



Zurich Marine Cargo Insurance

Single Shipment



1. Definitions

When used in this policy, *schedule* or endorsements the following definitions will apply:

Insured, You, Your, Assured

insured, you, your, Assured means the insured as named in the *schedule* or as otherwise defined in the policy.

Period of insurance

period of insurance means the period of insurance stated in the *schedule*.

Schedule

schedule means the schedule attaching to and forming part of the policy, including any *schedule* substituted for the original *schedule*.

Subject matter insured

subject matter insured means the insured goods including packaging and labels.

Terrorism

terrorism means any act(s) of any person(s) or organisation(s) involving:

- the causing, occasioning or threatening of harm of whatever nature and by whatever means;
- putting the public or any section of the public in fear;

in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

2. Scope of coverage

The coverage granted by this policy begins from the moment in which the operations of loading the goods in the warehouse of origin begin, will remain during its transport, intermediate stays inherent to it (up to a maximum of 60 days) and possible transfers, and will end on the delivery of the goods once unloaded in the warehouses of the recipients, all in accordance with the coverage stipulated in this policy, and the terms and conditions corresponding to the contract of sale or Incoterm used in each case.

3. The Cover

We insure *you* for loss of or damage to the *subject matter insured*, liability or expense subject to the following Institute Cargo Clauses:

Institute Frozen Food Clauses (A) 1/1/86 – extended to include Chilled Food: Clause 1.2.1 of the Institute Frozen Food Clauses A 1/1/86 is hereby amended to read as follows: “*breakdown of refrigeration machinery resulting in its stoppage for a period of not less than 12 consecutive hours*”.

Institute War Clauses (Cargo)

Institute Strikes Clauses (Frozen Food) 1/1/86 – extended to include Chilled Food

Institute Classification Clauses 1/1/01

Institute Radioactive Contamination Chemical, Biological, Bio-chemical Electromagnetic Weapons Exclusion Clause

Termination of Transit Clause Terrorism

Marine Cyber Endorsement LMA5403

Communicable Disease Exclusion Clause JC 2020-011

4. Conditions of cover

4.1 Conditions of insurance

The conditions of insurance are as specified in this policy wording, the *schedule* and attachments and any clauses referred to in the *schedule*, all of which are to be read together.

Any reference in the conditions of insurance to Institute Clauses is to the clauses published by the International Underwriting Association of London current at the effective date of this policy.

Any reference to 'English law and practice' is amended to Spanish law and practice' wherever it appears.

4.2 Basis of valuation

For shipments involving imports or exports the *subject matter insured* is agreed to be valued as stated in the *schedule*.

For transits commencing and terminating within the same country:

- when stated as invoice value in the *schedule* the agreed value is the invoice cost or value, plus any costs incidental to the insured transit that are not covered by the invoice; or
- if there is no invoice, the value is the market value or the cost, at the time of the commencement of the insured transit, of replacing the *subject matter insured* with similar goods of the same age and condition.

4.3 Limits on cover

Further to any limitations to the cover set out in the applicable conditions of insurance, this insurance is limited to the limit of liability stated in the *schedule*.

5. Additional Clauses:

5.1 Brands

We will not sell or dispose of salvaged branded goods without your consent. If you do not give your consent we may retain the goods and their reasonable salvaged value will be deducted from the amount payable in respect of the claim.

5.2 Container demurrage charges

This policy will cover demurrage charges and/or late penalties assessed against you for the late return of containers when they are retained by you on our instruction for inspection following a claim to a maximum of US\$20,000 (or equivalent in other currencies) any one loss or occurrence in addition to the sum insured.

The period for which we will be liable begins at the time we instruct you to retain the containers and finishes at the time our surveyor instructs you to return the containers.

5.3 Debris

This policy covers the cost of removal and disposal of damaged, deteriorated or contaminated subject matter insured and of cleaning and decontamination to a limit of up to US\$50,000 (or equivalent in other currencies) any one loss or occurrence in addition to the sum insured.

