

## SCHEDULE OF TERMS, CONDITIONS, RATES AND OTHER ARRANGEMENTS

Attaching to and forming part of Open Policy No. JFMO488K341-3 dated January 1, 2004.

### 1. COMMENCEMENT AND TERMINATION OF INSURANCE

Kind of Cargo	Marine Risks	War and S. R. & C.C. Risks
Commercial Cargo	<p>Cargo shipped by Sea or by Truck subject to the Institute Cargo Clauses (All Risks), as attached and Special Clauses as arranged respectively.</p> <p>Cargo carried by Air subject to the Institute Air Cargo Clauses (All Risks) (excluding sendings by Post), but deleting Clause No.10 as attached. Including Special Clauses as arranged respectively.</p>	<p>Cargo shipped by Sea or by Truck subject to the Institute War Clauses (Cargo) (including on-carriage by Air) and the Institute Strikes Riots and Civil Commotions Clauses as attached.</p> <p>Cargo carried by Air subject to the Institute War Clauses (Air Cargo) (excluding sendings by Post) and the Institute Air Cargo Clauses (All Risks) (excluding sendings by Post); but deleting Clause No.10 as attached.</p>

### 2. TERMS AND CONDITIONS

Kind of cargo	Marine Risks	War and S. R. & C.C. Risks
Commercial Cargo	<p>Cargo shipped by Sea or by Truck- against All Risks subject to the following clauses as attached: Institute Cargo Clause (All Risk), Institute Dangerous Drug Clause, Institute Classification Clause, Institute Replacement Clause, Open-Yard Storage Clause, On-Deck Clause, Special Clause for Containerized Cargo, Pair &amp; Set Clause Special Clause for Automobile, Cargo ISM Endorsement, Institute Radioactive Contamination Exclusion Clause, Electronic Data Recognition Exclusion Clause, Breakup Vessel Clause, Wild Fauna and Flora Clause, Waiver of Subrogation Clause, Termination Transit Clause (Terrorism), Institute Extended Radioactive Contamination Exclusion Clause, Institute Chemical, Biological, Bio-Chemical, Electromagnetic Weapons and Attack Exclusion Clause, Standard Packing Clause, and Special Clauses as arranged respectively.</p> <p>Cargo carried by Air - Against All Risks subject to the following clauses as attached: Institute Air Cargo Clauses (All Risks) (excluding sendings by Post) but deleting Clause No.10., subject to the same clauses that are applicable to Cargo shipped by Sea and Special Clauses as arranged respectively.</p>	<p>Cargo shipped by Sea or by Truck - Against War and S. R. &amp; C.C. Risks subject to the following clauses as attached: Institute War Clauses (Cargo)(including on-carriage by Air), Institute Strikes Riots and Civil Commotions Clauses, Institute War Cancellation Clause, Strikes Riots and Civil Commotions Cancellation Clause and Special Clauses as arranged respectively.</p> <p>Cargo carried by Air – Against War and S.R. &amp; C.C. Risks subject to the following clauses as attached: Institute War Clauses (Air Cargo) (excluding sendings by Post), Institute Air Cargo Clauses(All Risks)(excluding sendings by Post ) but deleting Clause No. 10, Institute War Cancellation Clause Strikes Riots and Civil Commotions Cancellation Clause and Special Clauses as arranged respectively.</p>

### 3. LIMIT OF LIABILITY

Kind of cargo	Limit of Amount
Commercial Cargo	Not exceeding U.S.\$8,000,000 by any one vessel and/or connecting conveyance or in any one place at any one time, nor for more than U.S. \$8,000,000 in any one aircraft; but not exceeding U.S. \$300,000 any one Certificate of Insurance, unless otherwise agreed by the Insurer prior to attachment of risk.

### 4. RATE OF PREMIUM

Kind of Cargo	Rates of Premium
For rating purposes the territories have been divided in Two: (A) Central & South America, Africa, Middle and Near East, India, Sri Lanka, Cambodia, Philippines, and Indonesia.  (B) Other than (A) above.  Commercial cargo by Sea or by Truck :  Commercial cargo by Air:	(A) 1.00%    (B) 0.50%  (A) 0.60%    (B) 0.30%  Special Rates are available subject to special arrangement from the Insurer.

### 5. MINIMUM PREMIUM

The minimum premiums shall be charged as under:

Any one Certificate of Insurance                      U.S. \$ 25.00

## INSTITUTE CARGO CLAUSES

(So far as applicable)

1. **TRANSIT CLAUSE** (incorporating Warehouse to Warehouse) This insurance attaches from the time the goods leave the warehouse or place of storage at the place named in the policy for the commencement of the transit, continues during the ordinary course of transit and terminates either on delivery

(a) to the Consignees' or other final warehouse or place of storage at the destination named in the policy

(b) to any other warehouse or place of storage, whether prior to or at the destination named in the policy, which the Assured elect to use either

(i) for storage other than in the ordinary course of transit

or

(ii) for allocation or distribution,

or

(c) on the expiry of 60 days after completion of discharge overseas of the goods hereby insured from the oversea vessel at the final port of discharge, whichever shall first occur.

