

# Specialist UK Cargo Insurance Policy

## Key facts

### DEMANDS AND NEEDS

You require insurance to cover loss and damage to your Goods for the Voyages/Transit and on the Conveyances and this Policy fulfils your needs.

This is a brief summary of the policy terms and conditions although the full cover is subject to the Warranties and other terms of the Policy, a specimen of which is available on request at the address shown below and is subject to any additional cover [Endorsements] that may have been agreed.

Allianz Global Corporate & Specialty is the UK branch operation of the Allianz Global Corporate & Specialty AG, Königinstraße 28, 80802 München, Germany.  
Incorporated with limited liability.

UK branch registered office: 27 Leadenhall Street, London EC3A 1AA, UK.  
Company No. FC024389. Branch No. BR006950

Authorised by Bundesanstalt für Finanzdienstleistungsaufsicht and regulated by the Financial Service Authority for the conduct of UK business.

In the event of a claim please contact our London Office, 27 Leadenhall Street, London EC3A 1AA, telephone: 0207 488 1882, fax: 0207 788 0509.

### Our Service

If for any reason you are not satisfied with your 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 Cargo Manager, at the UK Branch address shown above. 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. If relevant under the terms of the Financial Services Ombudsman Scheme we must reply to you within four weeks, and resolve your complaint within eight weeks. Failing satisfaction, if you are a private person, or your business has a turnover of less than £1,000,000, or a charity with an annual income less than £1,000,000, or a trustee of a trust with a net asset value less than £1,000,000 and are a resident of England, Scotland, Wales or Northern Ireland you may then approach the Financial Services Ombudsman, South Key Plaza, 183 Marsh Walk, London E14 9SR, telephone 0845 080 1800, [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or email [complaint.info@financial-ombudsmann.org.uk](mailto:complaint.info@financial-ombudsmann.org.uk) who will advise whether he is 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 with six months of being notified of our final decision about your complaint.

### Law

The law applicable to this contract is subject to agreement between us and unless we have agreed otherwise the law applying to the contract is as follows:

- 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 policyholder normally resides: or
- 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
- if the above does not apply, the law of England and Wales.

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.
Premium	You are responsible to your broker for the amount of premium we charge you for your insurance including all fees, taxes, charges and expenses as shown on the attached Quotation Letter/Renewal Invitation. Insurance Premium Tax which will be collected at the current rate on premium paid by you. We will calculate this liability and you agree to pay this amount due to us, in addition to the Premium.
Policy Period	We insure you for the period shown on the Schedule.
General Conditions	<p>This Policy is to insure the Goods for the Voyages/Transit and on the Conveyances and on the terms set out in the Schedule by or for the account of you.</p> <p>Cover attaches to all Goods that commence Transit within the Period of Insurance. If we cover storage risk insurance attaches at the commencement of the Period of Insurance and ends on expiry of the Period of Insurance specified in the Schedule, irrespective of the date of any Transit. It is a condition precedent that any claim arising out of or during storage must be notified to us during the Period of Insurance or within 21 days of the expiry of that Period.</p> <p>The Institute War Clause covers only Goods while on a Vessel. Limited cover is allowed while goods are in craft on route between the vessel and shore and also during transshipment.</p> <p>Our liability in respect of any one accident or series of accidents arising out of the same event or any one Conveyance or Location or Goods shall not exceed the Limit of Liability shown in the Schedule.</p>
Cancellation	<p>We give you a "cooling off" period of 14 days from the time you receive the 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 to you part of the premium retaining a proportionate part of the premium for that period for which we have been on risk provided no claims have been made.</p> <p>The Policy may be cancelled either by us or by yourself at any time by 30 days' written notice sent by prepaid post to the relevant address shown in the Schedule (or to your broker) except in the case of War and Strike Rules as defined in the Institute War &amp; Strikes Clauses, when the Policy will be subject to seven days' written notice of cancellation, except in respect of Strike Risks for sendings to or from the US which is subject to 48 hours written notice of cancellation.</p>
Policy Conditions	<p>The following Standard Clauses apply to your policy:</p> <ol style="list-style-type: none"> <li>1 Institute Cargo Clauses (A)</li> <li>2 Institute Strike Clauses (Cargo)</li> <li>3 Institute War Clauses (Cargo)</li> <li>4 Institute Classification Clause</li> <li>5 Institute Cargo Clauses (Air Cargo)</li> <li>6 Institute Strikes Clauses (Air Cargo)</li> <li>7 If your Goods are not sent by post the Institute War Clauses (Air Cargo) (excluding sendings by post)</li> <li>8 If your Goods are sent by post the Institute War Clauses (sendings by post)</li> <li>10 Insolvency Exclusion Clause J.C 93</li> <li>11 Institute Cyber Attack Exclusion Clause</li> <li>12 Institute Radioactive Contamination, Chemical, Biological, Biochemical &amp; Electromagnetic Weapons Exclusion Clause</li> </ol>

