



Allianz Global Corporate & Specialty UK

A-Z Freight

Specialist UK Freight Liability Insurance Policy.



Welcome

Dear Policyholder,

It gives me great pleasure to present you with your UK Freight Liability Insurance Policy with Allianz Global Corporate & Specialty – the cargo and logistics specialist of Allianz.

As an established presence in the UK insurance market, Allianz Global Corporate & Specialty has a strong tradition of providing high quality competitively priced products and solutions to our commercial customers.

We are providing you with a plain language policy that clearly explains the depth and breadth of cover and the actions required in the unfortunate event of a claim.

As an Allianz policyholder you have the security and peace of mind of dealing with one of the largest and most renowned financial services providers in the world. We service more than 60 million customers via an international network of respected companies with first-class products.

I hope that the protection provided by this Policy can form the basis of a secure relationship built on the confidence that a policyholder enjoys in purchasing our product and the knowledge that, in the event of a claim, Allianz Global Corporate & Specialty will respond effectively to a policyholder's needs.

Yours sincerely,

A handwritten signature in blue ink that reads "Duncan Southcott". The signature is fluid and cursive, with a long, sweeping underline.

Duncan Southcott
Head of Marine UK

Index

Section 1	2	Section 5: Warehousing Conditions	14
A Introduction	2	1 Indemnity	14
B Our Service	2	2 Security	14
C Law applicable to the contract	3	3 Disappearance of Goods	14
D Jurisdiction	3	4 Stillage	15
E Data Protection Act 1998	3	5 Terrorism	15
F Recording of telephone numbers	3	6 Lien	15
G Claims and underwriting exchange	3	Section 6: Freight Forwarding Conditions	16
H Definitions	4	1 Indemnity	16
I Premium	6	2 Lien	16
J Basis of Premium	6	Section 7: General Extensions (applying to the whole policy)	17
Section 2: General Conditions (applying to the whole policy)	7	1 Trans-shipment	17
1 Driver References	7	2 Containers	17
2 Reasonable Measures	7	3 Consequential Loss	17
3 Policy Limits	7	Section 8: Optional Extension (applying to the whole policy)	18
4 Non-disclosure / Misrepresentation	7	1 Errors and Omissions	18
5 Contract Conditions	7	Section 9: Claims	19
6 Non-incorporation of Contract Conditions	8		
7 Subcontractors	8		
8 Theft Attractive Goods	8		
9 High Risk Goods	8		
10 Common Law	8		
Section 3: General Exclusions	9		
1 Excluded Goods	9		
2 Financial Loss	9		
3 Deterioration of Goods	9		
4 General	9		
5 Average	10		
6 Other Insurance	10		
7 Date Recognition Clause	10		
8 Packing	10		
Section 4: Road Haulage Conditions	11		
1 Indemnity	11		
2 Deterioration	11		
3 Own Vehicle Theft Exclusion	11		
4 Own Goods	11		
5 Cabotage	11		
6 Drivers' Personal Effects	12		
7 Driver Repatriation	12		
8 Lien	12		
9 Strikes and Blockades	12		
10 Optional Extension	13		

Section 1

A Introduction

1. Your Policy and Schedule form a legally binding contract between Us, Allianz Global Corporate & Specialty AG and You, the Insured named in the Schedule.
2. Please read these documents carefully. The cover that You have is shown in the Schedule. If the Policy and the Schedule do not provide You with the protection You want either now or at any time in the future please inform Your broker.
3. This insurance contract has been based on the answers that You gave Us on Your presentation and information that You provided presenting the risk to Us. You must tell Us of any change in this information as soon as possible since failure to do so could invalidate Your Policy. You should not wait until the next renewal date. You must tell Us of any information or fact that might influence Us in deciding upon the terms and conditions of the Policy, the Premium We charge or Our decision whether to insure You.
4. You are responsible to Your broker for the payment of the Premium.
5. Please read the documents carefully. We are obliged to give You certain information before You make Your decision to buy this Policy or alternatively give You a "cooling off" period of 14 days from the time You received this Policy. If the Policy and Schedule do not provide You with the protection You want and You do not want to continue with the insurance You may cancel the Policy within this period and We will return any premium paid in full, provided no claims have been made.
6. Allianz Global Corporate & Specialty is the UK branch operation of Allianz Global Corporate & Specialty AG. Your Policy is written through the UK branch whose registered office is 27 Leadenhall Street, London EC3A 1AA. Allianz Global Corporate & Specialty AG is authorised in Germany by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and regulated by the Financial Services Authority (FSA) for the conduct of business under FRN214374, head office Allianz Global Corporate & Specialty AG, Königinstrasse 28, 80802 München, Germany.



Duncan Southcott
Head of Marine UK

B Our service

It is Our aim to provide the highest possible standard of service. If for any reason You are not satisfied with the service You have been given We would ask that You state Your complaint in writing, in the first instance, to the intermediary who arranged Your insurance. Alternatively, You may contact the UK Head of Cargo, Allianz Global Corporate & Specialty, 27 Leadenhall Street, London EC3A 1AA, or email customerservices@allianzglobalrisks.co.uk. Please quote Policy details in any correspondence.

We will acknowledge receipt of Your complaint within five working days and do Our best to resolve Your complaint within four weeks. If We cannot We will let You know when an answer will be given. We will:

1. reply to You within four weeks; and
2. resolve Your complaint within eight weeks.