If, after discharge overseas from the oversea vessel at the final port of discharge, but prior to termination of insurance, the goods are forwarded to a destination other than that to which they are insured hereunder, this insurance whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.

This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 2 below) during delay beyond the control of the Assured, and any deviation, forced discharge, reshipment or transhipment and during any variation of the goods as provided in Clause 2 above, subject to prompt notice being given to Underwriters and to an additional premium if required, this insurance shall remain in force until either

(i) the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after completion of discharge overseas of the goods hereby insured from the oversea vessel at such port or place, whichever shall first occur,

or,

(ii) if the goods are forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the policy or to any other destination, until terminated in accordance with the provisions of Clause 1 above.

3. **CRAFT & c. CLAUSE** Including transit by craft rft or lighter to or from the vessel. Each craft rft or lighter to be deemed a separate insurance. The Assured are not to be prejudiced by any agreement exempting lightermen from liability.

4. **CHANGE OF VOYAGE CLAUSE** Held covered from a premium to be arranged in case of change of voyage or of any omission or error in the description of the interest vessel or voyage.

### 5. See Below.

6. **CONSTRUCTIVE TOTAL LOSS CLAUSE** No claim for Constructive Total Loss shall be recoverable hereunder unless the goods are reasonably abandoned either on account of their actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the goods to the destination to which they are insured would exceed their value on arrival.

7. **G.A. CLAUSE** General Average and Salvage Charges payable according to Foreign Statement or to York-Antwerp Rules if in accordance with the contract of affreightment.

8. **SEAWORTHINESS ADMITTED CLAUSE** The seaworthiness of the vessel as between the Assured and Underwriters is hereby admitted.

In the event of loss the Assured's right of recovery hereunder shall not be prejudiced by the fact that the loss may have been attributable to the wrongful act or misconduct of the shipowners or their servants, committed without the privity of the Assured.

9. **BAILEE CLAUSE** 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.

10. **NOT TO INURE CLAUSE** This insurance shall not inure to the benefit of the carrier or other bailee.

11. **"BOTH TO BLAME COLLISION" CLAUSE** This insurance is extended to indemnify the Assured against such proportion of liability under the contract of affreightment "Both to Blame Collision" Clause as is in respect of a loss recoverable hereunder.

In the event of any claim by shipowners under the said Clause the Assured agree to notify the Underwriters who shall have the right, at their own cost and expense, to defend the Assured against such claim.

12. **F.C. & S. CLAUSE** Warranted free of capture, seizure, arrest, restraint or detention, and the consequences thereof or of any attempt thereof; also from the consequences of hostilities or warlike operations, whether there be a declaration of war or not; but this warranty shall not exclude collision, contact with any fixed or floating object (other than a mine or torpedo), stranding, heavy weather or fire unless caused directly (and independently of the nature of the voyage or service which the vessel concerned or, in the case of a collision, any other vessel involved therein, is performing) by a hostile act by or against a belligerent power; and for the purpose of this warranty "power" includes any authority maintaining naval, military or air forces in association with a power.

Further warranted free from the consequences of civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or piracy.

**Should Clause No. 12 be deleted, the relevant current Institute War Clauses shall be deemed to form part of this insurance.**

13. **F.S.R. & C.C. CLAUSE** Warranted free of loss or damage

(a) caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions;

(b) resulting from strikes, lock-outs, labour disturbances, riots or civil commotions.

**Should Clause No. 13 be deleted, the relevant current Institute Strikes Riots and Civil Commotions Clauses shall be deemed to form part of this insurance.**

14. **REASONABLE DESPATCH CLAUSE** It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

**NOTE—It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to Underwriters and the right to such cover is dependent upon compliance with this obligation.**

Applying to interest insured on F.P.A.:—

5. **F.P.A. CLAUSE** Warranted free from Particular Average unless the vessel or craft be stranded, sunk, or burnt, but notwithstanding this warranty the Underwriters are to pay the insured value of any package or packages which may be totally lost in loading, transhipment or discharge, also for any loss of or damage to the interest insured which may reasonably be attributed to fire, explosion, collision or contact of the vessel and/or craft and/or conveyance with any external substance (ice included) other than water, or to discharge of cargo at a port of distress, also to any special charges for landing warehousing and forwarding if incurred at an intermediate port of call or refuge, for which Underwriters would be liable under the standard form of English Marine Policy with the Institute Cargo Clauses (W.A.) attached. This Clause shall operate during the whole period covered by the policy.

