

Multimodal Freight Liability Policy (Version 2)

(Registration No.: 05FF2022000210392)

DEFINITIONS

Anti-theft Equipment	mechanism suitable for inhibit the motion of the vehicles;
Goods	Means goods or merchandise suitably packed for transit <u>but excluding goods listed in the Excluded Goods section of the policy.</u>
Atmospheric Events	means windstorm, hurricane, hail, tornado, cyclone, blizzard, storms wind and any object carried by it;
Bespoke Customer Contract	<p>means any specifically negotiated contract entered into by the Insured and a Customer where certain additional terms and/or conditions and/or limitations are incorporated that go beyond the Standard Trading Conditions and/or the Uplifted Standard Trading Conditions provided that:</p> <ol style="list-style-type: none">1.such contracts are approved on a case-by-case basis by the Insurer before being entered into; or2.such contracts are in accordance with any minimum criteria where these are detailed in the policy.
Carrier	subject legally recognised that assume the assignment to perform the transportation
Catastrophic Events	<p>means fire, explosion or bursting occurring as a result of:</p> <p>a) Earthquakes, i.e. abrupt or sudden movements of the earth's crust. Tremors recorded in the 72 hours subsequent to any event that gave rise to compensable loss are attributed to the same seismic episode, and the resulting damage is therefore considered a "single loss";</p> <p>b) Inundation, flood, and flooding in general, even if said events are caused by an earthquake;</p>
Claim	<p>means:</p> <ol style="list-style-type: none">1.Written demand for monetary damages or non-monetary relief; or2.A civil proceeding in a court of law or3.An arbitration commenced by receipt of a written request, demand or invitation to arbitrate, or similar communication; or4.An invitation to enter into alternative dispute resolution, including, where applicable, any appeal therefrom.

Contract Conditions	<p>means each of the following where stated as operative in the Schedule:</p> <ol style="list-style-type: none"> 1. the Insured's Standard Trading Conditions; and/or 2. the Insured's Uplifted Standard Trading Conditions; and/or 3. any Bespoke Customer Contract; <p>under which the Insured has contracted with its Customer.</p>
Customer	means customers of the Insured.
Deductible	the amount, fixed or in percentage that remains for each claim under the responsibility of the Insured
Deductible in %	The amount in percentages that for each claim remains the responsibility of the Insured;
Defence Costs and Expenses	means reasonable and necessary fees (including but not limited to lawyers' fees and experts' fees), charges, costs and expenses, consented to in advance by the Insurer (such consent not to be unreasonably withheld) and incurred by the Insured or on the Insured's behalf, in the investigation, adjustment, defence or appeal of any Claim which may be the subject of indemnity under this Policy. The term shall not, however, include regular or over-time salaries, wages, fees, overhead or benefit expenses associated with any Insured Person.
Freight Forwarder	the subject that is obliged to close in its name and on behalf of the entitled subject a contract of transportation and carrying out the ancillary operations
Freight Forwarder/Carrier	that subject that with owned or third-party resources assume partially or in full the execution of the transportation
Fiscal Authority (M)	<p>means</p> <ol style="list-style-type: none"> 1. any central or local government customs service or customs agency; 2. anybody or persons empowered to enforce statutory and regulatory provisions regarding the imposition and control of customs duties for the: <ol style="list-style-type: none"> a) administration of any seaport, airport or railway; or b) import, export, transport of any cargo; or <p>but excluding that body or persons activities, duties or any statutory and regulatory provisions that do not directly relate to customs and import/export controls.</p>

Fiscal Liability (M)

means, to the extent it is legally permissible to insure and for the Insurer to indemnify, any financial or other fiscal liability relating to customs duties payable to any Fiscal Authority by reason of a negligent act, error or omission committed by the Insured, an Insured Person, agent or sub-contractor for whom the Insured is vicariously liable, imposed on

1. a Customer of the Insured but only in relation to the Insured's business activities on behalf of such Customer that fall under the subject of the Contract Conditions with that Customer; or
2. the Insured but only in relation to the Insured's business activities on behalf of such Customer that fall under the subject of the Contract Conditions with that Customer

by any Fiscal Authority, arising out of business activities and which would not have been payable except for a breach by the Insured of the applicable fiscal regulations but always excluding any financial or other fiscal penalties arising

Excess

means the amounts specified in the Schedule, which the Insured shall pay in respect of all claims for indemnity including Claimants' costs, Defence Costs and Expenses and other legal costs and expenses insured under each Section, before the Insurers shall be liable to make payment. Where a claim is brought under more than one Section, the Excess applicable to each Section shall apply.

Unless otherwise stated:

1. all loss payments made under this Policy which are attributable to the same Occurrence will be considered one claim under this Policy for the purposes of applying the Excess; and
2. if two or more Excesses apply to a single Occurrence under the same Insured Section, the total to be deducted from any claim under this Policy will not exceed the largest Excess applicable.

For the sake of clarity, the word Excess and Deductible have the same definition as above for the purpose of this Policy.

Indemnity amount

amount due by the Insurers, gross of the franchise and / or percentage agreed, in the event of a claim

Indemnity

sum due by insurers in the event of a claim

Interrelated Claims	any one Claim or series of or related Claims or multiple Claims or losses or Damage arising out of all occurrences in a series consequent upon or directly or indirectly attributable to one source or original cause or common underlying causes, whether or not occurring at the same time or location or which are logically or causally connected by reason of any common fact, circumstance, situation, transaction or event
Insured	<ol style="list-style-type: none"> 1) the policyholder 2) those Subsidiaries registered in the same country as the Policyholder; and 3) those Subsidiaries registered in those countries listed in the International Program” section and 4) any joint ventures or associated companies listed in the International Program” section 5) for whom they may have instruct to insure, as their respective
rights and	interests; each for their separate rights and interests.
Insured Person	employees of the Insured and other person of which the Insured is responsible.
Insurer	Huatai Property & Casualty Insurance Company Ltd.
Insurance	the contract of insurance;
Liquidated Damages	means monetary compensation for a loss, detriment, or awarded by a court judgment or by a contract stipulation regarding breach of contract.
Local Policy	means those policies specified as covered by the Master Policy and listed in the “International Program” section.
Loss	the loss or the damage or the consequential expense of the
claim;	
Jurisdiction	territorial area in which the judicial authority is applied;
Mobile Devices	means any device that allows access to data, information, games etc from anywhere i.e. cell phones and similar portable device.