Failing satisfaction, if You are a private person or Your business has a turnover of less than £1 million or a charity with an annual income of less than £1 million or a trustee of a trust with a net asset value of less than £1 million and are a resident of England, Scotland, Wales or Northern Ireland, You may then approach the Financial Service Ombudsman, South Quay Plaza, 183 Marsh Walk, London E14 9SR, telephone 0845 080 1800, www.financial-ombudsman.org.uk or email complaint.info@financial-ombudsman.org.uk who will advise whether they are able to deal with Your complaint. This is in addition to any other action You may subsequently wish to take. An application to the Financial Services Ombudsman must be made within six months of being notified of Our final decision about Your complaint.

C Law applicable to the contract

1. The law applicable to this contract is subject to agreement between the parties.
2. Unless a special Endorsement to the contrary has been requested by You and agreed by Us, the law applying to this insurance contract will be as follows:
 - 2.1 if You are applying for insurance protection as a private individual, the law applicable to that part of the United Kingdom, Channel Islands or Isle of Man in which You or the first named Policy holder normally resides; or
 - 2.2 if You are applying for insurance protection in Your capacity as a sole trader or as a company the law applicable to that part of the United Kingdom, Channel Islands or Isle of Man in which You have Your principal place of business; or
 - 2.3 if the above does not apply, the law of England and Wales.

D Jurisdiction

In respect of goods in transit where the transit consists of or is connected with or includes carriage by ship or aircraft or any "large risk" as defined in Council Directive 73/239/EEC, as amended by Council Directives 88/357/EEC and 90/618/EEC, the English Court shall have exclusive jurisdiction over any dispute arising out of this Policy.

E Data Protection Act 1998

To enable Us to provide a fast and efficient service We operate a new centralised database of all information relating to Your Policy including information provided to Us on Your proposal form or in respect of Your presentation for insurance, information contained within the Schedule of Insurance, Policy periods and renewal dates together with any correspondence that We might exchange. Under the Data Protection Act 1998 We need to obtain Your consent to holding this information on Our system. If We should need to store any additional information We will of course approach You first to obtain Your permission. The information will be used for underwriting purposes and in the unfortunate event of a claim.

For the purposes of providing You with good customer service We may share Your details with other carefully chosen suppliers within the Allianz Group. We would also like to keep You informed (by telephone, post or email) with other products and services available from Us or other Allianz group companies. We may share Your information with these companies for these purposes. If You prefer not to hear from Us, please let Us know when You call or write. If You have any objection to Us holding Your information either in part or in full or wish to obtain details of any information We are currently holding on You, please let Us know immediately at the address shown in the Policy.

F Recording of telephone numbers

For Your protection Your telephone calls may be recorded and may be monitored.

G Claims and underwriting exchange

Insurers pass information to a claims underwriting exchange register, run by Insurance Database Services Limited ("IDS Limited"). The aim is to help Us to check information provided and also to prevent fraudulent claims. When You tell Us about an incident which may or may not give rise to a claim, We may pass information relating to it to the register. You can ask Us for more information about this. You should show this notice to anyone who has an interest in property insured under this Policy.

H Definitions

CIS	Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Republic of Moldova, Russian Federation, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.
CMR	The Convention on the Contract for the International Carriage of Goods by Road (CMR).
Container	Any container, tanktainer, demountable body, flat or similar unit (including ancillary equipment whilst attached to any such unit).
Contract Conditions	The terms and conditions upon which You trade and shown as Insured in the Schedule.
Conveyance	Water and/or air and/or road and/or rail conveyances.
Damage	Physical loss or damage, destruction or misdelivery.
Eastern Europe	Bulgaria, Czech Republic, Hungary, Poland, Romania, Slovakia, Georgia, Turkey, Malta and Greece.
Employee	<ul style="list-style-type: none"> a) Any person under a contract of employment with You; or b) any self employed individual providing You with labour only; or c) any individual hired or borrowed by You.
Event	Any one occurrence or series of occurrences attributable to one original source or cause.
Event Limit	The maximum amount We will pay for all claims arising out of any one Event.
Excess	The financial amount for which You are responsible in respect of each and every claim arising out of any one Event (as ascertained after the application of any underinsurance).
Former Yugoslavian States	Slovenia, Macedonia, Croatia, Serbia, Bosnia and Montenegro.
Full Value Liability	<p>An indemnity for Your legal liability for Damage to Goods occurring during the Policy Period and within the Territorial Limits shown in the Schedule as Insured whilst the Goods are being:</p> <ul style="list-style-type: none"> (i) loaded upon, carried by or unloaded from a Vehicle and/or (ii) temporarily stored during the course of transit (whether on or off a Vehicle). <p>Provided that Our liability under the Policy will not exceed:</p> <ul style="list-style-type: none"> (i) the limit of liability shown in the Schedule or contained elsewhere in the Policy; or (ii) the value of the Damage Goods; or (iii) the cost of repair or replacement part or parts of the Damaged Goods; <p>whichever is the lesser amount.</p>
Goods	Goods and/or merchandise carried and/or handled and/or warehoused for reward.
High risk Goods	<ul style="list-style-type: none"> a) Precious metals and/or stones and/or articles made of or containing precious metals and/or stones; b) Lap-top, palm-top and similar portable computer equipment; c) Mobile, cellular, WAP and other portable telephone equipment; d) System boards, memory boards, microchips, integrated circuit boards, microcontrollers, hard disks, disk drives, memory SIMMS, memory DIMMS, central processing units, CD ROM drives, PCMIA cards and similar electronic data processing equipment for use with computers.
Location	Any one location, building, premises or place.
Policy	This Policy and Schedule and any endorsement attached or issued.
Policy Period	The period from the effective date until the expiry date shown on the Schedule or any subsequent period for which We accept payment for renewal of the Policy.
Schedule	The documentation accompanying this Policy detailing the cover applicable to You.
Subcontractor	Any person (other than an Employee) to whom Goods and/or Transportation Equipment is entrusted for reward by You or on Your behalf for the performance of the contract (either whole or in part).