Applying to interest insured on W.A.:—

5. **AVERAGE CLAUSE** Warranted free from average under the percentage specified in the policy, unless general, or the vessel or craft be stranded, sunk or burnt, but notwithstanding this warranty the Underwriters are to pay the insured value of any package which may be totally lost in loading, transhipment or discharge, also for any loss of or damage to the interest insured which may reasonably be attributed to fire, explosion, collision or contact of the vessel and/or craft and/or conveyance with any external substance (ice included) other than water, or to discharge of cargo at a port of distress. This Clause shall operate during the whole period covered by the policy.

Applying to interest insured on All Risks:—

5. **ALL RISKS CLAUSE** This insurance is against all risks of loss of or damage to the subject-matter insured but shall in no case be deemed to extend to cover loss damage or expense proximately caused by delay or inherent vice of the subject-matter insured. Claims recoverable hereunder shall be payable irrespective of percentage.

## INSTITUTE WAR CLAUSES (CARGO)

### 1. This insurance covers

1.1 the risks excluded from the Standard Form of English Marine Policy by the clause "Warranted free of capture, seizure, arrest, restraint or detention, and the consequences thereof or of any attempt thereof; also from the

consequences of hostilities or warlike operations, whether there be a declaration of war or not; but this warranty shall not exclude collision, contact with any fixed or floating object (other than a mine or torpedo), stranding, heavy weather or fire unless caused directly (and independently of the nature of the voyage or service which the vessel concerned or, in the case of a collision, any other vessel involved therein, is performing) by a hostile act by or against a belligerent power; and for the purpose of this warranty "power" includes any authority maintaining naval, military or air forces in association with a power. Further warranted free from the consequences of civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or piracy.

1.2 Loss of or damage to the interest insured caused by

1.2.1 hostilities, warlike operations, civil war, revolutions, rebellion, insurrection or civil strife arising therefrom;

1.2.2 mines, torpedoes, bombs or other engines of war

1.3 general average and salvage charges incurred for the purpose of avoiding, or in connection with the avoidance of, loss by a peril insured against by these clauses. General average and salvage charges payable according to Foreign Statement or to York-Antwerp Rules if in accordance with the contract of affreightment.

### 2. This insurance excludes

2.1 any claim based upon loss of, or frustration of, the insured voyage or adventure caused by arrests restraints or detentions of Kings Princess Peoples Usurpers or persons attempting to usurp power

2.2 loss damage or expense arising from any hostile use of any weapon of war including atomic or nuclear fission and/or other like reaction or radioactive force or matter

2.3 loss or damage covered by the Standard Form of English Marine Policy with the Free of Capture etc. Clause (as quoted in 1.1 above) inserted therein;

2.4 loss or damage proximately caused by delay inherent vice or loss market, or any claim for expenses arising from delay except such expenses as would be recoverable in principle in English law and practice under York-Antwerp Rules.

### 3. Claims recoverable shall be payable irrespective of percentage.

### 4. This insurance, except for the risks of mines and derelict torpedoes, floating or submerged, referred to in Clause 5 below,

4.1 attaches only to the interest insured and as to any part is loaded on an oversea vessel and

4.2 terminates, subject to 4.5 and 4.6 below, either as the interest and as to any part as that part is discharged from an oversea vessel at the final port or place of discharge, or

on expiry of 15 days counting from midnight of the day of arrival of the vessel at the final port or place of discharge, whichever shall first occur;

nevertheless, subject to prompt notice to the Underwriters and to an additional premium, such insurance,

4.3 reattaches when, without having discharged the interest at the final port or place of discharge, the vessel sails therefrom, and

4.4 terminates, subject to 4.5 and 4.6 below, either as the interest and as to any part as that part is thereafter discharged from the vessel at the final (or substituted) port or place of discharge, or

on expiry of 15 days counting from midnight of the day of re-arrival of the vessel at the final port or place of discharge, whichever shall first occur.

4.5 If during the insured voyage the oversea vessel arrives at an intermediate port or place to discharge the interest for on-carriage by another oversea vessel, such insurance terminates on expiry of 15 days counting from midnight of the day of arrival of the vessel at the intermediate port or place, but reattaches as the interest and as to any part as that part is loaded on the on-carrying oversea vessel. During the period of 15 days such insurance remains in force and reattaches only whilst the interest and as to any part as that part is at such intermediate port or place of discharge. If the insurance reattaches, if thereafter terminates in accordance with 4.2.

4.6 If the voyage in the contract of carriage is terminated at a port or place other than the destination agreed therein, such port or place shall be deemed the final port of discharge and such insurance terminates in accordance with 4.2. If the interest is subsequently re-shipped to the original or any other destination, then, provided notice is given to the Underwriters before the commencement of such further transit and subject to an additional premium, such insurance reattaches.

