changes in information and facts, which you know or ought to know, and which would influence us in fixing the premium or determining whether we will take the risk or accept an amendment which you seek, and, if so, on what terms, *including*:

- any material change/addition to information already given
- any merger, amalgamation or division affecting you
- opening/closing of business premises

Microorganism

mould, mildew, fungus, spores or other microorganism of any type, including any substance the presence of which poses actual or potential threat to health

Mutual premium

price (or any part of price) for insurance which is subject to supplementary, return, and release premiums in accordance with Part E of the Bye-Laws

NVOC

(non vessel owning carrier) - a carrier, who is not a ship operator, providing freight forwarder services as a principal, usually under a bill of lading

Navigational aids

- provision and maintenance of marine navigational aid
- provision and maintenance of charted and advertised water depths
- provision and maintenance of buoyage and lighting for fairways, wrecks and obstruction
- provision of navigational information and warnings

New for old

without deduction for depreciation

Non-contractual

other than under a contract

Nuclear weapon

any weapon of war employing nuclear fission or fusion or other like reaction or radioactive force or matter

Off lease (equipment)

equipment which at the time of an accident giving rise to a claim under your lessor cover was *not on lease*

On lease (equipment)

equipment which at the time of an accident giving rise to a claim under your lessor cover:

- was on lease to your customer pursuant to a leasing contract or
- had been leased to your customer under a leasing contract which had terminated by reason of default or breach of the customer and had not yet been redelivered to or repossessed by you

Operation of airfield control tower

includes control only of aircraft on the ground and during take off and landing

Operator

a person who owns, leases, charts or otherwise operates means of transport or storage or handling facilities specified in your insured services

Oversea ship

a ship carrying insured equipment from one port or place to another when the voyage includes a sea passage

Overspill claim

that proportion of a political risks claim which is unpaid as a result of the total political risks claims for the political risks account year exceeding the political risks maximum and which is carried forward to the next political risks account year

Own/owned/ownership

includes lease purchase and bareboat charter

Personal property

all property except land

Picking

removal of a full pallet of a single product line from a storage position to fulfil an order

Ploeking

selection of products to fulfil an order of less than a full pallet

Pollutant

any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapour, soot, fumes, liquid, gas, oil, petroleum substance or derivative acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed

Pollution

the emission, discharge, dispersal, release or escape of a pollutant into or upon land, sea, the atmosphere, any watercourse or body of water which is not naturally present in the environment in the amounts/concentrations discovered

Port authority

includes port operator, harbour board, harbour authority or harbour operator

Precious jewellery

jewellery made from precious stones or precious metal

Precious metal

gold (any carat and any colour), palladium, platinum, silver and objects made of or plated with precious metal (as defined here)

Precious stones

diamonds, emeralds, sapphires and rubies - except where made up into precious jewellery

Products liability

liability for loss/damage of property or bodily injury arising from any product, including containers packaging or labelling, which:

- is sold, supplied, erected, constructed, repaired, altered, treated, converted, installed, processed, manufactured, tested, serviced, hired out, stored, carried or delivered by or through you *and*
- has ceased to be in your possession, care, custody or control *and*
- is defective for the purposes of applicable products liability law

Professional services

includes preparation/approval of, maps, charts, plans, reports, surveys, designs calculations or specifications and supervisory, inspection, engineering or data processing services and services of or in the nature of a profession

which would normally be insured by a professional Indemnity Insurer (whether actually insured or not) - and advice of a professional nature

Project cargo

cargo carried under a contract which requires you to accept liability:

- if delivery is not made within a time limit specified in the contract, *unless* the liability is calculated by reference to the freight in respect of the cargo *or*
- for loss or damage to cargo without a financial limit of liability based on the weight or the number of packages of the cargo

Quiet use

freedom from interference in enjoyment of the property by the seller or by anyone claiming through the seller

Radioactive/nuclear risks

risks caused or increased (directly or indirectly) by:

- ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste from combustion of nuclear fuel
- the radioactive, toxic, explosive or other hazardous properties of:
- an explosive nuclear assembly or nuclear component thereof *or*
- *source material, special nuclear material or by product material* as defined by the US Atomic Energy Act 1954 (and amendments) *or*
- radioactive products carried as cargo - other than *excepted matter*
excepted matter is defined under s26(i) of the United Kingdom Nuclear Installations Act 1965 as nuclear matter consisting only of one or more of the following:
 - (a) isotopes prepared for use for industrial, commercial, agricultural, medical or scientific purposes
 - (b) natural uranium
 - (c) any uranium of which isotope 235 forms not more than 0.72 per cent.
 - (d) nuclear matter of such other description, if any, in such circumstances as may be prescribed (or, for the purposes of the application of this Act to a relevant foreign operator, as may be excluded from the operation of the relevant international agreement by the relevant foreign law)

Refurbishment

stripping equipment to its skeleton - in the case of a chassis this means to axles/frame - and then replacing *everything*, whether it needs replacement or not

Review date

the date on which your policy is reviewed as stated in your certificate

Risk mapping model

precise details are available from the Managers. Subject to this, and *for guidance only*:

For earthquake/volcanic eruption:

Afghanistan, Albania, Armenia, Azerbaijan, Canada (West Coast), Canary Islands, Chile, Colombia, Costa Rica, Cyprus, Ecuador, El Salvador, Greece, Guam, Guatemala, Honduras, Iceland, India (North West), Indonesia (excl Kalimantan), Iran, Israel, Italy (part), Japan, Leeward & Windward Islands, Mexico, Morocco, New Zealand, Nicaragua, Pakistan, Panama, Papua New Guinea, China (earthquake zones), Peru, Philippines, Taiwan, Turkey, USA (West Coast), Venezuela

For storm:

Bangladesh, Bermuda, Caribbean, Fiji, Guam, Honduras, Hong Kong, India, Indonesia, Macao, Mauritius, Mexico, Nauru, China (flood zones), Philippines, Reunion, Solomon Islands, South Korea, Sri Lanka, Taiwan, Thailand, Tonga, Tuvalu, Vanuata, USA (below Virginia, East Coast & Gulf)

For flood:

Bangladesh, Botswana, Chile (North), Ecuador, Germany, India, Netherlands, Peru, China (flood zones), Thailand, USA (Mississippi Delta)

Road vehicle

a vehicle with integral means of mechanical or electrical propulsion for use on public roads

Rolling Stock

railway wagon without integral means of mechanical or electrical propulsion

Seaman

any person (including the master and apprentices) employed as part of a ship's complement under the terms of a crew agreement or other contract of service or employment to serve on board a ship

Securities

bonds, negotiable instruments or securities of any kind

Semi-trailer

- a trailer constructed to be attached to, and supported at its forward end by, the fifth wheel device of a tractor - but excluding for the purposes of your policy any semi-trailer which is defined as a chassis
- a part, including spares and accessories, of a semi-trailer
- plant, tools or materials for the maintenance or repair of a semi-trailer

Ship

boat (whether self propelled or not), hovercraft and any other vessel or structure for use in navigation on, under, over or in water

Ship operator

the owner, part owner, operator, charterer or manager of a ship

Slot charter

an agreement under which the shipowner agrees to place a certain number of container slots at the charterer's disposal

Space charter

an agreement under which the shipowner agrees to place part of the ship's capacity at the charterer's disposal

Specified lessee

a lessee specified in your Specified Lessee Schedule

Statutory obligation

any obligation, liability or discretion imposed by any legislative enactment, decree, order or regulation having the force of law in any country

Storm

includes hurricane, typhoon, windstorm, rainstorm or tornado

Strikes riots & civil commotion risks

risks arising from strikers, locked-out workmen or persons taking part in labour disturbances, riots or civil commotions

