

LAND TRANSIT CLAUSE – “ALL RISKS”

TERMS OF COVER:

This insurance covers All Risks of loss or damage whilst the interest is being conveyed by Truck. But this insurance shall in no case be deemed to extend to cover loss, damage or expense proximately caused by or attributed to by:

- delay ;
- inherent vice or nature of the subject matter insured;
- improper or insufficient or inadequate packing or packaging;
- improper or inadequate lashing;
- water, storm (including Sand Storm), dust or atmospheric exposure(s) if the consignment is not transported in Fully Closed and Protected Truck or Conveyance or Container;
- loss or damage to consignment due to normal transit vibrations, jerks and jolts of the carrying vehicle.

EXCESS - Dhs.500 each and every loss (unless otherwise expressly amended or waived in the Policy or Marine Open Cover)

The risk attaches after completion of the loading of each package or unit into the truck / trailer and ceases immediately on the unloading of each package at the destination or 24 hours after arrival of the truck at final destination whichever first occurs.

If any loss or damage as referred to above be recoverably from the Transport Company under any contract of affreightment whether waybill or any other contractual obligation, then this insurance shall cover the interest insured only as regards any excess beyond the amount of compensation payable by the Transport Company.

Warranted in the event of any occurrence likely to result in a claim due to an accident to the on-carrying truck/s a survey should be held by a competent surveyor and a certificate obtained from the competent authorities nearest to the place of accident. It is a must that any claim be substantiated by Traffic Police Report or other report from competent authorities.

Further, in the event of loss or damage being apparent at the time of receipt of the interest herein insured from the carrying truck, the assured and/or his representatives must not give a clean receipt to the transporter and to obtain a 'Damage' Certificate duly signed by them in respect of such loss or damage.

LAND TRANSIT CLAUSE (NAMED PERILS)

TERMS OF COVER:

This insurance covers only following risks resulting in loss or damage to the subject matter insured:

1. Fire or Explosion
2. Overturning or derailment of land conveyance
3. Accidental Collision of the conveyance
4. Impact damage caused by any rail / road vehicle, animal or external object
5. Breakages of bridges

EXCLUDING risks of electrical, electronic, mechanical breakdown or derangement, denting, chipping, scratching, abrasion, damage attributable due to defective or improper packing or inadequate lashing (especially damage caused due to transit vibrations) unless the same is caused by the 5 above mentioned perils.

EXCESS - AED 500.00 each and every loss (unless otherwise expressly amended or waived in the Policy or Marine Open Cover)

The risk attaches after completion of the loading of each package or unit into the truck / trailer and ceases immediately on the unloading of each package at the destination or 24 hours after arrival of the truck at final destination whichever first occurs.

If any loss or damage as referred to above be recoverable from the Transport Company under any contract of affreightment whether waybill or any other contractual obligation, then this insurance shall cover the interest insured only as regards any excess beyond the amount of compensation payable by the Transport Company.

Warranted in the event of any occurrence likely to result in a claim due to an accident to the on-carrying truck/s a survey should be held by a competent surveyor and a certificate obtained from the competent authorities nearest to the place of accident. It is a must that any claim be substantiated by Traffic Police Report or other report from competent authorities.

Further, in the event of loss or damage being apparent at the time of receipt of the interest herein insured from the carrying truck, the assured and/or his representatives must not give a clean receipt to the transporter and to obtain a 'Damage' Certificate duly signed by them in respect of such loss or damage.

Warranted the consignment is professionally packed and lashed.

MAIL AND PARCEL POST CLAUSES

1. Notwithstanding anything to the contrary contained herein, it is hereby specially agreed that this insurance (except War Risks) attaches from the time the subject-matter insured leaves the premises of the senders at the place named in the policy for the commencement of the transit and continues until the subject-matter insured is delivered to the address on the postal package(s) when this insurance shall terminate.

2. Warranted free from any claim for loss or damage proved to be due to incorrect and/or ambiguous and/or insufficient description of the address on the package(s) and also for loss or damage resulting from any disposal by the Postal Authorities by reason of the subject-matter insured having become undeliverable to, or having been unaccepted by the addresses.

3. No claim for pilferage shall be paid if the package(s) be delivered to with seals intact.

4. Post Office Receipt for the Mail and/or Parcel Post will be required as proof in case of claim for non-delivery.

5. In case of loss, claim must be immediately filed against the Government (Postal Service), and a copy thereof and the replies thereto must accompany any claim presented under this policy.