Over-Dimensional Cargo (ODC) A Project Cargo ODC load is defined as follows:

- 1) the unit price of an item of Project Cargo is valued in excess of **xxx**; and
- 2) the item has dimensions (including packing) in excess of xxx meters length and/or xxx meters wide and/or xxx meters high (or U.S. equivalent) and therefore does not fit inside a xxx foot container or equivalent road trailer; or the item has a weight (including packing) in excess of xxx metric tonnes; or the item is shipped by ocean barge.

Policy

means:

1. all terms, conditions, exclusions, extensions and sections indicated as operative in the Policy Schedule, all whether special or of general application; and
2. the Schedule; and
3. all schedules, notices, appendices, subjectivity notices and other documents agreed by the Insurer and the Policyholder, commencing from time to time; and
4. all endorsements and variations issued from time to time, all of which shall be read together and constitute the contract of insurance

Policyholder

the subject that stipulates the insurance;

Premium

The amount due from the Policyholder to the Insurer;

Professional Advice Services
formulae, directions or

means the provision of any designs, plans, specifications,

advice prepared or given or provided by the Insured whether for a fee or not under a specific contract, including where a fee is specifically charged solely for the provision of such designs, plans, specifications, formulae, directions, advice or also including where such designs, plans, specifications, formulae, directions, advice are itemised as a separate charge within any fee allocation.

Risk

The probability that the damage happens;

Standard Trading Conditions
liability to

means where the Insured's contract defines the Insured's

Customers as being subject to:

1. International Convention or Domestic Transport Law which is compulsorily applicable; and/or

- 2.any standard trading conditions approved by a national freight forwarding, road haulage or warehousing association of which the Insured is a member; and/or
- 3.the Insured's own house bill of lading or standard trading conditions provided these have been supplied to and approved by the Insurer.

Territorial Limits

means the geographical area of cover stated in any section of this Policy or as specified in the Schedule or any additional Endorsement attached to this Policy.

Terrorism

means any act including, but not limited to, the use of force or violence or the threat thereof, by any person or group of persons (whether acting alone or on behalf of or in connection with any organisation or government) committed for political, religious, ideological or similar purpose, including the intention to overthrow or influence any government, whether or not legally constituted, or to put the public or any section of the public in fear.

**Uplifted Standard Trading
that the insured**

means Standard Trading Conditions amended only to the extent

Conditions

has agreed with a Customer to accept uplifted limits of liability for property Damage to Customers Goods, to an amount not exceeding the full replacement value of lost or damaged goods.

LIMITS / SUM INSURED

The limits and the sum insured are specified in the Schedule.

DEDUCTIBLES

The deductibles are specifided in the Schedule.

SECTION 1

LIABILITY FOR PROPERTY DAMAGE TO CUSTOMERS GOODS

(Including Consequential Financial Loss and Delay in Delivery under Standard Trading Conditions)

ART. 01INSURING CLAUSE

The Insurer shall indemnify the Insured for all liability and Defence Costs and Expenses resulting from any:

- 1) Claim for direct Property Damage to Customer's Goods, in accordance with the Contract Condition or by an unappealable court ruling; or
- 2) Claim for financial loss or any delay in delivery arising under Standard Trading Conditions as a consequence of, and flowing directly from, Property Damage, where a valid claim attaches under clause point 1) above

Coverage for Bespoke Customer Contracts and Uplifted Standard Trading Conditions shall be given under point 2) above, but only to the same extent and liability that would have arisen had the Claim for financial loss arisen and been made under Standard Trading Conditions.

ART. 02LIMIT OF LIABILITY

The Insurer's liability under part n. 1 and n. 2 of the Insuring Clause above is subject to the applicable Limits as specified in the Schedule.

Defence Costs and Expenses will be payable in addition to the applicable Limits as specified in the Schedule.

ART. 03SPECIAL CONDITIONS

The following conditions apply to this Section only, in addition to the General Policy Conditions.

Art. 3.1 Contract Conditions Clause

The Insured must continuously carry out business subject to the Contract conditions and take reasonable precautions to ensure the incorporation of the Contract Conditions.

Where the Insured contracts with a Customer on Standard Trading Conditions, the Insured and any Insured Person must not, by agreement, accept:

- a) any special declaration of value; or
- b) any declaration of special interest in delivery or agreed delivery dates; or
- c) any liability in excess of the Standard Trading Conditions.

In case **Air Shipments**, the airway bill issued by the Insured or on the Insured's behalf, must show a notice to the effect that:

"If the carriage involves an ultimate destination or stop in a country other than the country of departure, the Warsaw Convention, amended Warsaw Convention, Montréal Convention and

equivalent national legislation relating to the international carriage of goods by air may be applicable and governs, and in most cases limits the liability of the carriers in respect of loss or damage to cargo”.

In case of **Sea Shipments**, the Bill of Lading issued by the Insured or on the Insured's behalf, **must**:

- a) include a paramount clause incorporating the Hague Rules; and
- b) include a clause excluding the Insured's liability for cargo carried on deck, where a similar exclusion is imposed by the actual carrier; and
- c) not include a Demise Clause so that the bill of lading is evidence of a contract between the ship owners or demise charterer and cargo interest, if such authority has not been obtained from the ship owner or demise charterer, as the case might be.

In respect of Bill of Lading, **neither the Insured nor the employees of the Insured will**:

- 1) enter or give instructions to enter information which is known by the Insured to be incorrect or likely to be incorrect on a Bill of Lading or waybill; or
- 2) release Customer's Goods except against the surrender of the original bill of lading.

If the Insured accidentally fails to advise a Customer of the Contract Conditions prior to undertaking work for them, the Insurer will still provide cover providing that the Insured can show that it normally complies with this condition.

If the Insured fails to show that it normally complies with this condition, then the Insured will be covered to the extent of the liability that would have attached under appropriate Standard Trading Conditions in the relevant country of operation to be determined by the Insurer in their sole discretion.