Terrorism	Any act involving the use of violence against persons or property or threat to use such violence to intimidate or coerce in order to promote political social or ideological objectives whether acting alone or on behalf of or in connection with any organisation or government.
Theft Attractive Goods	<ul style="list-style-type: none"> a) Bottled Perfumery b) Bottled spirits c) Processed tobacco and/or tobacco products d) Jewellery and/or watches e) Clothing and/or footwear f) Domestic audio, visual, audio-visual equipment and accessories, digital cameras, and/or pre-recorded media g) Computer hardware, software h) Non-ferrous metals in any form <p>Theft Attractive Goods do not include Goods specified in the definition of High Risk Property.</p>
Total Sum Insured	The maximum amount We will pay for any claim or series of claims.
Transportation Equipment	Trailers, Containers, load securing and stowage equipment and any similar equipment for which cover is provided by this Policy but excluding motor Vehicles and self propelled equipment.
Unattended	Where neither You nor any Employee is in a position to keep the Vehicle and/or Goods under constant surveillance and at the same time have a reasonable prospect of preventing any unauthorised interference or access to the Vehicle and/or Goods.
United Kingdom	United Kingdom of Great Britain and Northern Ireland including the Channel Islands, Isle of Man and other offshore islands.
Vehicle	Any motor vehicle or trailer used for the carriage of Goods.
We / Our / Us	Allianz Global Corporate & Specialty.
Western Europe	Austria, Belgium, Denmark, Finland, Faroe Islands, France, Germany, Gibraltar, Holland, Iceland, Italy, Liechtenstein, Luxembourg, Monaco, Norway, Republic of Ireland, Portugal, Spain, Sweden and Switzerland.
You / Your	The person or company named in the Schedule as The Insured.

I Premium

In consideration of Your payment to Us of the Premium specified in the Schedule We agree to insure Your liability for Damage to Goods and/or Transportation Equipment (if shown as Insured in the Schedule) in Your care custody or control and for which You are legally responsible in the course of Your business, subject to the terms, conditions and warranties of the Policy and Schedule.

J Basis of premium

1. DECLARATION PREMIUM

Where the Schedule states that Premium is payable on declaration You must provide to Us declarations covering the specified period within 30 days of the expiry of such period. Should You not provide Us with the declarations then We may at Our option:

- 1.1 cancel the Policy from the date when You last provided to Us declarations; and/or
- 1.2 make an assessment on the best available information to Us of the declarations which You should have declared and calculate premium on such assessment, and there shall be due and owing to Us Premium based on that assessment, payable within 14 days of Our giving You notice of Our assessment.

2. DEPOSIT PREMIUM

- 2.1 The Deposit Premium is that sum fixed at inception for the purpose of commencing cover. If the Deposit Premium is stated as being a Minimum Premium this represents the lowest sum acceptable to Us for the cover provided. If the Policy is cancelled prior to the actual expiry We are entitled to retain all the Minimum Premium.
- 2.2 If the Schedule states that Your Premium is subject to an adjustment the Deposit Premium has been calculated based upon Your estimated charges and is subject to adjustment. You agree to provide to Us a Declaration of all actual charges made by You within 30 days of expiry of the Period of Insurance. Should You not provide to Us any Declarations then We may at Our option assess on the basis of the information before Us the charges that We calculate You have made and calculate Premium on that basis. We will give You notice of Our assessment made and the Premium due and You will be obliged to pay Us within 14 days of the date of such notice the Premium We assess.

3. FLAT PREMIUM

Where the Premium is stated on the Schedule as Flat this is a non-adjustable fixed amount based on the original declared Sum Insured or turnover and no return of premium will be made for any reason. You warrant to Us that if Your turnover should increase by more than 20% of the original estimate You will tell Us in writing when We may charge You an additional premium assessed on Your increased turnover.

4. CANCELLATION

- 4.1 The Policy may be cancelled by Us or You at any time by providing 30 days notice in writing to be sent by prepaid post to the relevant address shown in the Schedule (or to Your broker).
- 4.2 In the event of non-payment of Premium as provided for in Section 1.J. 1 and 2 the terms of Section 1.J. 1 and 2 of the Policy will prevail.

5. INSURANCE PREMIUM TAX CLAUSE

- 5.1 The Insurance Premium Tax (Taxable Insurance Contracts) Order 1994 (SI 1995/1698) – Schedule 7A of the Finance Act 1994 makes underwriters responsible for insurance premium tax which will be collected at the current rate on taxable gross premium paid by You.
- 5.2 We will calculate the tax liability and You agree to pay all amounts due to Us.
- 5.3 Late notification by Us of tax due as a result of de minimis rules being exceeded or for any other reason will not reduce or negate the liability of You to pay the tax.