4.6.1 in the case of the interest having been discharged, as the interest and as to any part as that part is loaded on the on-carrying oversea vessel for the voyage;

4.6.2 in the case of the interest not having been discharged, when the vessel sails from such deemed final port of discharge;

thereafter such insurance terminates in accordance with 4.4.

(For the purpose of Clause 4

"arrival" shall be deemed to mean that the vessel is anchored, moored or otherwise secured at the berth or place within the Harbour Authority area. If such a berth or place is not available, arrival is deemed to have occurred when the vessel first anchors, moors or otherwise secures either at or off the intended port or place of discharge)

### 5. The insurance against the risks of mines and derelict torpedoes, floating or submerged,

5.1 attaches as the interest and as to any part as that part is first loaded on vessel or craft after such interest leaves the warehouse or place of storage at the place named in the insurance for the commencement of the transit and

5.2 terminates either

5.2.1. as the interest and as to any part is discharged finally from vessel or craft prior to delivery to the warehouse or place of storage at the destination named in the insurance, or at a substituted destination in the event of a change of voyage agreed to by the Underwriters,

or,

5.2.2. when, before the interest is discharged finally from vessel or craft prior to delivery to the warehouse or place of storage at the destination named in the insurance, or at a substituted destination in the event of a change of voyage agreed to by Underwriters, the voyage or transit in the contract of carriage is terminated at a port or place other than the destination agreed therein; nevertheless, subject to prompt notice to the Underwriters and to an additional premium if required, such insurance reattaches, and thereafter terminates either

5.2.2.1. as the interest and as to any part as that part is discharged from vessel or craft prior to sale and delivery at such port or place

or,

5.2.2.2. unless otherwise specially agreed by the Underwriters, on the expiry of 60 days whilst afloat after completion of discharge overseas of the interest in the oversea vessel at such port or place, whichever shall first occur. If the interest is forwarded within the 60 days (or any agreed extension thereof) to the destination named in the insurance or to any other destination, then, subject to prompt notice to the Underwriters and to an additional premium, such insurance remains in force until terminated as the interest and as to any part as that part is discharged finally from vessel or craft prior to delivery to the warehouse or place of storage at the destination named in the insurance, or at a substituted destination in the event of a change of voyage agreed to by the Underwriters.

(For the purpose of Clause 4 and Clause 5 "oversea vessel" shall be deemed to mean a vessel carrying the interest from one port or place to another where such voyage involves a sea passage by that vessel)

### 6. Anything contained in this contract which is inconsistent with Clauses 2.1, 2.2 4, or 5 shall, to the extent of such inconsistency, be null and void.

### 7. Subject to prompt notice to the Underwriters and to an additional premium, the interest is held covered within the provisions of these clauses in the case of

7.1. change of or deviation from the voyage

7.2. variation of the adventure by reason of the exercise of any liberty granted to the shipowner or charterer under the contract of affreightment.

### 8. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

## INSTITUTE STRIKES RIOTS AND CIVIL COMMOTION CLAUSES

1. This insurance covers loss of or damage to the property hereby insured caused by

(a) strikers, locked-out workmen, or persons taking part in labour disturbances, riot or civil commotions;

(b) persons acting maliciously

### 2. Warranted free of

(i) loss or damage proximately caused by

(a) delay, inherent vice or nature of the property hereby insured;

(b) the absence, shortage or withholding of labour of any description whatsoever during any strike, lock-out, labour disturbance, riot or civil commotion;

(ii) any claim for expenses arising from delay except such expenses as would be recoverable in principle in English law and practice under York-Antwerp Rules 1974;

(iii) loss or damage caused by hostilities warlike operations civil war, or by revolution rebellion insurrection or civil strife arising therefrom.

3. This insurance attaches from the time the goods leave the warehouse or place of storage at the place named in the policy for the commencement of the transit, continues during the ordinary course of transit and terminates either on delivery

(a) to the Consignees'; or other final warehouse or place of storage at the destination named in the policy;

(b) to any other warehouse or place of storage, whether prior to or at the destination in the policy, which the Assured elect to use either

(i) for storage other than in the ordinary course of transit

or

(ii) for allocation or distribution,

or

(c) on the expiry of 60 days after completion of discharge overseas of the goods hereby insured from the oversea vessel at the final port of discharge, whichever shall first occur.

If, after discharge overseas from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.

This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 4 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transhipment and during any variation of the adventure arising from the exercise of a liberty granted to shipowners or charterer under the contract of affreightment.

4. If owing to circumstances beyond the control of the Assured either the contract of affreightment is terminated at a port or place other than the destination named therein or the adventure is otherwise terminated before delivery of the goods as provided for in Clause 3 above, then, subject to prompt notice being given to Underwriters and to an additional premium if required, this insurance shall remain in force until either

(i) the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after completion of discharge overseas of the goods hereby insured from the oversea vessel at such port or place, whichever shall first occur,

or

(ii) if the goods are forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the policy or to any other destination, until terminated in accordance with the provisions of Clause 3 above.