Art. 3.2 Refrigeration Clause

(Applicable only to Customers' Goods directly in care, custody or control of the Insured)

When the Insured is carrying or storing Customer's Goods which must be kept in a temperature-controlled condition or the Insured is instructed to carry or store in a temperature controlled condition, the Insured must:

- 1) ensure that the refrigeration equipment owned or leased by the Insured is maintained and serviced in accordance with the manufacturers' instructions; and
- 2) produce to the Insurer on request, the maintenance and service records of the refrigeration equipment owned or leased by the Insured; and
- 3) ensure that all refrigeration equipment used is capable of maintaining the temperature at which the Insured is instructed to carry or store Customer's Goods for the duration of the transit or storage; and
- 4) obtain written confirmation of the temperature at which the Customer's Goods are to be maintained prior to acceptance of such Customer's Goods; and
- 5) obtain written confirmation of the temperature of the Customer's Goods on receipt and release of the Customer's Goods prior to loading or unloading

Art. 3.3 Sub-Contractors

Where the Insured sub-contracts the carriage of goods by road, the Insured must use its best endeavours to ensure that such sub-contractors are properly established and incorporated businesses, with adequate insurance cover to cover their liability to the Insured and to the Customer. These checks must be carried out prior to entrusting Customer's Goods to any sub-contractor and the Insured must ensure that records of such checks are kept by the Insured.

If, as result of an isolated error and omission, the Insured fails to carry out such checks or provide such written instructions or the Insured can demonstrate that following enquiry such insurance cover is not reasonably obtainable for the sub-contractor, the Insurer will still cover the insured subject to all other Policy terms and conditions, provided that the Insured can prove to the Insurer's reasonable satisfaction that it normally complies with this condition.

ART. 04SPECIAL EXTENSIONS

Unless stated as inoperative in the Schedule, the Insurer hereby agrees, subject to the terms and conditions of this Policy, to provide the following Extensions of cover, as set out below. For the avoidance of doubt, the insurance provided under these Extensions shall be subject to the applicable Sub-Limits, if any, as specified in the Schedule. Unless otherwise stated in the Schedule, all Extensions shall be inclusive within any Limit stated for this Section.

Art. 4.1 Goods Subject to a Lien

The insurance provided under this Section shall extend to cover the Insured's liability resulting directly from any Property Damage to Customer's Goods over which the Customer is holding a valid and enforceable lien.

Art. 4.2 Transshipment, Recovery and Debris Removal Costs

Subject to the sub-limit stated in the Schedule, the Insurer shall pay, on behalf of the Insured:

- any transshipment, recovery or debris removal costs of the Customer's Goods, following Property Damage to such Customer's Goods, or to the vehicle, container, vessel or aircraft, or the warehouse on or in which such Customer's Goods are carried or stored;
- costs reasonably incurred for removal of Customers' Goods from the road as ordered by the authorities for their destruction following Property Damage covered by the Policy but **excluding absolutely any expenses incurred in consequence of, or to prevent or mitigate, pollution or contamination, or any threat or liability therefore.**

SECTION 2) PROFESSIONAL INDEMNITY LIABILITY

ART. 05INSURING CLAUSE

The Insurer hereby agrees, subject to the terms and conditions of this Policy, to indemnify the Insured in respect of:

- a)the Insured's legal liability to a Customer to pay damages by reason of a negligent act, error or omission committed by the Insured, an Insured Person, agent or sub-contractor for

whom the Insured is vicariously liable, in respect of breach of professional duty, including where arising from the provision of Professional Advice Services.

b) Claimants' costs and expenses legally liable by the Insured arising in respect of any Claim against the Insured which may be the subject of indemnity under this Section;

c) Defence Costs and Expenses in connection with the defence of any Claim;

due to a Claim being made against the Insured anywhere within the Territorial Limits during the Policy Period and arising in connection with business activities of the Insured.

ART. 06 LIMIT OF LIABILITY

The **Insurer's** liability under this Section, is subject to the applicable Limits as specified in the Schedule, which is the most the **Insurer** will pay in respect of any one **Claim**, including any **Interrelated Claims**. For the purposes of applying the Limits, all **Interrelated Claims** shall be considered one **Claim**. **Defence Costs and Expenses** will be payable in addition to the applicable Limits as specified in the Schedule

ART. 07 SPECIAL EXCLUSIONS

The following Special Exclusions apply to this Section only, in addition to the General Policy Exclusions.

The Insurer shall not be liable under this Section to pay for any liability or Defence Costs and Expenses resulting from any Claim based upon, arising from, or in consequence of:

Art. 7.1. Specified Excluded Confiscation

Any confiscation and liability arising from:

- a) any confiscation which cannot be attributable to a negligent act, error or omission committed by the Insured;
- b) any confiscation as a result of the Customer's failure to pay properly assessed duty or tax to any Fiscal Authority or to the Insured, provided this exclusion shall not apply where the failure to pay arises from a negligent act, error or omission committed by the Insured.

Art. 7.2. Competition Issues

Any Fiscal Liability, in respect of regulations or rules relating to tariffs, competition or regulation of companies or corporate trading strategies.

Art. 7.3. Copyright, Intellectual Property, Patents

Any alleged infringement of copyright, intellectual property rights, registered trademarks, service marks, trade names, patents or registered designs or breach of confidentiality.

Art. 7.4. Defective Insurance Arrangements or Defective Insurance Advice

Any:

- a) insolvency of, or inability to pay claims by, any insurer; or
- b) inadequacy of any sum insured or limit of any insurance policy; or

- c) failure to arrange insurance, except where the Insured has a valid Open Cover Cargo policy, in circumstances where the Insured has been requested to arrange transportation and, under written instruction, to arrange insurance as agent of its Customer; or
- d) the Insured's regulated activities as an Insurance Intermediary.

Art. 7.5. Directors and Officers

Any liability as a director, officer, member, partner or trustee.

Art. 7.6. Employment

Any liability to any employee, former employee or prospective employee including but not limited to employment-related libel, slander, humiliation or defamation, unfair or wrongful dismissal, repudiation or breach of any employment contract or arrangement, termination of a training contract or contract of apprenticeship, harassment, discrimination or like conduct.

ART. 08 SPECIAL EXTENSIONS

Unless stated as in-operative in the Schedule, the **Insurer** hereby agrees, subject to the terms and conditions of this **Policy**, to provide the following Extensions of cover, as set out below. For the avoidance of doubt, the insurance provided under these Extensions shall be subject to the applicable Sub-Limits, if any, as specified in the Schedule. Unless otherwise stated in the Schedule, all Extensions shall be included within any Limit stated for this Section.

Art. 8.1. Fee Disputes

Should the Insured's Customer refuse to pay an outstanding fee, due to an insured error, the Insured may opt to waive the outstanding fee with the Insurer's prior written consent and the Insurer will pay the Insured or its sub-contractors the amount owed in order to avoid a larger Claim. This includes any amounts the Insured legally owes to subcontractors or suppliers at the date of the refusal to pay by the Insured's Customer.