Section 2

General Conditions (applying to the whole policy)

OVERRIDING CONDITION APPLYING TO THE WHOLE POLICY

The due and faithful observance and fulfilment of the terms of the Policy so far as they relate to anything to be done or complied with by You shall be conditions precedent to any liability on Our part under this Policy.

1. DRIVER REFERENCES

You must obtain and retain at least two satisfactory and reliable references, including at least one from a previous employer, for all drivers engaged after the inception of this Policy and prior to entrusting them with any Goods or Transportation Equipment insured under this Policy. All verbal references must be recorded in writing at the time of obtaining the reference. All references must be made available to Us immediately upon demand. This condition does not apply to drivers supplied to You by an agency.

2. REASONABLE MEASURES

You must at all times:

- 2.1 take all reasonable measures necessary to prevent or minimise any liability, Damage or loss; which may give rise to a claim under the Policy;
- 2.2 maintain all Vehicles as required by law;
- 2.3 possess a valid and up-to-date Operators License as required by law.

3. POLICY LIMITS

Irrespective of the number of parties claiming under this Policy, the total amount payable by Us in respect of all claims arising out of any one Event shall not exceed any applicable limit of liability or maximum amount payable, as specified in the Policy. Provided that Our maximum liability under this Policy will not exceed the Total Sum Insured.

4. NON-DISCLOSURE / MISREPRESENTATION

We shall be entitled, at Our option, to (i) avoid the Policy from inception or (ii) decline the claim, in the event that You:

- 4.1 have failed to disclose or have misrepresented any material information at any time prior to or during the Policy Period; or
- 4.2 presented a fraudulent or exaggerated claim; or
- 4.3 made a false declaration or statement (whether material or not) or used a fraudulent device in respect of or in support of a claim.

5. CONTRACT CONDITIONS

You must at all times contract under the Contract Conditions shown as Insured in the Schedule and must not:

- 5.1 agree to contract under any other Contract Conditions
- 5.2 accept any higher liability than the Contract Conditions shown in the Schedule
- 5.3 agree to amend or vary the Contract Conditions shown in the Schedule
- 5.4 accept any special declaration of value or special interest in delivery

without Our prior written consent.

6. NON-INCORPORATION OF CONTRACT CONDITIONS

We will indemnify You to the extent to which You have a liability at common law if You have failed to incorporate the Contract Conditions shown as Insured in the Schedule into the contract with Your customer provided that:

- 6.1 You intended to trade under such Contract Conditions and took reasonable steps to notify Your customers of their application; and
- 6.2 the failure to notify the customer of such Contract Conditions was due to an error and You can prove to Our satisfaction that You had established procedures for such notification to be given to customers and that all Employees had been instructed in writing to follow such procedures.
- 6.3 The limit of liability under the Policy shall not exceed £250,000 any one Event and in the aggregate during the Policy Period.

7. SUBCONTRACTORS

You must not entrust Goods and/or Transportation Equipment to any Subcontractor unless:

- 7.1 The Subcontractor has agreed in writing to accept at least the same liability that You have and to fully indemnify You for all loss of or Damage to Goods and/or Transportation Equipment in their care custody or control; and
- 7.2 The Subcontractor has provided written evidence to You that it has adequate, valid insurance cover in respect of its liability for loss or Damage to any Goods and/or Transportation Equipment entrusted to them and such evidence is provided to You annually

We will continue to indemnify You if You have failed to comply with 7.1 and/or 7.2 above provided that You can prove to Us that:

- a) at the time of the loss You had established procedures for obtaining such written agreements and written evidence from Subcontractors in accordance with 7.1 and 7.2 above; and
- b) all Your Employees had been instructed in writing to follow such procedures and any failure was due to an error.

Under no circumstances shall the benefit of this Policy pass to any Subcontractor or the insurers of any Subcontractor.

8. THEFT ATTRACTIVE GOODS

We will not pay more than £60,000 any one Event in respect of the theft or attempted theft of Theft Attractive Goods left Unattended whilst being carried, handled or stored by You.

This restriction shall not apply:

- 8.1 if You can prove to Our satisfaction that such Goods were unwittingly carried, handled or stored in either a sealed Container or as part of a groupage load; or
- 8.2 to Goods in the care custody or control of a Subcontractor.

9. HIGH RISK GOODS

We will not pay more than £15,000 any one Event in respect of the theft or attempted theft of High Risk Goods left Unattended whilst being carried, handled or stored by You. This restriction shall not apply:

- 9.1 if You can prove to Our satisfaction that such Goods were unwittingly carried, handled or stored in either a sealed Container or as part of a groupage load; or
- 9.2 to Goods in the care custody or control of a Subcontractor

10. COMMON LAW

We will indemnify You for Your liability at Common Law for Damage to Goods provided that:

- 10.1 the limit of liability under the Policy shall not exceed £500,000 any one Event and in the aggregate during the Policy Period;
- 10.2 You contracted to carry the Goods under Contract Conditions shown as Insured in the Schedule;
- 10.3 a final unappealable order of the court set aside such Contract Conditions;
- 10.4 the limit of liability at 10.1 above shall override any other limit of liability shown in the Schedule.