UNDER DECK OR ON DECK CLAUSE

In consideration of an additional premium, goods and/or merchandise shipped in containers are insured subject to the provisions of this policy applying to under deck shipments even though stowed on deck, provided such shipments are carried under an "optional" Bill of Lading permitting the carrier to stow containers under deck or on deck. Furthermore, coverage afforded under this clause shall include loss of or damage to the goods in containers jettisoned or lost overboard.

**INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND
ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE**

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.

INSTITUTE CLASSIFICATION CLAUSE 01/01/2001

QUALIFYING VESSELS

1). This insurance and the marine transit rates as agreed in the policy or open cover apply only to cargoes and/or interests carried by mechanically self-propelled vessels of steel construction classed with a Classification Society which is:

- 1.1. a Member or Associate Member of the International Association of Classification Societies (IACS*), or
- 1.2. a National Flag Society as defined in Clause 4 below, but only where the vessel is engaged exclusively in the coastal trading of that nation (including trading on an inter-island route within an archipelago of which that nation forms part).

Cargoes and/or interests carried by vessels not classed as above must be notified promptly to underwriters for rates and conditions to be agreed. **Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable commercial market terms.**

AGE LIMITATION

2). Cargoes and/or interests carried by Qualifying Vessels (as defined above) which exceed the following age limits will be insured on the policy or open cover conditions **subject to an additional premium to be agreed.**

Bulk or combination carriers over 10 years of age or other vessels over 15 years of age unless they :

- 2.1. have been used for the carriage of general cargo on an established and regular pattern of trading between a range of specified ports, and do not exceed 25 years of age, or
- 2.2. were constructed as containerships, vehicle carriers or double-skin open-hatch gantry crane vessels (OHGCs) and have been continuously used as such on an established and regular pattern of trading between a range of specified ports, and do not exceed 30 years of age.

CRAFT CLAUSE

3). The requirements of this Clause do not apply to any craft used to load or unload the vessel within the port area.

NATIONAL FLAG SOCIETY

4). A National Flag Society is a Classification Society which is domiciled in the same country as the owner of the vessel in question which must also operate under the flag of that country.

PROMPT NOTICE

5). **Where this insurance requires the assured to give prompt notice to the Underwriters, the right to cover is dependent upon compliance with that obligation.**

LAW AND PRACTICE

6). This insurance is subject to English law and practice.

BREAK-UP VESSEL CLAUSE

It is understood and agreed that the conditions specified herein and the rate already quoted for the shipment insured hereunder shall be subject to alteration in case where it has already been decided before sailing that the carrying vessel will be broken up.

1/12/82

INSTITUTE WAR CANCELLATION CLAUSE (CARGO)

The cover against war risks (as defined in the relevant Institute War Clauses) may be cancelled by either the Underwriters or the Assured except in respect of any insurance which shall have attached in accordance with the conditions of the Institute War Clauses before the cancellation becomes effective. Such cancellation shall however only become effective on the expiry of 7 days from midnight of the day on which notice of the cancellation is issued by or to the Underwriters.

INSTITUTE STRIKES CANCELLATION CLAUSE (CARGO)

The cover against strikes etc. risks (as defined in the relevant Institute Strikes Clauses) may be cancelled by either the Underwriters or the Assured except in respect of any insurance which shall have attached in accordance with the conditions of the Institute Strikes Clauses before the cancellation becomes effective. Such cancellation shall however only become effective on the expiry of 7 days (or 48 hours in respect of sendings to or from the U.S.A.) from midnight of the day on which notice of the cancellation is issued by or to the Underwriters.

WILD FAUNA AND FLORA CLAUSE

It is understood and agreed that

- (1) no claim will be paid unless the trades of the goods covered hereunder are lawful in the light of any rules, regulations and/or laws enforced in compliance with the Convention on International Trade in Endangered Species of wild Fauna and Flora (CITES, so-called "Washington Convention") in each country of origin, export, re-export or import,
- (2) the assured, if required by underwriters, shall submit certificates, permits, vouchers and/or other documents showing that the trades are not inconsistent with the above rules, regulations and/or laws,
and
- (3) underwriters shall have the right to investigate facts and legality in respect of the trades in case of claims being presented.

CARGO ISM ENDORSEMENT

Applicable to shipments on board Ro-Ro passenger ferries.

Applicable with effect from 1 July 1998 to shipments on board:

- 1) passenger vessels transporting more than 12 passengers and
- 2) oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high speed craft of 500 gt or more.

Applicable with effect from 1 July 2002 to shipments on board all other cargo ships and mobile offshore drilling units of 500 gt or more.