5. **General Average and Salvage Charges payable (subject to the terms of these clauses) according to Foreign Statement or York-Antwerp Rules if in accordance with the contract of affreightment.**

6. **Claims for loss or damage within the terms of these clauses shall be payable without reference to conditions of average.**

7. **Held covered** and a premium to be arranged in case of change of voyage or of any omission or error in the description of the interest vessel or voyage.

8. **It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.**

**NOTE—It is necessary for the Assured when they become aware of any event which is "held covered" under this insurance to give prompt notice to Underwriters and the right to such cover is dependent upon compliance with this obligation.**

## INSTITUTE REPLACEMENT CLAUSE

In the event of loss of or damage of any part or parts of an insured machine covered by a 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.

## INSTITUTE DANGEROUS DRUGS CLAUSE

It is understood and agreed that no claim under this policy will be paid in respect of drugs to which the various international Conventions relating to Opium and other dangerous drugs apply unless

(1) the drugs shall be expressly declared as such in the policy and name of the country from which, and the name of the country to which they are consigned shall be specifically stated in the policy,

and

(2) the proof of loss is accompanied either by a licence, certificate or authorization issued by the Government of the country to which the drugs are consigned showing that the importation of the consignment into that country has been approved by that Government, or, alternatively, by a licence, certificate or authorization issued by the Government of the country from which the drugs are consigned showing that the export of the consignment to the destination stated has been approved by that Government;

and

(3) the route by which the drugs were conveyed was usual and customary.

## 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 this Company, 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) this Company shall have the right to investigate facts and legality in respect of the trades in case of claims being presented.

**INSTITUTE AIR CARGO CLAUSES (ALL RISKS)  
(excluding sending by Post)**

**1. TRANSIT CALUSE** This insurance attaches from time the subject matter insured leaves the warehouse, premises or place of storage at the place named in the policy for the commencement of the transit, continues during the ordinary course of transit and terminates either on delivery (a) to the Consignees' or other final warehouse, premises or place of storage at the destination named in the policy (b) to any other warehouse, premises or place of storage, whether prior to or at the destination named in the policy, which the Assured elect to use either (i) for storage other than in the ordinary course of transit or (ii) for allocation or distribution, or (c) on the expiry of 30 days after unloading the subject-matter insured from the aircraft at the final place of discharge, whichever shall first occur. This insurance shall remain in force (subject to termination as provided for above and to the provision of Clause 2 below) during delay beyond the control of the Assured, and any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

**2. TERMINATION OF ADVENTURE CLAUSE** If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a place other than the destination named therein or the adventure is otherwise terminated before delivery of the subject-matter insured as provided for in Clause 1 above, then, subject to prompt notice being given to Underwriters and to an additional premium if required, this insurance shall remain in force until either (i) the subject-matter is sold and delivered at such place or, unless otherwise specially agreed, until the expiry of 30 days after completion of unloading of the subject-matter hereby insured from the aircraft at such place, whichever shall first occur, or (ii) if the subject-matter is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named in the policy or to any other destination, until terminated in accordance with the provision of Clause 1 above.

**3. CHANGE OF TRANSIT CLAUSE** Held covered at a premium to be arranged in case of change of transit or of any omission or error in the description of the subject-matter insured or of the transit.

**4. ALL RISKS CLAUSE** This insurance is against all risks of loss or damage to the subject-matter insured but shall in no case be deemed to extend to cover loss damage or expense proximately caused by delay or inherent vice or nature of the subject-matter insured. Claims recoverable hereunder shall be payable irrespective of percentage.

**5. CONSTRUCTIVE TOTAL LOSS CLAUSE** No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter to the destination to which it is insured would exceed its value on arrival.

**6. BAILEE CLAUSE** 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 right against carriers, bailees or other third parties are properly preserved and exercised.

**7. NOT TO INURE CLAUSE** This insurance shall not inure to the benefit of the carrier of other bailee.

**8. F.C. & S. CLAUSE** Warranted free of capture, seizure, arrest, restraint, or detention, and the consequences thereof or of any attempt thereat; also from the consequences of hostilities or warlike operations, whether there be a declaration of war or not, but this warranty shall not exclude collision, contact with any fixed, floating or airborne object (other than a mine, torpedo or other warlike missile), heavy weather or fire unless caused directly (and independently of the nature of the venture or service which the aircraft concerned or, in the case of collision, any other aircraft involved therein, is performing) by a hostile act by or against a belligerent power; and for the purpose of this warranty 'power' includes any authority maintaining naval, military or air forces in association with a power. Further warranted free from the consequences of civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or piracy. Should Clause No. 8 be deleted, the current Institute War Clauses (Air) (excluding sendings by Post) shall be deemed to form part of this insurance.