Art. 8.2. Libel or Slander

The Insurer will indemnify the Insured, and, at the Insured's request, any Insured Person in respect of legal liability arising from any Claim in respect of libel, slander or defamation being unintentionally committed in good faith by the Insured or Insured Person and which is first made against the Insured or Insured Person and reported to the Insurer during the Policy Period provided such libel, slander or defamation has been committed in the conduct of the business activities of the Insured.

Art. 8.3. Representation Costs

The Insurer shall, subject to their prior written consent, also pay any legal costs and expenses incurred to enable the Insured to be represented at any enquiry or other type of proceeding, when the outcome of that enquiry or proceeding may, in the Insurer's sole opinion, be relevant to a Claim in respect of which the Insured may be entitled to an indemnity under this Section.

Art. 8.4. Container Weight Verification Requirement Forwarding Charges Clause

The Insurer shall reimburse the Insured for any costs and expenses properly and reasonably incurred by the Insured in unloading, storing and forwarding Customers Goods to the original destination or, at the Insured's option to be exercised reasonably, to any alternative destination in

consequence of the weight of a packed export container either not being verified or not correctly verified.

Provided such costs and expenses cannot be recovered from the Customer or any other party, or any attempt to recover these may reasonably be considered uneconomic.

Art. 8.5 Incorrectly Received Goods

The insurance provided under this Section shall extend, subject to the Sub Limit stated in the Schedule, to cover the Insured's liability resulting directly from any Property Damage to goods or merchandise, excluding containers and vehicles, in the Insured's care, custody or control, which have been mistakenly identified by the Insured or any Insured Person as the goods or merchandise of a Customer of the Insured.

SECTION 3)

ASSUMED CONTRACTUAL LIABILITY FOR FINANCIAL LOSS

ART. 09 SPECIAL DEFINITIONS

Qualifying Contract Conditions

means Bespoke Customer Contract entered into by the **Insured** whereby the **Insured** accepts liability for Financial Loss in excess of the provided for under Standard Trading Conditions and/or Uplifted Standard Trading Conditions.

ART. 10 INSURING CLAUSE

The **Insurer** shall indemnify the **Insured** for the **amount claimed** in respect of any:

1. contractual **Claim** for the payment of **Liquidated Damages**, non-liquidated damages or contractual penalties pursuant to express terms within the applicable **Qualifying Contract Conditions**, but only to the extent they are a genuine and realistic pre-estimate of actual financial loss suffered by the Customer and provided the above is legally insurable.

Provided always that the **Insured** can demonstrate to the **Insurer** that:

- a) there has been a breach of the applicable **Qualifying Contract Conditions** giving rise to the **Claim** for financial loss and
- b) such breach triggers the Insured's liability to pay financial loss to the Customer pursuant to the Liquidated Damages, non-liquidated damages or contractual penalties within the applicable Qualifying Contract Conditions.

2. Defence Costs and Expenses arising in respect of a Claim insured under part 1. of this Insuring Clause, above; and
3. Additional expenditure reasonably and necessarily assumed by the Insured under a written contract with a Customer as a direct result of and following a breach of the Qualifying Contract Conditions related to demurrage costs, truck detention costs and storage charges reasonably and necessarily incurred by the Insured.

The drawing of a performance bond or guarantee or deduction from invoices by the Insured's Customer shall not constitute automatic admission of coverage under this Policy.

ART. 11 LIMIT OF LIABILITY / DEDUCTIBLE

The Insurer's liability under parts 1. and 3. of the article n. 10 above, is subject to the Insurer only being liable to indemnify the Insured for the amount claimed net to the excess shown in the schedule or **agreed on case by case basis for Bespoke Customer Contract.**

ART. 12 SPECIAL EXCLUSION

The following Special Exclusions apply to this Section only, in addition to the General Policy Exclusions. The Insurer shall not be liable under this Section of this Policy in respect of any loss based on, arising out of or in any way connected to:

Art. 12.1 Force Majeure

Any circumstance defined as a Force Majeure event, which shall mean:

- i. In a Bespoke Customer Contract, the clause and meaning contained therein;
- ii. In all other cases, any circumstances beyond the reasonable control of the Insured including any adverse natural event, such as fire, storm, flood and extreme weather condition, the outbreak of hostilities, riot, civil disorder or commotion, industrial disputes or acts or defaults of any local or central government or other competent authority.

Art. 12.2 Outside the scope of the Business

Liability assumed by the Insured to its Customers that goes beyond the scope of the duties ordinarily accepted by the Insured in the course of the business activities by the Insured.

Art. 12.3 Unfulfillable Contracts

Any contract, if at the time the contract or a variation of an existing contract was entered into, or at the time insurance for such contract incepted under this Section, the Insured was aware, or reasonably ought to have been aware, that there was not sufficient experience, qualification, authorisation or technical, creative, logistical, or financial resources to perform the contract as promised, or that contract would otherwise have been unfulfillable.

RULES GOVERNING ALL POLICY SECTIONS

ART. 13 EXCLUDED GOODS

Unless agree by the Insurer prior to risk attaching, this Policy excludes any liability arising out of the handling, transport or storage of the following goods:

- Offshore drilling rigs;
- Human remains;
- Livestock;
- Household goods and personal effects;
- Documents, securities and cash;
- Valuables (i.e. stamps, coins, medal or similar collections, items made of gold, silver or other precious metals and/or containing precious stones, corals, pearls, furs, small or medium size personal items with a single value over EUR 5,000.00 or USD 6,400.00.)
- Complete loads of coffee;
- Any goods which are in contraband or in an illegal trade, or property of similar nature.

ART. 14 EXCLUDED COUNTRIES – PARAMOUNT CLAUSE

Notwithstanding the Territorial Limits stated below, the following territories are excluded from and no cover whatsoever shall be deemed given under this Policy unless specially declared and accepted by Insurers in writing prior to any business activity being undertaken in that territory or the shipment of any goods to or from that territory:

- Belarus
- Cuba
- North Korea
- Iran
- Russia
- Syria
- Sudan
- Ukraine (incl. Crimea Region, Donetsk People's Republic & Luhansk People's Republic)

any territory where the local legislation requires that insurance must be affected locally, and any territory excluded by application of the sanctions limitation and exclusion clause.