Section 3

General Exclusions

No cover is provided under this Policy and We will not pay claims for:

1. EXCLUDED GOODS

- a) Bullion
- b) Bank notes, coins, cheques, credit or debit cards
- c) Bonds, negotiable financial documents, securities and other financial instruments
- d) Persons or live creatures
- e) Antiques, works of art
- f) Live vaccines
- g) Blood plasma
- h) Goods being towed other than on a trailer
- i) Goods being moved as part of a household, office or factory removal unless as part of a groupage load

2. FINANCIAL LOSS

Loss of market, loss of profit, loss of business, loss of goodwill, loss of use, delay, indirect or consequential loss howsoever caused except as provided for in General Extension 3.

3. DETERIORATION OF GOODS

Deterioration of perishable Goods, fresh, chilled and frozen Goods, hardening of tarmac, concrete or similar property or Goods unless caused by fire, theft or as a result of collision or overturning of the Conveyance.

4. GENERAL

Damage or expense caused by or arising from:

- a) War, invasion, foreign enemy, hostilities (whether war be declared or not) military or usurped power, revolution, insurrection, rebellion or civil war;
- b) Strikes, lock-out, labour disturbances or disputes, riots or civil commotion, unless otherwise stated in the Policy;
- c) Mechanical or electrical derangement, oxidation, discoloration or rust unless caused by fire or accident to the carrying Vehicle;
- d) Confiscation, requisition or destruction by any government, local authority or government agency;
- e) Pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
- f) Climatic or atmospheric conditions or extremes of temperature;
- g) Nuclear fuel, ionising radiation, nuclear waste, nuclear or atomic weapons;
- h) Vermin, wear and tear, gradual deterioration, inherent vice, ordinary loss of volume;
- i) Inadequate insulation or labelling;
- j) A dishonest or criminal act perpetrated by You or any of Your Employees;
- k) Your wilful or intentional act or omission.

5. AVERAGE

We will not pay more than the limits of liability shown in the Schedule or elsewhere in the Policy.

Our maximum liability under this Policy will not exceed the Total Sum Insured shown in the Schedule.

If at the time of any Damage Your liability for the Goods exceeds the applicable amount shown in the Schedule You will be considered as being Your own insurer for the difference and shall bear a proportionate share of the claim accordingly.

This clause applies only where partial Damage to the consignment of Goods or item of Transportation Equipment has been suffered.

6. OTHER INSURANCE

We shall not pay for any loss or damage if at the time when the loss or damage occurs, the Goods are, or would, but for this insurance be covered by any other insurance. If, however, the Agreed Value of the Goods covered by the Policy is greater than the insured value provided in such other Policies We shall, subject to all warranties and other terms of the Policy, pay the difference.

7. DATE RECOGNITION CLAUSE

In no case do We cover any loss, Damage, expense or liability of whatever nature which might otherwise be recoverable under the Policy arising out of or in any way connected directly or indirectly, with the use or operation of any computer, computer system, computer software, programme or process or any electronic system where any such loss, Damage, expense or liability arises, whether directly or indirectly as a consequence of either:

7.1 any date change; or

7.2 any change or modification of or to any such computer, computer system, computer software, programme or process or to any electronic system in relation to any such data change.

8. PACKING

Damage caused by or arising from defective, faulty or inadequate packing or process where You have contracted with Your customer to pack or undertake a similar process in respect of Goods.

Section 4

Road Haulage Conditions

If this section is shown as Insured in the Schedule We will indemnify You for Your liability for Damage to Goods occurring during the Policy Period and within the Territorial Limits shown in the Schedule whilst the Goods are being:

- a) loaded upon, carried by or unloaded from a Vehicle and/or
- b) temporarily stored during the course of transit (whether on or off a Vehicle).

1. INDEMNITY

The indemnity provided by Us will be to the extent of Your liability for any Damage:

- 1.1 under the Contract Conditions or International Conventions or Statutes shown as Insured in the Road Haulage Section of the Schedule;
- 1.2 at Common Law if the Contract Conditions have been incorporated into the contract with Your customer but cannot be legally enforced at law;
- 1.3 subject to the applicable limits of liability shown in the Schedule or contained elsewhere in the Policy.

2. DETERIORATION

General Exclusion 3 does not apply to perishable Goods whilst being carried in a temperature or humidity controlled Vehicle or Container.

3. OWN VEHICLE THEFT EXCLUSION

We shall not be liable for any Damage arising out of or caused by theft or malicious act or by any attempted theft or attempted malicious act whilst Goods are on, or contained in, any Unattended Vehicle unless all doors and openings are locked and the windows and other means of access are adequately and properly secured and all keys are removed and any other security protections fitted to the Vehicle are activated or otherwise put into operation.

4. OWN GOODS

We will (at Our option by means of repair, reinstatement or replacement) indemnify You for Damage to Your own goods whilst being loaded upon, carried by or unloaded from any Vehicle owned or operated by You provided that:

- 4.1 for the purposes of this extension "goods" shall mean goods, equipment and/or merchandise belonging to You or hired by, leased or loaned to You and appertaining to Your business as Road Hauliers, Freight Forwarders or Warehousekeepers and shown as Insured in the Schedule;
- 4.2 the Vehicle limit under this extension is £15,000;
- 4.3 if at the time of any Damage the value of goods contained in or on any Vehicle exceeds the Vehicle limit under this section You will be considered as being Your own insurer for the difference and shall bear a proportionate share of the claim accordingly.
- 4.4 In addition to the Exclusions shown elsewhere in this Policy We will not pay claims for:
 - i) Damage caused by or arising from inherent vice;
 - ii) mechanical, electrical or electronic breakdown, failure or derangement;
 - iii) Damage to or theft of mobile telephones and/or trailers and/or Containers;
 - iv) Goods carried for reward.