**9. FRUSTRATION & CONFISCATION CLAUSE** This policy is warranted free of any claim based upon loss of, or frustration of, the insured voyage or adventure caused by arrests restraints or detentions of Kings Princes Peoples Usurpers or persons attempting to usurp power, and from any claim for loss damage or expense arising from confiscation or nationalisation or requisition.

**10. F.S.R & C.C. CLAUSE Deleted.**

**11. S.R. & C.C. CLAUSE** Should Clause No. 10 be deleted, this insurance covers loss of or damaged to the subject-matter insured caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions, but warranted free of loss or damage proximately caused by the absence, shortage or withholding of power, fuel or labour of any description whatsoever during any strike lock-out, labour disturbance, riot or civil commotion, or of any claim for expenses arising from delay.

**12. REASONABLE DESPATCH CLAUSE** It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

**NOTE** -It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to Underwriters and the right to such cover is dependent upon compliance with this obligation.

**In case of insurance on "W.A." conditions the following clause shall be applied in place of clause 4 of the Institute Air Cargo Clauses (All Risks) incorporated herein.**

Warranted free from average under the percentage specified in the policy, unless general, or the vessel or craft be stranded, sunk or burnt, but notwithstanding this warranty the underwriters are to pay the insured value of any package which may be totally lost in loading, transhipment or discharge, also for any loss of or damage to the interest insured which may reasonably be attributed to fire, explosion, collision or contact of the vessel and/or craft and/or conveyance with any external substance (ice included) other than water, or to discharge of cargo at a port of distress. This Clause shall operate during the whole period covered by the policy.

**In case of insurance on "F.P.A" conditions the following clause shall be applied in place of clause 4 of the Institute Air Cargo Clauses (All Risks) incorporated herein.**

Warranted free from Particular Average unless the vessel or craft be stranded, sunk, or burnt but notwithstanding this warranty the Underwriters are to pay the insured value of any package or packages which may be totally lost in loading, transhipment or discharge, also for any loss of or damage to the interest insured which may reasonably be attributed to fire, explosion, collision or contact of the vessel and/or craft and/or conveyance with any external substance (ice included) other than water, or to discharge of cargo at a port of distress, also to pay special charges for loading warehousing and forwarding if incurred at an intermediate port of call or refuge, for which Underwriters would be liable under the standard form of English Marine Policy with the Institute Cargo Clause (W.A.) attached.

This Clause shall operate during the whole period covered by the policy.

**INSTITUTE WAR CLAUSES (AIR CARGO)  
(excluding sendings by Post)**

**1. This insurance covers**

- 1.1 the risks excluded from the following clause "Warranted free of capture, seizure, arrest, restraint or detention, and the consequences thereof or of any attempt thereat; also from the consequences of hostilities or warlike operations, whether there be a declaration of war or not; but this warranty shall not exclude collision, contact with any fixed, floating or airborne object (other than a mine, torpedo or other warlike missile), heavy weather or fire unless caused directly (and independently of the nature of the venture or service which the aircraft concerned or, in the case of a collision, any other aircraft involved therein, is performing) by a hostile act by or against a belligerent power and for the purpose of this warranty 'power' includes any authority maintaining naval, military or air forces in association with a power. Further warranted free from the consequences of civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or piracy."
- 1.2 loss of or damage to the interest insured caused by
  - 1.2.1 hostilities, warlike operations, civil war, revolution, rebellion, insurrection or civil strife arising therefrom
  - 1.2.2 mine, torpedoes, bombs or other engines of war 1.3 general average and salvage charges incurred for the purpose of avoiding, or in connection with the avoidance of, loss by a peril insured against by these clauses. General average and salvage charges payable according to Foreign Statement or to York-Antwerp Rules if in accordance with the contract of affreightment.

**2. This insurance excludes**

- 2.1 any claim based upon loss of, or frustration of, the insured voyage or adventure caused by arrest restraints or detentions of Kings Princes Usurpers or persons at tempting to usurp power
- 2.2 loss damage or expense arising from any hostile use of any weapon of war employing atomic or unclear fission and/or fusion or other like reaction or radio-active force or matter
- 2.3 loss or damage covered by the Institute Air Cargo Clauses (All Risks) with the Free or Capture etc. Clause (as quoted in 1.1 above) inserted therein
- 2.4 loss or damage proximately caused by delay inherent vice or loss of market, or any claim for expenses arising from delay.