5.4 Deck cargo

If the subject matter insured is shipped on deck of vessels other than in general purpose I.S.O fully enclosed containers it is insured according to the conditions stated in the schedule but excluding loss, damage or expense caused by or arising from rust, oxidisation, discolouration, fresh water or sea water unless as a result of a peril insured by the Institute Cargo Clauses (B) with sub clause 1.2.3 deleted.

5.5 Delayed unpacking

In the case of delay in opening cases or packages (except those showing signs of damage, wetting or staining) loss or damage discovered when they are opened within 90 days of delivery will be treated as having happened during an insured transit unless there is evidence to the contrary.

5.6 General Average and Salvage

For the purpose of claims for General Average contribution and Salvage Charges the subject matter insured shall be deemed to be insured for its full contributory value.

5.7 Labels

In the event of loss or damage to labels or wrappers caused by an insured peril, we will not be liable for more than the cost of new labels, capsules or wrappers and the cost of re-labelling and repacking but only up to the insured value of the subject matter insured.

5.8 Letter of Credit

Where you are obligated to arrange insurance in accordance with any instructions contained in a Letter of Credit cover is granted provided that it does not exceed the existing terms and conditions of this policy unless with our prior consent and at an additional premium if required.

5.9 Packers

The insurance applies while the subject matter insured is in transit to or from packers' premises and while there for packing up to a maximum of 30 days.

5.10 Sealed containers

Claims for theft, shortage or non-delivery of a whole package or item shipped in a container will not be invalidated solely because the seals appear intact on delivery, provided we are given:

1. documentary evidence the package or item was loaded into the container; and
2. a copy of the discharge tally sheet or claused delivery notes,

to substantiate the loss.

5.11 Shut out

In the event of the subject matter insured being 'shut out' from a vessel, this policy extends to cover the subject matter insured while waiting on the wharf, quay or pier or for the transfer to and whilst at another wharf, quay or pier and onforwarding by another vessel, subject to you notifying us as soon as you become aware of such event.

I. Exclusions

The following exclusions apply in addition to the exclusions contained in the Institute clauses or stated elsewhere in the schedule and attachments to this policy.

1. Information technology hazards

This insurance does not cover losses otherwise recoverable arising directly or indirectly out of loss of or damage to, or a reduction or alteration in the functionality or operation of, a computer system, hardware, programme, software, data, information repository, microchip, integrated circuit or similar device in or connected with computer equipment or non-computer equipment whether your property or not unless the losses are caused directly by one or more of the following perils:

- theft of equipment;
- collision;
- sinking, grounding or stranding of the carrying vessel;
- overturning or derailment of land conveyance;
- jettison or washing overboard;
- fire, lightning, explosion;
- aircraft or vehicle impact;
- falling objects;
- windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood, freeze or weight of snow.

2. Mechanical or electronic derangement

This policy excludes mechanical, electrical or electronic breakdown or malfunction where there is no external evidence that an insured event has occurred.

3. Terrorism

This policy excludes any loss, damage, liability or expense arising from:

- terrorism; and/or
- 2 steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, threatened, suspected or perceived terrorism.

However, this exclusion will not apply to the extent of the provisions of the Termination of Transit Clause Terrorism.

4. Sanctions Exclusion

Notwithstanding any other terms or conditions under this policy, Zurich shall not be deemed to provide coverage and will not make any payments nor provide any service or benefit to any insured or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of the insured would violate any applicable trade or economic sanctions, law or regulation.

II. Claims conditions

Claims procedure

When loss or damage happens which may give rise to a claim under this policy, you and/or your agent should take all reasonable measures to avert or minimise the loss and ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised. You and/or your agent must:

1. claim immediately on the carriers, port authorities or other bailees for any missing packages;
2. in no circumstances, other than under written protest, give clean receipts where goods are in damaged or doubtful condition;
3. in no circumstances, other than under written protest, sign a receipt for goods which are in damaged or doubtful condition without noting the damage or doubt regarding the condition on that receipt;
4. apply immediately for survey by carriers' or bailees' representatives if any loss or damage is apparent and claim on the carriers or bailees for any loss or damage found during the survey;
5. give notice, in writing, to the carriers or bailees within 3 days of delivery if the loss or damage was not apparent at the time of taking delivery; and
6. immediately notify us, or our nominated survey/settling agent, what has happened and promptly send full details including details of any other insurance on the subject matter insured and the following documentation:
 - original or copy of shipping invoices, shipping specifications and/or weight notes;
 - original bill of lading, waybill and/or other contract of carriage;
 - landing account and weight notes at final destination;
 - documentary evidence of the extent of the loss or damage; and
 - any correspondence with the carrier or bailee about their liability for loss or damage;
7. not authorise any repairs to the subject matter insured without our consent.