ART. 15 CLAUSES APPLICABLE TO ALL SECTIONS

- Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause Ed. 10.11.2003;

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

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel

1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof

1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes

1.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

• **MARINE CYBER EXCLUSION (LMA 5403)**

1 Subject only to paragraph 3 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.

2 Subject to the conditions, limitations and exclusions of the policy to which this clause attaches, the indemnity otherwise recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software programme, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.

3 Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, paragraph 1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.
LMA5403

• **Termination of Transit Clause (TERRORISM)**
This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

1. Notwithstanding any provision to the contrary contained in this Policy or the Clauses referred to therein, it is agreed that in so far as this Policy covers loss of or damage to the subject-matter insured caused by any terrorist or any person acting from a political motive, such cover is conditional upon the subject-matter insured being in the ordinary course of transit and, in any

event, **SHALL** **TERMINATE:**
either
1.1As per the transit clauses contained within the Policy,
or
1.2on delivery to the Consignee's or other final warehouse or place of storage at the destination named herein,
1.3on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either for storage other than in the ordinary course of transit or for allocation or distribution,
or
1.4in respect of marine transits, on the expiry of 60 days after completion of discharge overside of the goods hereby insured from the oversea vessel at the final port of discharge,
1.5in respect of air transits, on the expiry of 30 days after unloading the subject-matter insured from the aircraft at the final place of discharge,
whichever shall first occur.
2. If this Policy or the Clauses referred to therein specifically provide cover for inland or other further transits following on from storage, or termination as provided for above, cover will re-attach, and continues during the ordinary course of that transit terminating again in accordance with clause 1.

- **Sanction Limitation and Exclusion Clause – 11.08.2010**

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

- **Communicable Disease Exclusion (Cargo) JC2020-011**

1. Notwithstanding any provision to the contrary within this insurance, this insurance does not insure any loss, damage, liability, claim, cost or expense of whatsoever nature caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.

2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

2.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

2.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

2.3. the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.

ART. 16 EXCESS

The Insurer shall only be liable for the amount of any Claim, which is in excess of the applicable Excess as specified in the Schedule. The Excess shall be uninsured, and the Insurer shall have no liability for all or any portion of such Excess. Applicable only to section 2 - For the purposes of applying the Excess, all Interrelated Claims shall be considered one Claim.

ART. 17 BESPOKE CUSTOMER CONTRACT COVER AND APPROVAL BASIS

(Applicable only for section 1 and 3)

In respect of Customer Contracts that are not based on the Insured's Standard Trading Conditions or International Convention or compulsorily applicable transport law or the conditions approved by a national association of which the Insured is a member, the Insured shall use its best endeavors to ensure that the following conditions are complied with:

- a) Prior to execution of the contract, approval is granted by the XXX Head Office in accordance with the Insured's standard procedures;
- b) Prior to execution of the contract, the Insured shall refer to the Insurer any contract which (in the opinion of the Insured's General Counsel or Risks Management Department) does not comply with the minimum criteria contained below:

1)Customer Goods Valuation

The Insured shall not accept liability for Property Damage to Customers' Goods where the liability exceeds the cost to replace the goods.

2)Reasonable Skills and Care

The Insured shall not accept liability for losses that are not caused by the Insured's failure to exercise reasonable skill and care.

3)Force Majeure

Bespoke Customer Contracts must include a clause providing, in material effect, that the Insured is not liable to the extent that the Insured is prevented from performing services as a result of a Force Majeure event. A Force Majeure event is defined as any circumstances beyond the reasonable control of the Insured.

4)Aggregate Limit of Liability

Bespoke Customer Contracts must include a clause providing, in material effect, that the Insured's annual aggregate liability under the contract is limited to an amount not exceeding **xxx** or **xxx**

The Insured's failure to comply with the above condition due to an isolated error or omission shall not prejudice the Insured's right of recovery under this Policy provided that the Insured can demonstrate to the Insurer's reasonable satisfaction that it normally complies with this condition.

In respect of the Liability for Property Damage to Customers' Goods section and the Assumed Contractual Liability for Financial Loss section, the above minimum criteria must be included in any Bespoke Contract.

ART. 18 SURVEY CLAUSE (Applicable to all Over Dimensional Cargo – ODC)

It is a condition of this Insurance that a surveyor (approved by the Insured's Transport Engineering department) shall attend and approve all loading, stowage, jacking, skidding, unloading operations where stated as following (or subsequent revision as may be agreed by the Insurer):

The Insurer is to accept as the Named Surveyor any Surveyor that is approved by the Insured's Transport Engineering Department provided that the Insured (or the Broker) maintains an updated list of the approved Surveyors and that the list shall be made available to the Insurer upon request.

Shipments requiring the use of local barges or lightering shall not be regarded as on deck.

However, where local barges or lightering are used, the Named Surveyor will approve the tug/barge fastening and towing operations in accordance with this Article.

All of the Named Surveyor's recommendations are to be complied with by the Insured.

All survey fees for the account of the Insured unless otherwise agreed.

This Survey Condition does not apply:

1. If any ODC items are shipped:

- a) In full and/or sole use fully enclosed Containers door to door;
- b) By airfreight (other than heavy lift aircraft).

Or

2. If one or more of the following applies:

- a) The proposed shipping methodologies and/or procedures of any ODC items are deemed acceptable by the Surveyor for the proposed transportation and in their opinion survey attendance can be waived;
- b) In the Surveyor's opinion any component or sub-assembly of any ODC item does not necessitate a survey;
- c) The Insurers agree to waive survey requirements for any specific shipment or part of the entire transportation.

Failure to comply with this Article shall not affect this insurance except in respect to the individual shipment(s) concerned. This insurance will continue in full force and effect for all other shipments which comply with this Article.

ART. 19 ACCUMULATION CLAUSE - Not valid for ODC Coverage

The vessel and conveyance limits of liability expressed herein shall not apply in the event of or during transshipment or after the arrival of the overseas vessel or conveyance at the port or place of discharge provided always that accumulation of interest beyond such limits of liability shall have arisen in the ordinary course of transit from circumstances beyond the control of the Assured. In no event shall Insurers be liable for more than double the "in transit" limit stated in the Schedule.

ART. 20 LIABILITY ARISING OUT OF ACTIVITIES OF AGENTS AND/OR CORRESPONDENTS

(Applicable to sections n. 1,2,3)

The Insured's liability arising out of activities sub-contracted to its appointed agents and/or correspondent is covered hereunder, subject always to the policy terms and conditions provided that:

This clause shall not insure to the benefit of the agent and/or correspondent, against whom the Insured shall maintain full rights of recourse unless otherwise agreed by Insurers;

The Insured shall take all reasonable steps to ensure that the agent and/or correspondent maintain insurance covering liability arising out of its activities as agent and/or correspondent of the Insured.