**3. Claims recoverable shall be payable irrespective of percentage.**

**4. This insurance**

- 4.1 attaches only as the interest insured and as to any part as that part in loaded on the aircraft for commencement of transit and terminates, subject to 4.5 and 4.6 below, either as the interest and as to any part as that part is discharge from the aircraft at the final place of discharge or on expiry of 15 days counting from midnight of the day of arrival of the aircraft at the final place of discharge, whichever first occurs; nevertheless, subject to prompt notice to the Underwriters and the payment of any additional premium, such insurance
- 4.3 reattaches when, without having discharged the interest at the final place of discharge, the aircraft departs therefrom, and terminates, subject to 4.5 and 4.6 below, either as the interest and as to any part as that part is thereafter discharged from the aircraft at the final (or substituted) place of discharge, or on expiry of 15 days counting from midnight of the day of re-arrival of the aircraft at the final place of discharge or arrival of the aircraft at a substituted place of discharge, whichever shall first occur.
- 4.5 if during the insured voyage the aircraft arrives at an intermediate place to discharge the interest for on-carriage by the same or another aircraft or an oversea vessel, such insurance terminates on expiry of 15 days counting from the midnight of the day of arrival of the aircraft at the that place, but reattaches as the interest and as to any part as that part is loaded on the on-carrying oversea vessel. During the period of 15 days such insurance remains in force after discharge only whilst the interest and as to any part as that part is at such intermediate place of discharge. If the insurance reattaches, it thereafter terminates in accordance with 4.2, unless the interest insured is forwarded on

an oversea vessel when the relevant current Institute War Clauses shall apply from the reattachment of the insurance.

4.6 if the air transit in the contract of carriage is terminated at a place other than the destination agreed therein, such place shall be deemed to be the final place of discharge and such insurance terminates in accordance with 4.2. If the interest is subsequently consigned to the original or any other destination, then, provided notice is given to the Underwriters before the commencement of such further transit and subject to the payment of an additional premium, such insurance reattaches

4.6.1 In the case of interest having been discharged, as the interest and as to any part as that part is loaded on the on-carrying aircraft for the transit;

4.6.2 in the case of interest not having been discharged, when the aircraft departs from such deemed final places of discharge; thereafter such insurance terminates in accordance with 4.4.

(For the purpose of Clause 4 "oversea vessel" shall be deemed to mean a vessel carrying the interest from one port or place to another where such voyage involves a sea passage by that vessel)

**5. Anything contained in this contract which is inconsistent with Clause 2.1, 2.2 or 4 shall, to the extent of such inconsistency, be null and void.**

**6. Subject to prompt notice to the Underwriters and the payment of an additional premium, the interest is held covered within the provisions of these clauses in the case of**

- 6.1. change of or deviation from the voyage
- 6.2. variation of the adventure by the reason of the exercise of any liberty granted to the air carrier under the contract of carriage.

**7. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.**

**INSTITUTE DANGEROUS DRUGS CLAUSE**

It is understood and agreed that no claim under this policy will be paid in respect of drugs to which the various International Conventions relating to Opium and other dangerous drugs apply unless

(1) the drugs shall be expressly declared as such in the policy and the name of the country from which, and the name of the country to which they are consigned shall be specifically stated in the policy, and

(2) the proof of loss is accompanied either by a licence, certificate or authorization issued by the Government of the country to which the drugs are consigned showing that the importation of the consignment into that country has been approved by that Government, or, alternatively, by a licence, certificate or authorization issued by the Government of the country from which the drugs are consigned showing that the export of the consignment to the destination stated has been approved by that Government; and

(3) the route by which the drugs were conveyed was usual and customary.

INSTITUTE CLASSIFICATION CLAUSE

THE MARINE TRANSIT RATES AGREED FOR THIS INSURANCE APPLY ONLY TO CARGOES AND/OR INTERESTS CARRIED BY MECHANICALLY SELF-PROPELLED VESSELS OF STEEL CONSTRUCTION, CLASSED AS BELOW BY ONE OF THE FOLLOWING CLASSIFICATION SOCIETIES,

Lloyd's Register	..	..	..	..	100A1	or	B.S.	} Class without any modification.
American Bureau of Shipping	..	..	..	..	⚓	A1		
Bureau Veritas	..	..	..	..	1 3/3 E	⚓		
Germanischer Lloyd	..	..	..	..	⚓	100 A4		
Nippon Kaiji Kyokai	..	..	..	..	NS*			
Norske Veritas	..	..	..	..	⚓	1 A1		
Registro Italiano	..	..	..	..	★	100A 1.1. Nav.L		
Register of Shipping of the U.S.S.R.	..	..	..	..	KM	★		
Polish Register of Shipping	..	..	..	..	✳	KM		

PROVIDED SUCH VESSELS ARE

- (i) not over 15 years of age, **OR**
- (ii) over 15 years of age but not over 25 years of age and have established and maintained a regular pattern of trading on an advertised schedule to load and unload at specified ports.

CHARTERED VESSELS AND ALSO VESSELS UNDER 1000 G.R.T. WHICH ARE MECHANICALLY SELF-PROPELLED AND OF STEEL CONSTRUCTION MUST BE CLASSED AS ABOVE AND NOT OVER 15 YEARS OF AGE.