Claims settlement

In the event of a claim, we have the option of settling your loss by payment, repair, reinstatement or replacement.

Excess

In the event of a claim (other than a claim for total loss, General Average or Salvage) you must bear first the amount of any excess specified in the schedule or elsewhere in the policy wording.

Other insurance

When making a claim on this policy you must also supply us with written details of all policies that may pay or partially pay that claim.

Rights of subrogation

We are entitled to exercise any rights you or any assignee may have against anyone else in relation to the subject matter insured for which we have settled a claim under this policy. You, or anyone else entitled to claim under this policy, must cooperate fully with us in exercising those rights and must give us any information or assistance we may require.

Legal regulation

Insurance entity and control authority of its activity

Zurich Insurance Public Limited Company is an insurance company registered in Ireland, with company number 13460, domiciled in Zurich House, Ballsbridge Park, Dublin 4, Ireland. It is supervised and registered by the Central Bank of Ireland, and authorized to operate in Sweden under the right of establishment through its branch Zurich Insurance plc, Sweden Branch.

Zurich Insurance plc, Sweden Branch, reg. no. 516403-8266, with address at Linnégatan 5, 102 42 Stockholm is registered in Bolagsverkets Branch Office Register

Arbitration

Any dispute which arises regarding the Insurer's liability to pay indemnity by reason of this Agreement shall be determined in accordance with Swedish law through arbitration proceedings with the Average Adjuster (Swedish: Dispatchör) in Sweden as a sole arbitrator. The proceedings shall follow the procedure prescribed by law before the Average Adjuster and the parties are entitled to contest the arbitral award in the same manner and within the same period as an average adjustment may be contested in accordance with law.

The costs of the Average Adjuster in the arbitration proceedings shall be paid by the Insurer unless the Insured's action obviously is without cause.

Personal data protection

For information how Zurich handles personal data, please refer to: <https://www.nordic.zurich.com/en/services/privacy>

International Public Order Application

Without prejudice to the terms of this agreement, the coverage insurer may not be considered to make payments or provide any service or benefit in favour of any insured or third party while that coverage, payment, service or benefit and / or any other business or activity of the insured could contravene laws or commercial regulations, commercial embargo, or economic sanctions affected by an international public order.

Likewise, in the event that the insurer, on the occasion of compliance with the formalities provided for in said regulations, exceeds the maximum period established for the fulfilment of certain obligations, these will not accrue late payment interest.

SEPA (Single European Payment Area) regulations

The policyholder / insured, when providing the bank details for the payment of the insurance premium or, where appropriate, for the recovery of franchises, consents and authorizes that its amount be charged to the account provided and collected in this document or in the one that, during the life of the contract, is communicated to the Insurance Entity for that purpose.

In the event that the policyholder / insured is not the owner of the account provided, he claims to have obtained the authorization of the holder for such purposes.

Legislation and jurisdiction

This policy is subject Swedish legislation and jurisdiction. Regarding circumstances not regulated by this policy, the terms and conditions of the General Swedish Marine Insurance Plan of 2006 (Swedish: Allmän Svensk Sjöförsäkringsplan av år 2006) shall apply.

Reasonable diligence

The insured must act with reasonable diligence to avoid the loss, destruction, damage or death covered by this policy.

Third parties

If any other person or entity has the right to claim a claim under this policy, that person and / or entity must also comply with the conditions of the policy.

Transfer

For shipments that involve imports and / or exports, this policy allows the insured or any assignee to transfer the insurance to another person and / or entity.

For transits that begin and end in the same country, you can only transfer a transfer right under this policy with our written consent.