GENERAL POLICY CONDITIONS

Unless stated to the contrary in any Section, the terms and conditions set out below apply to each Section of this Policy. Please also read any Special Conditions applicable to individual Sections.

The Insured must comply with all terms and conditions of this Policy. In the event of conflict between any General Condition and any Special Condition, however, the Special Condition will prevail.

ART. 01Period of Insurance

Applicable to Sections 1 and Section 3, coverage is effective for all claims occurred during the policy period. The policy covers events related to shipments with inception within the policy period and ceases when shipments are completed even if in the meanwhile the policy was cancelled or expired.

Applicable to Section 2 “Professional Indemnity Liability” only, coverage is triggered when a claim is made against the insured during the policy period. This provision applies to claims related to negligent acts, errors and omissions occurred after xxx.

ART. 02Cancellation

The Insurer and the Policyholder may cancel this Policy by giving written notice, stating when, not less than xxx (xxx) days thereafter, such cancellation shall be effective. The Insurer shall then return premium to the Policyholder on a pro rata basis.

ART. 03Cessation of Subsidiary

If any organisation ceases to be a Subsidiary, there shall be no coverage under this Policy for any liability incurred after the date it ceases to be a Subsidiary.

ART. 04Law and Practice

This insurance is subject to Italian Law and Practice.

ART. 05Change in Circumstances

The Policyholder shall give notice and full particulars as soon as reasonably practicable of any fact or event, which materially changes the information provided to the Insurer. The Insurer reserves the right to vary the terms of this Policy upon receipt of such notice and particulars, and to cancel the policy or to establish a separate rate and premium for any such cover.

ART. 06Circumstances increasing the risks

Prior to first inception or prior to any renewal and during the currency of the policy, the Insured must notify the Insurers in written form of any circumstances increasing the risk. Any non-disclosure to the Insurers of such circumstances may result in the total or partial loss of the right to indemnity under the policy of insurance or the cancellation of the entire policy of insurance. Upon disclosure of any such circumstances, the Insurers shall be free to cancel the policy or to continue to offer cover upon such terms as they think proper and/or to increase the premium. Where the Insurers elect to cancel the policy they will reimburse the pro-rata premium, net of the relevant taxes, from the date the cancellation notice became effective to the date of expiration of the policy of insurance.

ART. 07Multiple Coverage

Where there is more than one insurance policy covering the risks provided under this policy of insurance, the question of apportionment between the various insurers shall be a matter for national law and/or international laws/rules (unless explicitly agreed otherwise between the parties in this policy of insurance).

Following loss, the Insured must notify all the insurers involved and shall be required to claim an indemnity from each of them under the respective policies of insurance and must provide the insurers with evidence that this has been done. Each insurer shall be required only to pay its prorated share of the indemnity computed under its own policy of insurance. The various insurers shall not be jointly and severally liable.

ART. 08 Operative Covers

The Insured is indemnified under each Section and Extension of this Policy, subject always to its terms and conditions, only if that Section or Extension is shown as operative in the Schedule. The indemnity available under a Section is, if provided, subject to the applicable Limits as specified in the Schedule. Unless expressed to the contrary, all Extensions shall be subject to the Sub-Limits specified.

ART. 09 Contractual changes

No amendment of this Policy shall be valid and binding on the Insurer unless agreed in writing.

ART. 10 Premium Payment

As a condition to the Insurer's liability under this Policy, the premium shall be paid in full by the Insured to the Insurer:

1. in accordance with the agreed terms of trade or settlement due date; or
2. no later than xxx (xxx) calendar days from the commencement of the Policy Period (or in respect of any additional or instalment premium, within xxx (xxx) days of it falling due), whichever is earlier.

ART. 11 Notices to the Policyholder

Any notices to the Policyholder under this Policy shall be provided to the Policyholder at the address shown in the policy. If properly posted to the Policyholder at such address, the date of posting shall constitute the date such notice was given.

ART. 12 The Insured's Duty of Disclosure

The Insured acknowledges that it and/or they are obliged to disclose all material facts and circumstances to the Insurers which might influence the Insurers' decision whether to provide cover at all, the terms of the cover it is prepared to offer or the level of the premium.

Insurers have agreed to provide cover based solely upon the declarations made by the Insured. Where the Insured fails to perform such duty of disclosure intentionally or for gross negligence, the Insurer shall have the right to cancel the policy. Where the Insured intentionally fails to perform such duty of disclosure, the Insurer shall not be liable for any claim occurring before the cancellation of the policy and shall not reimburse the insurance premium.

ART. 13 Jurisdiction

Notwithstanding anything to the contrary contained elsewhere herein, it is being agreed and understood that any dispute or litigation related to the performance or interpretation of this policy will be subject to the exclusive jurisdiction of competent court of People's Republic of China.

ART. 14 Fraud

Where the Insured lies about the occurrence of any claim which actually never occurs, and claims insurance benefits against the Insurer, the Insurer shall have the right to cancel the policy and shall not reimburse the insurance premium. Where, after the occurrence of any claim, the Insured fabricates the cause of claim or exaggerates the degree of damage by forging or altering relevant evidence, the Insurer shall not be liable for the false part.

GENERAL POLICY EXCLUSIONS

The Insurer shall not be liable under this Policy in respect of any loss based on, arising out of or in any way connected to:

LIABILITY POLICY EXCLUSIONS (section 1,2,3)

ART. 15 Bodily Injury and Property Damage Other than to the Customers' Goods

Liability arising from any Bodily Injury or in respect of any Property Damage other than to Customers' Goods.

ART. 16 Anti-Trust

Any liability arising out of, or in any way relating to, any actual or alleged competition, antitrust or price fixing issues or similar.

ART. 17 Chartering / Ownership

Chartering, Ownership, hire or possession of a vessel or aircraft.

ART. 18 Claims brought against Intra-Group Entities

Any Claim brought by:

- (i) or on behalf of the Insured, or
- (ii) any of the Insured's parent company, or
- (iii) any Subsidiaries, or
- (iv) any person or entity having a financial, executive or controlling interest in such entities, or
- (v) any entity where the Insured has accepted any financial interest

against the Insured or another of entity of the Insured, unless any such claim arises from a Claim brought by a third party independent of the Insured and not listed in (i)-(v) above.