Strikes riots & terrorist risks

risks arising from:

- strikers, locked-out workmen or persons taking part in labour disturbances, riots or civil commotions
- terrorists or persons acting from a political motive

Subsidence

includes landslide and heave

Terrorism(terrorist)

(an act of) any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious or ideological purposes to:

- overthrow or influence any government (de facto or de jure) *or*
- put the public in fear for such purposes by force or violence

Terrorism class

as defined in the *Pool Reinsurance Company Limited 2002* rules for the purposes of reinsurance of risks arising from terrorism. The classes are (in brief):

- property damage/ buildings
- property damage/ other property (including handling equipment)
- business interruption
- book debts

Third party

anyone other than us, the assured or a joint assured

Third party liability

- liability for physical loss of or damage to third party property and for resulting consequential loss
- liability for death, injury or illness of any third party, and for resulting consequential loss

Third party property

any property of a third party *except*:

- cargo
- property leased to the assured or a joint assured (*for example: equipment, land or buildings*)

Trailer

- a vehicle, without integral means of propulsion, designed to be hauled by a truck or tractor for the purpose of transporting goods - but excluding for the purposes of your policy any trailer which is defined as a chassis
- a part, including spares and accessories, of a trailer
- plant, tools or materials for the maintenance or repair of a trailer

Transit storage

storage of cargo during, or immediately before or after, carriage (which is other than solely local distribution), if at the commencement of such storage it was intended that the storage would not exceed 30 days

Transport operator

a person undertaking transport of cargo, either directly or through a subcontractor, as specified at G4:2 - which may include transit storage and incidental handling

Unspecified lessee

a lessee other than a specified lessee

Valuable papers

formal documents expressing property, or debt, relations between parties and classified as follows:

- share capital certificates if it is possible to receive credit from a bank on the document
- bond certificates - issued by both companies and governments
- documents expressing proprietary interests including bills, cheques, warrants, certificates of deposit, bills of lading and other commercial papers
- international valuable papers including euroshares and eurobonds

Valuable works of art

includes antiques, paintings, furniture, sculptures, tapestries, collectibles or objects for display, if the value exceeds US\$20,000 each item or set of items

Vertical tandem lift

lift of more than one container linked together vertically

War risks

risks caused by the following:

- war, civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power
- capture, seizure, arrest, restraint, detainment (piracy excepted), confiscation or expropriation and the consequences thereof and attempts thereat
- mines, torpedoes, bombs, rockets, missiles, shells, explosives or other similar weapons of war

Wear and tear

wastage, wearing away or wearing out of any material or part arising from ordinary usage or working, or other gradual deterioration, rust, oxidisation, corrosion, or erosion, including slowly developing deformation, distortion, cracks or other flaws

Winding up/bankruptcy

- in the case of a corporation:
 - the passing of a resolution for voluntary winding up
 - an order being made for compulsory winding up
 - dissolution
 - appointment of a receiver or manager of all or part of the business or undertaking
 - possession being taken by a secured party of any property
 - commencing proceedings under any insolvency laws to seek protection from creditors or to reorganise its affairs
- in the case of an individual:
 - having a receiving order made against him/her
 - becoming bankrupt
 - making a composition or arrangement with creditors generally

Your country

any country in which:

- you are incorporated *or*
- the management of your business is conducted *or*
- your principal place of business is situated

Your product

any goods, other than real property, manufactured, sold, handled, distributed or disposed of by:

- you
- others trading under your name
- anyone whose business or assets you have acquired

Your product includes

- containers (other than vehicles), materials, parts or equipment furnished in connection with your goods or products

- warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your product *and*
- the providing of, or failure to provide, warnings or instructions

Your work

- any work or operations performed by you or on your behalf *and*
- any materials, parts or equipment furnished in connection with this work or operations

Your work includes:

- warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your work *and*
- the providing of, or failing to provide, warnings or instructions