5. CABOTAGE

We will indemnify You for Your liability under the mandatory national laws of any country within the Territorial Limits specified in the Schedule (other than the United Kingdom) where the Goods are collected, carried and delivered solely within the borders of that country provided that:

- 5.1 liability attaches irrespective of any contract or agreement;
- 5.2 We will not pay more than £250,000 any one Event;

5.3 if at the time of any Damage Your liability for such Goods exceeds the Vehicle limit then You will be considered as being Your own insurer for the difference and shall bear a proportionate share of the claim accordingly.

6. DRIVERS' PERSONAL EFFECTS

We will at Your request indemnify the driver of any Vehicle owned or operated by You for Damage to clothing and/or personal effects incurred whilst the driver is engaged in business on Your behalf provided that the Event Limit applicable is £750.

We will not pay claims for:

- 6.1 Damage caused by or arising from wear and tear;
- 6.2 mechanical, electrical or electronic breakdown, failure or derangement;
- 6.3 Damage to or theft of mobile telephones.

The Excess applicable is £50.

7. DRIVER REPATRIATION

We will at Your request provide financial assistance in repatriating the driver or drivers of any Vehicle owned or operated by You to any address in the United Kingdom provided that:

- 7.1 repatriation is required following collision and/or overturning and/or theft of the Vehicle;
- 7.2 the incident occurred outside of the United Kingdom in a country shown as Insured in the Schedule;
- 7.3 the limit of liability under this clause shall not exceed £1,500 any one Event and in the aggregate during the Policy Period.

8. LIEN

We will indemnify You for Damage to Goods upon which You are legally exercising a lien provided that:

- 8.1 such Damage occurs whilst the Goods are being loaded upon, carried by or unloaded from any Vehicle owned or operated by You within the Territorial Limits.
- 8.2 We will not pay more than £60,000 or
 - i) the Vehicle limit; or

- ii) the amount of the debt which is the subject of the lien; or
- iii) the value of the Goods

whichever is the least.

8.3 In addition to the General Exclusions in this Policy We will not pay claims for:

- i) Damage arising as a result of packing which was inadequate to withstand normal handling during transit;
- ii) Damage caused by or arising from inherent vice;
- iii) wear and tear;
- iv) mechanical, electrical or electronic breakdown, failure or derangement.

9. STRIKES AND BLOCKADES

9.1 We will compensate You for financial loss suffered by You (but not Your customer or Subcontractor) directly caused by unforeseen delay in the ordinary course of transit whilst any Vehicle owned or operated by You is at a standstill due to:

- i) the blocking of public roads, border crossings or ports caused directly by strikes, industrial action, demonstration, riot, avalanche or civil commotion;
- ii) the cancellation of ferry crossings due to adverse weather conditions.

9.2 Provided You can prove to Our satisfaction that the financial loss suffered by You occurred directly as a result of circumstances You could not avoid or prevent in any way.

9.3 The amount payable to You under this Policy will not exceed:

- i) the financial loss suffered by You; or
- ii) £300 per 24 hours or pro-rata, per Vehicle up to a maximum of 21 days

whichever is the least

- iii) provided that a limit of liability of £10,000 any one Event and £20,000 in the aggregate during the Policy Period shall apply.

9.4 No compensation is payable to You for the first 24 hours of any delay.

10. OPTIONAL EXTENSION

The following Optional Extension is subject to the terms of this Policy and only applies if shown as Insured in the Schedule.

10.1 Trailers

10.1.1 Subject to the applicable limit of liability shown in the Schedule We will indemnify You for Damage to trailers belonging to You or for which You are responsible provided that We will not pay claims for:

- i) wear and tear, gradual deterioration, scratching, bruising or denting;
- ii) mechanical, electrical or electronic breakdown, failure or derangement;
- iii) Damage to tyres caused by punctures, cuts, bursts or the application of brakes.

10.1.2 If at the time of any Damage:

- i) the value of any one trailer; or
- ii) the total value of all trailers belonging to You or for which You are responsible

exceeds the limit of liability shown in the Schedule then You will be considered as being Your own insurer for the difference and shall bear a proportionate share of the claim accordingly.

Section 5

Warehousing Conditions

If this section is shown as Insured in the Schedule We will indemnify You for Your liability for Damage to Goods occurring during the Policy Period and within the Territorial Limits shown in the Schedule whilst the Goods are warehoused under a contract for storage at any Location shown as Insured.

For the purposes of this section only the term Location shall mean a building or premises of substantial construction and built of brick and/or stone and/or concrete and/or metal and/or similar material with a fixed roof occupied or operated by You in which Goods are stored.

1. INDEMNITY

The indemnity provided by Us will be to the extent of Your liability for any Damage:

- 1.1 under the Contract Conditions shown as insured in the Warehousing Section of the Schedule; or
- 1.2 at Common Law if the Contract Conditions have been incorporated into the contract with Your customer but cannot be legally enforced at law;
- 1.3 except that in respect of theft or attempted theft the Damage must arise out of violent and / or forcible entry to any Location;
- 1.4 subject always to the applicable limits of liability shown in the Schedule or contained elsewhere in the Policy.