- 13 Institute Replacement Clause
- 14 Institute Frozen Food Clauses (A) (excluding frozen meat)
- 15 Institute Strikes Clauses (Frozen Food) (excluding frozen meat)

#### Special Exclusions

In addition to those exclusions shown in the relevant Institute Clauses we shall not be liable for loss, damage or expense caused by rust, oxidisation or discolouration in respect of unpacked or unprotected goods, loss, damage or expense due to or caused by mechanical breakdown or derangement unless caused by an Insured Peril or loss or damage to Goods carried on vehicles owned or operated by you unless we have agreed otherwise on the Schedule. We do not cover loss to temperature controlled goods unless caused by 24 hour breakdown, fire or explosion, stranding, sinking or capsizing of the carrying vessel, overturning or derailment of land conveyance, collision or contact of the carrying vessel or conveyance with any external substance other than water and discharge of cargo at port of destination.

#### Main Exclusions

We are not liable for loss damage or expense attributable to wilful misconduct of the Assured; ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject matter insured; caused by insufficiency or unsuitability of packing or preparation of the subject matter insured; caused by inherent vice or nature of the subject matter insured; proximately caused by delay, even though the delay be caused by a risk insured against; or arising from any hostile use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

We are not liable for any claim based upon loss of or frustration of the voyage or adventure.

We do not cover loss damage or expense arising from: the absence, shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion; and war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom or any hostile act by or against a belligerent power.

We shall not pay any claim in respect of any loss damage or expense:

1. where Goods are carried by a Vessel that does not hold a valid International Ship and Port Facilities Security (ISPS) Code and, if applicable an ISM Certification, if at the time of loading you were aware or ought to have been aware of this;
2. arising from any date change or modification in relation to a date change in respect of computers;
3. arising from ionising radiations, radioactive, toxic explosive or other hazardous or contaminating products of any nuclear installation, a weapon or device employing atomic or nuclear fission or fusion, the radioactive, toxic explosive or other hazardous or contaminated properties of any radioactive matter, any chemical, biological, biochemical or electromagnetic weapon or the use or operation as a means of inflicting harm of any computer or computer programme.

In the event that you are covered under this Policy for loss or damage to Goods caused by terrorism such cover is limited to £100,000 in respect of any loss or series of losses arising out of any one event and conditional upon the Goods being in the ordinary course of transit and shall terminate in accordance with the Transit Clauses contained within the Policy or on delivery to the final warehouse or place of storage at the destination or any other warehouse or place of storage you or any assignee of the certificate elects to use either for storage other than the ordinary course of transit or for allocation or in respect of marine transits on the expiry of 60 days after completion of discharge overseas of the Goods from the overseas vessel at

the port of discharge, or in respect of air transit, on the expiry of 30 days after unloading the Goods insured from the aircraft at the final place of discharge. The Contracts (Rights of Third Parties) Act 1999 does not apply to the Policy or to any certificate(s) of insurance under it.

In respect of loss or damage to any part or parts of an insured machine caused by an Insured Peril we shall not pay more than the cost of replacement or repair of such part or parts plus charges for forwarding and refitting if incurred.

If damaged Goods are useable if cut to a shorter length we will only pay the value of the damaged part and will be entitled to the benefit of any salvage.

If damaged Goods are part of a set or pair we shall only pay for the piece damaged and not for any diminution in value of the rest of the set/pair.

If the Institute Clauses are revised during the Period of Insurance and we give you 30 days' written notice the new version will apply to Goods first sent forward or stored after the date of expiry of such notice.