In no case shall this insurance cover loss, damage or expense where the subject matter insured is carried by a vessel that is not ISM Code certified or whose owners or operators do not hold an ISM Code Document of Compliance when, at the time of loading of the subject matter insured on board the vessel, the Assured were aware, or in the ordinary course of business should have been aware:-

- a) Either that such vessel was not certified in accordance with the ISM Code,
- b) Or that a current Document of Compliance was not held by her owners or operators

as required under the SOLAS Convention 1974 as amended.

This exclusion shall not apply where this insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject matter insured in good faith under a binding contract.

NON-SURVEY CLAUSE
(USD 500/- within UAE and USD 2,000/-for other destinations)

Notwithstanding anything to the contrary contained in the Institute Cargo Clauses and Important Clause, in case the claim amount is estimated to be not more than USD 500 within UAE and USD 2,000/- outside UAE or the equivalent in other currencies, the claims shall be paid upon the particulars of loss or damage to the goods hereby insured, instead of a survey report.

INSTITUTE REPLACEMENT CLAUSE

In the event of loss of or damage to any part or parts of an insured machine caused by peril covered by the Policy the sum recoverable shall not exceed the cost of replacement or repair of such part or parts plus charges for forwarding and refitting, if incurred, but excluding duty unless the full duty is included in the amount insured, in which case loss, if any, sustained by payment of additional duty shall also be recoverable.

Provided always that in no case shall the liability of Underwriters exceed the insured value of the complete machine.

SPECIAL REPLACEMENT CLAUSE (AIR FREIGHT)

It is Specially understood and agreed that charges for forwarding part or parts for replacement or repair provided for in the Institute Replacement Clause attached hereto shall include those for forwarding by air.

BRANDS PROTECTION CLAUSE

The Assured shall have full rights of possession of all subject matter bearing embossed or indented brands or labels or other permanent markings identifying the manufacturer and/or distributor and/or supplier thereof, or the sale of which carries or implies a guarantee of the supplier or of the Assured or exclusive and/or secret formula that may be involved in any loss hereunder, and shall retain control of all such subject matter.

On shipments covered under this policy, underwriters are to pay a total loss on any an all subject matter and/or package damaged by perils insured against, which the Underwriters agrees the Assured elects to either destroy or return or re-condition, Underwriters being entitled to such salvage as may be obtained.

The Assured exercising reasonable care shall be the sole judge as to whether the subject matter involved in any loss hereunder is suitable for use in any manufacturing process and/or marketing and no subject matter deemed by the Assured to be unfit for manufacturing and/or marketing shall be sold or otherwise disposed of except by the Assured or with their consent, but the Assured shall allow to underwriters any salvage obtained on any sale or other disposition of such subject matter.

SHIPMENT DECLARATION CLAUSE

- (1) The Contracting Person or the Assured shall make shipment declarations in respect of the goods which fall into the Insured Goods without exception to the Insurer in writing after the form designated by the Insurer or by other means as agreed. Shipment declarations shall be made as soon as practically possible as the Insurer's liability commences for respective shipments and shall include the below-mentioned particulars. The right of the Assured, however, shall not be prejudiced by omissions, errors or delay of shipment declarations unless made willfully by or gross negligence of the Contracting Person or the Assured, provided that, if either of them become aware of such omissions etc., correct shipment declarations shall be made without delay to the Insurer.
- (a) Particulars and volume of the goods and invoice number for the goods.
 - (b) Insured Value and Insured Amount
 - (c) Transit
 - (d) Name of oversea vessel and sailing date, aircraft and taking-off date, or other

In respect of the shipment declaration as the above, the Contracting Person or the Assured is entitled to make a monthly declaration instead of declarations for each 1 month up to the closing day of monthly shipment declaration. Monthly declarations must be made without delay after the closing day.

The closing day:
to be agreed

- (2) Notwithstanding the above, if the Insured value and Insured Amount of 1 shipment by sea or air exceeds the Amount of Prompt Notice mentioned below, the Contracting Person or the Assured shall make the shipment declaration including the particulars as above before the Insurer's liability for that goods commences, or if any of such particulars is unknown to them, either of them shall make a provisional shipment declaration with such particulars or outlines known to it. If such provisional shipment declaration is made, definite shipment declaration shall follow after the particulars have become known.

Amount of Prompt Notice:
to be agreed

- (3) The Contracting Person and the Assured prepare and keep the books, documents, electronic data or other materials or records in respect of the shipments of the Insured Goods and, upon request of the Insurer, shall disclose or let the Insurer inspect them at any time during business hours.