2. SECURITY

2.1 You warrant that:

- a) the Location is protected by an intruder alarm installed and inspected under a contract by a NSI/NACOSS approved installer;
- b) such alarm is subject to RedCARE protection or such other protection as may be agreed by Us in writing;
- c) the intruder alarm together with all connections to RedCARE or such other protection as may be agreed by Us in writing are kept in full working order;

- d) whenever the Location is closed for business or left Unattended the intruder alarm will be fully operational, properly maintained and fully set to protect the Location;
- e) You will keep in force a maintenance contract for the intruder alarm with a reputable maintenance company;
- f) You will not alter the function of the intruder alarm or change the alarm system without first obtaining Our permission;
- g) if any defect in the intruder alarm is discovered or the police withdraw their services You will:
 - (i) immediately notify Us when We will have the option of cancelling this insurance immediately on Goods stored in the Location; and
 - (ii) not leave the Location Unattended without Our prior consent; and
 - (iii) put into effect the additional temporary safeguards when required; and
 - (iv) give immediate instructions to the maintenance company to carry out the necessary repairs.

2.2 You will notify Us immediately if:

- a) You receive notification from the police that they have, maybe or are considering the withdrawing of police response to alarm calls; and/or
- b) failure of the telecommunication lines used to transmit alarm signals from the Location occurs.

3. DISAPPEARANCE OF GOODS

We shall not be liable for any Damage to Goods stored at any Location:

- 3.1 due to any unexplained and/or mysterious disappearance; or
- 3.2 due to any unexplained stock shortages discovered during any inventory check or inspection.

4. STILLAGE

You warrant that all Goods are and will be kept at least 15 centimetres above the floor level at all times during storage.

5. TERRORISM

In respect of any Damage caused by or arising from an act of Terrorism whilst Goods are stored under a contract for storage at any Location We will not pay more than £100,000 any one Event.

This restriction does not apply to Goods whilst in transit or temporarily stored in the course of transit

6. LIEN

We will indemnify You for Damage to Goods upon which You are legally exercising a lien provided that:

6.1 such Damage occurs whilst the Goods are being warehoused under a contract to store at any Location specified in the Schedule as being Insured for a period not exceeding 21 days.

6.2 We will not pay more than £60,000 for:

- a) the Location limit shown in the Schedule; or
- b) the amount of the debt which is the subject of the lien; or
- c) the value of the Goods

whichever is the least.

6.3 the indemnity provided by this clause is restricted to Damage caused by or arising from:

- a) fire
- b) explosion
- c) water damage
- d) theft involving entry to or exit from the Location by violent and / or forcible means.

Section 6

Freight Forwarding Conditions

1. INDEMNITY

If this section is shown as Insured in the Schedule We will indemnify You for Your liability for Damage to Goods occurring during the Policy Period and within the Territorial Limits shown in the Schedule whilst the Goods are being:

- 1.1 loaded upon, carried by or unloaded from a Conveyance and/or
- 1.2 temporarily stored during the course of transit (whether on or off a Conveyance).

The indemnity provided by Us will be to the extent of Your liability for any Damage:

- 1.3 under the Contract Conditions or International Conventions or Statutes shown as insured in the Freight Forwarding Section of the Schedule;
- 1.4 at Common Law if the Contract Conditions have been incorporated into the contract with Your customer but cannot be legally enforced at law;
- 1.5 subject to the applicable limits of liability shown in the Schedule or contained elsewhere in the Policy.

2. LIEN

We will indemnify You for Damage to Goods upon which You are legally exercising a lien provided that:

- 2.1 such Damage occurs whilst the Goods are being loaded upon, carried by or unloaded from any Vehicle owned or operated by You within the Territorial Limits.
- 2.2 We will not pay more than £60,000; or
 - a) the Vehicle limit; or
 - b) the amount of the debt which is the subject of the lien; or
 - c) the value of the Goods

whichever is the least.

- 2.3 In addition to the General Exclusions in this Policy We will not pay claims for:
 - a) Damage arising as a result of packing which was inadequate to withstand normal handling during transit;
 - b) Damage caused by or arising from inherent vice;
 - c) wear and tear;
 - d) mechanical, electrical or electronic breakdown, failure or derangement.

Section 7

General Extensions (applying to the whole policy)

1. TRANS-SHIPMENT

We will indemnify You for liability or reasonable costs incurred by You arising out of:

- 1.1 transshipment, recovery or removal of debris following Damage to Goods and / or Transportation Equipment or an accident to the Conveyance and/or
- 1.2 transshipment, recovery or other charges incurred to mitigate Damage or prevent any claim provided that:
 - a) Your liability for Damage to the Goods and/or Transportation Equipment is insured elsewhere under this Policy; and
 - b) the Event Limit applicable to this extension is £20,000.

2. CONTAINERS

- 2.1 We will indemnify You for Your liability for Damage to Containers in Your custody or control provided that:
 - a) the limit of liability any one Container does not exceed £60,000;
 - b) Containers are not owned or hired by or leased or loaned to You or stored at a rental under a contract for storage and distribution.
- 2.2 We will not pay for any Damage to Containers caused by:
 - a) wear and tear, gradual deterioration, scratching, bruising or denting;
 - b) mechanical, electrical or electronic breakdown, failure or derangement.