#### Additional clauses

These additional clauses apply whether or not they are referred to in the Schedule. We will cover but not more than the lesser of £5,000 or 25% of the insured value in respect of returning by air freight damaged goods to manufacturers and/or suppliers for repair or of air freight and replacement Goods from manufacturers and/or suppliers to destination.

Cover under the Policy attaches at the later of either the time when you acquire an interest in the Goods or the Goods are set in motion at the warehouse or place of storage for the commencement of transit and then continues providing that the Goods remain in the ordinary course of transit. We cover Goods during loading and whilst being packed by professional packers and whilst at professional packers premises for up to 30 days and whilst in storage in the ordinary course of transit, containerisation and transhipping.

We will pay up to 10% of the Agreed Value of Goods subject to a Limit of Liability of £50,000 for any extra charges properly and reasonably incurred in unloading, storing and forwarding Goods to the destination to which the Goods are insured, following release of Goods from a Vessel arrested or detained or diverted to any other port or place where the voyage is terminated due to such vessel not being certified in accordance with ISM Code or ISPS Code or to a current Document of Compliance not being held by the owners or operators as required by the Solas Convention 1974 as amended, provided you were not aware or in the ordinary course of business ought to have been aware that the vessel was not certified. This extension does not apply to General Average or Salvage charges.

This Policy does not cover loss or damage to Goods:

1. due to or directly resulting from any process of use, testing or repair;
2. arising from insolvency or financial default of the owners, managers' charterers or operators of the Conveyance where you are unable to show that prior to the loading of Goods onboard the Conveyance all reasonable practical and prudent measures were taken, by you, your servants and agents, to establish the financial reliability of the party in default;
3. arising from unseaworthiness of vessel or craft, unfitness of vessel, aircraft, Conveyance, container or lift van for the safe carriage of the Goods, where you or an assignee of any certificate of insurance is privy to such unseaworthiness or unfitness at the time that the subject matter insured is loaded therein unless the insurance has been assigned to the party claiming thereunder who has brought the Goods in good faith without notice of such unseaworthiness or unfitness.

	<p>The relevant Insured Person must notify us or your insurance broker directly of any occurrence which might give rise to a claim under the Policy as soon as possible or if the Goods are outside the geographical area of the British Isles, Northern Ireland or Eire at the time of occurrence which might give rise to a claim under the Policy, notify the person shown on the certificate of insurance as soon as possible. You must provide us with a written report of the occurrence as soon as possible and notify the police as soon as possible of any theft, malicious damage or other crime involving the Goods and in the event of a riot which might give rise to a claim under the Policy notify us within seven days.</p>
	<p>You are obliged as soon as possible to pass on to us unanswered all communications from third parties relating to the matter and not to admit liability, offer to settle, compromise or make a payment in respect of any event which might give rise to a claim under the Policy without our prior written consent.</p>
<p>Claims</p>	<p>You are under a duty to avoid, minimise or mitigate any loss or damage and to assist us by signing and returning to us or our representative duly signed or commented constructively upon any statement of truth which we may require from you for prosecution or defence of any claim within seven days and also to search for and provide to us any documents that may be required by us for the purpose of prosecution or defence of any claim which may be the subject of an indemnity under the Policy within 14 days of the request by us or our representative and to sign and return to us within seven days any disclosure statement we or our representatives may require.</p>
<p>Our rights</p>	<p>We have the right to decide where and how damaged Goods will be repaired and to take over or commence and conduct the defence of any claim against or prosecution of an Insured Person arising out of an occurrence which might give rise to a claim under the Policy and to commence and take over the conduct of any claim brought in the name of the Insured Person to recover sums which are or which might be payable under the Policy.</p>
<p>Documents to accompany claim</p>	<p>You should provide to us as soon as possible when making your claim copies of a packing list, invoice, copy bill of lading or transit contract, delivery receipt, and claim against the carrier.</p>
<p>Amount payable</p>	<p>We will pay the Agreed Value of Goods if Goods are totally lost or destroyed or the cost of recovery and/or repairing Goods if the cost shall exceed the Agreed Value. For partial loss we will pay either if whole or any part of the Goods have been delivered damaged at their destination such proportion of the Agreed Value as the difference between the Gross Signed and damaged value at the place of arrival bears to the Gross Signed Value or the reasonable cost of recovering the Goods and the reasonable cost of affecting repair less in all cases the Deductible.</p>

February 2009