ART. 19 Confiscation

Except as insured under Insured Section 2, confiscation, expropriation, requisition, embargo, nationalisation, martial law, destruction by or under the order of any government or public or local authority.

ART. 20 Contract Guarantees, Performance Bonds and Deadlines

Any contract guarantee, performance bond, or any deadline whatsoever, howsoever incorporated, entered into by the Insured.

ART. 21 Date Recognition

The assessment, design, identification, inspection, installation, maintenance, modification, monitoring, rectification, repair, replacement, reprogramming or testing any equipment systems, software or any components thereof:

- 1) directly or indirectly caused by, or consisting of, or arising from, the failure of any computer equipment or any other products, equipment, services data or functions that directly or indirectly incorporate, use, or rely upon, in any manner, any items of computer equipment (whether the property of the Insured or not):
 - a. to correctly recognise any date as its true calendar date; or
 - b. to capture, save or retain or correctly manipulate, interpret or process any data or information, or command or instruction, as a result of treating any date otherwise than its true calendar date; or
 - c. to capture, save, retain or correctly process any data, as a result of the operation of any command, which has been programmed into any computer

equipment, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data, on or after any date, but this shall not exclude subsequent damage or consequential loss not otherwise excluded, which itself results from Damage insured hereunder; or

- 2) caused by, or arising out of, any alteration to, or modification of, any computer equipment (whether the property of the Insured or not), being alterations or modifications intended to prevent, remedy or otherwise avoid or diminish the losses excluded by paragraph 1. of this Exclusion, above.

The arrival of any date shall not in or of itself constitute an accident.

ART. 22 Electronic Risk

- 1) The failure of any computer equipment; or
- 2) The malicious partial or total destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of electronic data; or
- 3) The malicious creation, amendment, input or use of electronic data; or
- 4) malicious acts resulting in total or partial inability or failure to receive, send, access or use electronic data (for any time or at all); or
- 5) The taking of or failure to take any corrective or other action in connection with 1. to 4., above; or
- 6) Any computer virus

ART. 23 Defamation

Except to the extent provided under the Professional Indemnity Liability, any Claim for defamation, libel or slander.

ART. 24 Dishonest, Malicious, Criminal or Deliberate Illegal Acts

Dishonest, malicious, criminal, deliberate, reckless or illegal acts (including any involvement in illegal trade) committed by any of the Insured's directors, officers, employees, partners or trustees, whether acting alone or in collusion with other persons. However in case of liability policy, this shall not affect the Insured's cover under this Policy for vicarious liability or assumed liability arising from such acts by the third party, provided the Insured had no knowledge and did not condone any such dishonest, malicious, criminal, deliberate, reckless or illegal act.

ART. 25 Financial Risks

The Insured's (including subsidiary, associated, joint venture or affiliated company) financial failure or financial default, including but not limited to the Insured's insolvency or bankruptcy, or financial default or the insolvency or bankruptcy of any Insured Person or any other party with whom they have contracted, any extension of credit or advance of money by the Insured, the Insured's inability to collect accounts from its Customers, any error or defect in any monetary transaction or in accountancy or wrongful accounting of Customers' funds or funds being held in trust on their behalf, any failure by the Insured to pay promptly, or at all, any account.

ART. 26 Fines

Any fines, duties, taxes, levies or expenses incidental to demand, or any other pecuniary, fines or penalties whatsoever incurred by the Insured, the Insured's predecessors, any employee, former employee or subcontractor, as a result of any infringement in codes of practice, legislation or regulations.

ART. 27 Joint Ventures

Any joint venture, unless agreed in writing by the Insurer.

ART. 28 Liquidated Damages

Liquidated Damages except to the extent provided under the Assumed Contractual Liability for Financial Loss Section.

ART. 29 Public Policy

Any claim or loss in respect of which indemnity from the Insurer is contrary to legislation or public policy either locally where such claim or loss arises or in the domicile of the Insurer or Insured.

ART. 30 Punitive, Exemplary, Aggravated or Multiple Damages

Any punitive, exemplary, aggravated or multiple damages whatsoever.

ART. 31 Taxation Liability

Except as insured under Insured Section 2, the operation, regulation, authorisation, taxation or licensing of the Insured's business.

ART. 32 Terrorism

Any claim, loss, damage, liability, cost or expense of whatsoever nature, directly or indirectly caused by, resulting from, connected to, associated with, relating to or arising out of any action taken in controlling, preventing or suppressing any act of Terrorism, regardless of any other cause or event contributing concurrently, or in any other sequence to, the claim, loss, damage, liability, cost or expense.

If the Insurer alleges that by reason of this Exclusion any claim, loss, damage, liability, cost or expense is not covered by this Policy, the burden of proving the contrary shall be upon the Insured.

In the event that any portion of this Exclusion is found to be invalid or unenforceable, the balance shall remain in full force and effect.

ART. 33 Trading Debt

Any Claim or liability for any trading debt, trading losses or trading liabilities of the Insured including loss of any account and/or custom.

ART. 34 Unenforceable Contract Terms

Liability assumed by the Insured, pursuant to unenforceable contract terms, including, but not limited to, fines or penalty clauses, where the damages provided for do not represent a genuine pre-estimate of loss, or are otherwise unenforceable at law.

ART. 35 War

Any loss based on, arising out of or in any way connected to war.

PROCEDURE IN THE EVENT OF LOSS OR DAMAGE

CLAIMS CONDITIONS

In respect of any claim under this Policy, the Insured must comply with the following conditions, as applicable.

ART. 01 Notice of Claims

The Insured shall, as a condition precedent to the obligations of the Insurer under this Policy, give written notice to the Insurer of any claim or occurrence or circumstances related to claims as soon as reasonably practicable after the Insured first becomes aware of such loss, Damage or Claims.

ART. 02 Provision of Information

The Insured must, as soon as reasonably practicable, provide to the Insurers, all informations relating to the claim reasonably requested by the Insurer, including but not limited to a complete inventory of the lost, destroyed, damaged and undamaged property, showing in detail the quantities, costs and value of the Goods affected, and the amount of loss claimed. Every writ, claim form, pre-action protocol letter, adjudication notice, arbitration notice or summons must be forwarded to the Insurer immediately on receipt.

The Insured shall, as often as may reasonably be required, exhibit to any person designated by the Insurer all that remains of any property affected by the loss. The Insured shall also, as often as may reasonably be required, produce for examination all books of accounts, bills, invoices and other vouchers or certified copies thereof if the originals are not available, at such reasonable time and place as may be designated by the Insurer or its representatives, and shall permit extracts and copies thereof to be made.