3. CONSEQUENTIAL LOSS

3.1 We will indemnify You for Your liability for financial loss arising out of:

- a) Damage to Goods provided that Your liability for such Damage is Insured under this Policy;
- b) accidental delay in delivering or releasing Goods but excluding any failure to meet a specific delivery or release date or a time agreed by You;

3.2 provided that:

- a) except for c) below, the Event Limit shall not exceed £250,000.
- b) We will not pay claims under this clause 3 unless Your contract with Your customer:
 - i) excludes liability for such financial loss; or
 - ii) limits liability for such financial loss to an amount not exceeding twice the charges received by or due to You for the carriage, handling or warehousing of the Damaged Goods.
- c) The limit of liability for Full Value Liability cover if shown as Insured in the Schedule does not exceed twice the charges received by or due to You for the carriage, handling or warehousing of the Damaged Goods.

Section 8

Optional Extension (applying to the whole policy)

The following Optional Extension is subject to the terms of this Policy and only applies

- a) if this Optional Extension is shown as Insured in the Schedule
- b) to the types of operation shown as Insured in the Schedule.

1. ERRORS AND OMISSIONS

We will indemnify You for Your liability for claims made against You during the Policy Period for breach of duty by reason of any negligent act, negligent error or negligent omission arising from failure to comply with instructions, faulty arrangements or clerical errors by You, Your predecessors, any Employee or Subcontractor in the course of the conduct of Your business.

The limit of liability shall not exceed the Event Limit set out and shown as Insured in the Schedule and the indemnity will be to the extent of Your liability:

- a) under the Contract Conditions shown as Insured in the Schedule or at common law if such Contract Conditions have been incorporated into the contract with Your customer but cannot be legally enforced, provided that;
 - i) if You have failed to incorporate such Contract Conditions into the contract with Your customer, You intended to trade under such Contract Conditions and took reasonable steps to notify Your customer of their application; and
 - ii) the failure to notify the customer of such Contract Conditions was due to an error and You can prove to Our satisfaction that You had established procedures for such notification to be given to customers and that all Employees had been instructed in writing to follow such procedures;

or

b) at law:

- i) if the Contract Conditions shown as Insured in the Schedule do not cover or otherwise provide for the claim made against You; or
- ii) if there is no contract between You and the claimant governing the transaction giving rise to the claim.

In respect of this extension Our entitlement under Claims Clause 2.1 is subject to Your right to object to litigation, however if You do object We will not take litigation further unless following legal consultation We are advised that such litigation has good prospects of success.

In addition to any other exclusion in this Policy We will not pay claims:

- I. for any liability for Damage other than misdelivery;
- II. for any dishonest, fraudulent, criminal or malicious act by You, Your predecessors, any Employee or Subcontractor;
- III. arising from the breach of any obligation owed by You as employer to any Employee or former Employee;
- IV. for the consequence of any circumstances known to You at the inception of this extension that might reasonably have been expected to result in a claim;
- V. resulting from Your inability or failure to pay or collect monies;
- VI. for any liability as a result of Your insolvency;
- VII. for defamation, libel or slander;
- VIII. for fines, duties, taxes, levies, expenses or any other penalty whatsoever, incurred as a result of any infringement of any codes of practice, legislation or regulations.

Section 9

Claims

1. You must:
 - 1.1 notify Us of any circumstances or Event which might give rise to a claim under the Policy as soon as possible and provide Us with a written report of the circumstances or Event as soon as possible;
 - 1.2 immediately hold liable any responsible Subcontractor, bailee or other third party;
 - 1.3 notify the police as soon as possible of any theft, malicious damage or other crime involving the Goods or Transportation Equipment;
 - 1.4 not admit liability, offer to settle, compromise or make a payment in respect of any circumstances or Event which might give rise to a claim under the Policy without Our prior written consent;
 - 1.5 avoid, minimise or mitigate any loss or damage;
 - 1.6 provide to Us, unanswered, all communications, correspondence and documents received by You from third parties relating to a claim or a matter which might give rise to a claim under the Policy; as soon as possible.
2. We have the right:
 - 2.1 to commence or take over and conduct the defence of any claim against or prosecution of You or an Employee arising out of any circumstances or Event which might give rise to a claim under the Policy;
 - 2.2 to commence or take over the conduct of any claim brought in Your name to recover sums which are or which might be payable under the Policy.
3. You shall give Us all information, documentation and assistance that We require for the purposes of exercising Our rights under the Policy. The list of documents set out at clause 5 below is non exhaustive.
4. It is Your duty in all cases to take measures as may be reasonable for purposes of averting or minimising a loss and to ensure that all rights against Subcontractors, carriers, bailees or other third parties are properly preserved and exercised. In particular You are required:
 - 4.1 except under written protest, to avoid giving any clean receipts for Goods unless You have inspected the Goods and they are in good order and condition;
 - 4.2 to inspect any Container and to ensure that the Container and seals are examined immediately by a responsible official. If the Container is delivered to You damaged or with seals broken or missing or with seals other than as stated in the shipping documents You must clause the delivery document accordingly and retain defective or irregular seals for subsequent identification.
5. You should provide to Us as soon as possible in making Your claim copies of the following documents:
 - 5.1 freight invoice;
 - 5.2 original Bill of Lading or transit contract, or other transit documentation (e.g. CMR Note, CIM Note, Airway Bill, Consignment Note etc);
 - 5.3 delivery receipt.
6. All claims must be reported to:

Claims Adjuster
Allianz Global Corporate & Specialty
Crown House
Crown Street
Ipswich
IP1 3RH

Tel: 01473 299300
Fax: 01473 299309

Allianz Global Corporate & Specialty UK
27 Leadenhall Street
London
EC3A 1AA
United Kingdom

www.allianz-freight.co.uk