N.B.

Notwithstanding the provision of "Article 2. Payment of Premium Clause" of "Special Clauses for Open Policy of Marine Cargo Insurance", the rate of exchange for converting the premium in foreign currency into Yen is agreed to be the average of the closing T.T.Selling Rates quoted by The Bank of Tokyo-Mitsubishi UFJ, Ltd., Tokyo, on the first and the last day of the month (or, if any quotation was not made on such a day, the quotation on the preceding day latest to that day shall be used) for the monthly declaration has been made by the Assured to underwriters, unless otherwise specially agreed by underwriters.

DEBRIS REMOVAL CLAUSE

It is agreed that subject to the operation of an insured peril, underwriters will indemnify any costs and expenses necessarily incurred by the Assured in connection with removal of debris and/or destruction and/or disposal of damaged goods and/or dismantling and/or demolishing and/or shoring up and/or propping and/or the transfer of interest, covered hereunder, from one conveyance to another in the event of an accident to the original conveyance or following loss or damage which is recoverable hereunder.

But excluding absolutely any expenses incurred in the consequence of or to prevent or mitigate pollution or contamination, or any threat or liability thereof.

Subject to a limit of 5% of Sum Insured per any one accident. It being agreed that this indemnity is additional to the limit agreed hereunder.

DAMAGED LABELS, CARTONS, CAPSULES OR WRAPPERS CLAUSE

In case of damage from perils insured against irrespective of the final destination shown herein affecting labels, cartons, capsules or wrappers only, loss to be limited to an amount sufficient to pay the cost of new labels, cartons, capsules or wrappers, the costs of applying such to the subject matter, the cost of re-conditioning, re-cartoning, re-packaging, re-bailing, re-bagging or re-palletising the subject matter (including "franchise" whether deductible or not, if any), irrespective of whether or not the subject matter has suffered damage.

If however the goods are reasonably deemed by the underwriters to be unfit for sale, underwriters to pay a Constructive Total Loss.

But in no event shall underwriters be liable for more than the insured value of the damaged merchandise.

IMPORTANT
PROCEDURE IN THE EVENT OF LOSS OR DAMAGE FOR WHICH
UNDERWRITERS MAY BE LIABLE
LIABILITY OF CARRIERS, BAILEES OR OTHER THIRD PARTIES.

It is the duty of the Assured and their agents, in all cases, to take Such measures as may be reasonable for the purpose of averting or minimizing a loss and to ensure that all rights against Carriers', Bailees or other third parties are properly preserved and exercised. In particular, the Assured or their Agents are required: -

1. To claim immediately on the Carriers, Port Authorities or other Bailees' for any missing packages.
2. To apply immediately for survey by Carriers' or other Bailees' Representatives if any loss or damage be apparent and claim on the Carriers' or other Bailees for any actual loss or damage found at such survey.
3. In no circumstances, except under written protest, to give clean receipts where goods are in doubtful condition.
4. To give notice in writing to the Carriers' or other Bailees' within 3 days of delivery if the loss or damage was not current at the time of taking delivery.

Note : - The Consignees or their Agents are recommended to make themselves familiar with the Regulations of the Port Authorities at the port of discharge.

INSTRUCTIONS FOR SURVEY

In the event of loss or damage which may involve a claim under this insurance, immediate notice of such loss or damage should be given to and a Survey Report obtained from.

DOCUMENTATION OF CLAIMS

To enable claims to be dealt with promptly, the Assured or their Agents are advised to submit all available supporting documents without delay, including when applicable: -

1. Original policy or certificate of insurance.
2. Original or copy shipping invoices, together with shipping specification and/or weight notes.
3. Original Bill of Lading and/or other contract of carriage.
4. Survey report or other documentary evidence to show the extent of the loss or damage.
5. Landing account and weight notes at final destination.
6. Correspondence exchanged with the Carriers' and other Parties regarding their liability for the loss of damage.

WARRANTY

When delivery is made by container, the Assured or their Agents are required to ensure that the container and its seals are examined immediately by their responsible official.

If the container is delivered damaged or with seals broken or missing or with seals other than as stated in the shipping documents, to close the delivery receipt accordingly and retain all defective or irregular seals for subsequent identification.

PAIRS & SETS CLAUSE

If any claim arises hereon from loss or damage (consequent upon a peril covered by the policy) of or to an article constituting one of an insured pair or set, no regard shall be had to any special value as such and the amount recoverable under this policy shall be calculated as though the article had been separately insured on pro rata of the insured value of the pair or set.