ART. 03 Reasonable Precautions

The Insured must take all reasonable precautions:

1. to prevent or reduce any loss, which may give rise to a claim under this Policy; and
2. to observe and comply with statutory and local authority laws, obligations and requirements and in the selection and supervision of employees; and to maintain everything used in connection with business activities in efficient and safe working order; and
3. to make good or remedy any defect or danger which becomes apparent and take such additional precautions as the circumstances may require.

ART. 04 Waiver of Transport Contract limited Liability Conditions –

NOT VALID FOR ODC LIABILITY COVERAGE

In respect of any claim where, in the opinion of the Insured, an appeal to Contract Conditions limiting the Insured's liability would either cause:

- a) undue hardship on the Insured's customer; or
- b) harm to the Insured's commercial relation with their customer;

The Insurers will pay such claim as if Contract Conditions limiting or excluding the Insured's liability did not exist subject to the Insured after receiving prior consent of the Insurer could agree a commercial settlement with their customer.

CLAIMS CONDITIONS APPLICABLE TO ALL CLAIMS UNDER THIS POLICY

ART. 05 Settlement / Admission of Liability

The Insured shall not admit or assume any liability, consent to any judgment, agree to any settlement or make any settlement offer without the Insurer's prior written consent.

ART. 06 Payment of Indemnity

The Insurers shall pay the indemnity due within xxx (xxx) days following their confirmation of cover under this policy of insurance. In case of dispute between the parties and where an indemnity is declined, the Insurers shall have no obligation to pay such indemnity until the date a Court renders a Judgment obliging the Insurers to make payment.

ART. 07 Currency for Loss Payment

The Insurers agree to liquidate any losses of the Insured in EUR and/or USD and/or in the currency requested, at the official exchange rate on the day the loss occurred.

ART. 08 NOTICE OF CLAIM

In the event of a claim, the Insured shall immediately notify the Insured by method as specified in Schedule.

ART. 09 Subrogation

The Insured shall, at the request and expense of the Insurer, do, and concur in doing, and permit to be done, all such acts and things as may be reasonably required by the Insurer for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from any other party, whether such acts and things shall be or become necessary or required before or after the Insured's indemnification by the Insurer, and the Insured shall do nothing following any loss to prejudice any such rights. The Insured or any person acting on behalf of the Insured must not agree to waive or limit any rights of recourse or recovery against any party or person relating to any claim or any such indemnity that may fall to be insured under this Policy.

ART. 10 Subrogation Waiver

Notwithstanding any other provisions to the contrary, in the event of a Claim arising under this Policy, the Insurer agrees to waive any rights, remedies or relief to which it might become entitled, against:

1. any company standing in the relation of parent to subsidiary (or subsidiary to parent) of the Insured; or
2. any company which is a subsidiary of a parent company of which the Insured itself is a subsidiary,

as defined under the Companies Act 2006 or under the company legislation in the country of domicile of the Insured.

ART. 11 No Survey Clause and payment of average expense where no claim arise (Not APLICABLE FOR ODC)

Without prejudice to any other obligation regarding proof of damage, the Insured shall be exonerated from the obligation of requesting the intervention of the surveyor for damage amounting to XXX or XXX each loss.

It is further agreed that the Insured shall be exonerated from the obligation to report precautionary losses relative to the Section 1 unless the amount of the damage exceeds XXX Applicable currency for each country.

When a survey is called following a report of loss or damage to cargo which is likely to result in a claim hereunder, fees are recoverable even when no claim eventually results.

ART. 12 Defence of Claims

Except as provided otherwise by this clause, the Insured and not the Insurer has the duty to defend Claims. The Insurer shall, however, be entitled to effectively associate in or at the Insurer's discretion take over in the name of the Insured, the defence and the negotiation of any settlement of any Claim that involves or appears reasonably likely to involve the Insurer providing any indemnity under this Policy.

The Insured shall co-operate fully with the Insurer in respect of all Claims and occurrences.

In the event that a dispute arises between the Insurer and the Insured regarding whether or not to contest any legal proceedings, neither the Insurer nor the Insured shall be required to contest any legal proceedings unless a litigation lawyer that is agreed by the Insured and the Insurer shall advise that the proceedings should be contested. The Insurer and the Insured shall bear the costs of the litigation lawyer equally.

The Insurer has the right, at any time, to pay the applicable Limits provided under this Policy, or any lesser amount for which the claim can be settled (less any sum already paid and any Excess) and will, from that time, have no further liability except, if applicable, for the payment of Defence Costs and Expenses as applicable, incurred prior to the date of the payment.

ART. 13 Conditions for Payment of Defence Costs and Expenses

Where applicable, the Insurer, on behalf of the Insured, shall pay Defence Costs and Expenses, as applicable, no later than 60 (sixty) days after the receipt by the Insurer of itemised invoices for the Defence Costs and Expenses in excess of the applicable Excess. The Insurer shall not be liable for any Defence Costs and Expenses to which it has not consented in writing.

Payment of Defence Costs and Expenses shall be subject to the following conditions:

- a) if the Insured and the Insurer agree on an allocation of insured and uninsured Defence Costs and Expenses, the Insurer shall pay the amount of insured Defence Costs and Expenses; or
- b) if the Insured and the Insurer cannot, after exerting their best efforts, agree on an allocation of insured and uninsured Defence Costs and Expenses, the Insurer then shall pay the percentage of Defence Costs and Expenses which the Insurer states to be fair and proper, until a different allocation is agreed upon or determined pursuant to the provisions of this Policy and applicable law; and
- c) the Insured agrees to repay the Insurer any Defence Costs and Expenses finally established not to be insured; and
- d) any allocation or advancement of Defence Costs and Expenses shall not apply to, or create, any presumption with respect to the allocation of other liabilities of the Insurer under this Policy.

ART. 14 Protection of Property

The Insured must protect all Goods under this Policy from further loss and preserve any evidence relating to the loss.

PREMIUM

ART. 01 RISK NOTIFICATION

The policyholder is exempted to notify each shipment.

ART. 02 PREMIUM AND ADJUSTMENT

Declarations

Where the Premium is both adjustable and calculated on the basis of the Insured's estimates of actual turnover or single shipment as specified in the Schedule, a full record of such charges will be maintained by the Insured and such records must be made available to the Insurer at any time.