THE REQUIREMENTS OF THE INSTITUTE CLASSIFICATION CLAUSE DO NOT APPLY TO ANY CRAFT, RAFT OR LIGHTER, USED TO LOAD OR UNLOAD THE VESSEL, WHILST THEY ARE WITHIN THE PORT AREA.

CARGOES AND/OR INTERESTS CARRIED BY MECHANICALLY SELF-PROPELLED VESSELS NOT FALLING WITHIN THE SCOPE OF THE ABOVE ARE HELD COVERED SUBJECT TO A PREMIUM AND ON CONDITIONS TO BE AGREED.

## **THE LIST OF SPECIAL CLAUSES APPLYING**

### **War Cancellation Clause**

The inclusion in this contract of insurance against War Risks (as defined in Clause No.1 of the Institute War Clauses) may be cancelled by either the Underwriters or the Assured giving 7 days notice. Such cancellation shall become effective on the expiry of 7 days from midnight of the day on which notice of the cancellation is issued by or to Underwriters, but shall not apply to:-

(a) any insurance against the said risks which shall have attached in accordance with the conditions of the Institute War Clauses before the cancellation becomes effective.

(b) any declaration of goods for shipment by a named vessel or of specified goods to be shipped by a vessel to be named later accepted by Underwriters before that time at which the cancellation becomes effective, such goods not having been loaded on board the overseas vessel before that time, provided the goods be loaded on board the overseas vessel and the vessel sails within 15 days from midnight of the day on which the cancellation becomes effective, but if the insurance shall have attached and the vessel does not sail within the said 15 days the insurance shall end on the expiry of that period notwithstanding anything to the contrary contained in the provisions of this contract of insurance.

Nothing in this clause shall operate to cause a declaration to attach to this contract if such declaration would be excluded owing to the vessel not having sailed within the period stated in the contract

### **Strikes, Riots & Civil Commotions Cancellation Clause**

The inclusion in this contract of cover against S.R.& C.C. Risks (as defined in Clause No.1 of the Institute Strikes Riots and Civil Commotions Clauses) may be cancelled by either the underwriters or the Assured except in respect of any insurances against the said risks which shall have attached in accordance with the cover granted in the Institute Strikes Riots and Civil Commotions Clauses before cancellation becomes effective on the expiration of 7 days (48 hours in respect of S.R.& C.C. Risks for shipments to and from U.S.A.) from midnight of the day on which notice of the cancellation is issued by or to underwriters.

### **OPEN-YARD STORAGE CLAUSE** **(Not applying to containerized cargo)**

Notwithstanding anything contained herein to the contrary, it is specially understood and agreed that in the event of the goods hereby insured or any part thereof being stored in the open-yard at the port of landing named in the Policy, the Insurer's liability for such goods shall be subject to F.P.A. only (subject to F.P.A. Clause contained in the Institute Cargo Clause (F.P.A.)) so long as they are so stored, provided, however, that the foregoing shall not apply in case of the Insured having given a previous notice of such storage to the Insurer and agreed to pay an additional premium required.

### **ON-DECK CLAUSE** **(Not applying to containerized cargo)**

Notwithstanding anything contained herein to the contrary, it is specially understood and agreed that in the event of the interest hereby insured or any part thereof being carried on deck, whether by the exercise of a liberty granted to shipowners or charterers under the contract of affreightment or not, the conditions on such deckload shall be "F.P.A. (subject to F.P.A. Clause contained in the Institute Cargo Clause (F.P.A.)), including the risks of Jettison & Washing Overboard", as from the commencement of this insurance.

### **SPECIAL CLAUSE FOR CONTAINERIZED CARGO**

In the event of the interest hereby insured or any part thereof being packed in dry containers (closed van type metal containers), it is specially understood and agreed that the original conditions stated herein shall be applied even if it is loaded on deck or temporarily stored in open-yards or customs clearance at the port of landing named herein, notwithstanding the provisions of the "On-Deck Clause" and the "Open-Yard Storage Clause" contained herein.

## **PAIR & SET CLAUSE**

Where any insured item consists of articles in a pair or set, this insurance is not to pay more than the value of any particular part or parts which may be lost or damaged, without reference to any special value which such article or articles may have as part of such pair or set; nor more than a proportionate part of the insured value of the pair or set.

## **SPECIAL CLAUSE FOR AUTOMOBILE**

In respect of automobile, any claim for breakage, bending & denting, theft, pilferage & non-delivery is covered by this Insurance, but any claim for scratching is not covered by this Insurance unless caused by conveyance being stranded, sunk, burnt, in collision derailed, crashed or overturned.

## **CARGO ISM ENDORSEMENT**

Applicable to shipments on board Ro-Ro passenger ferries.

Applicable with effect from July 1, 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 July 1, 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 owner 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 Insured were aware, or in the ordinary course of business should have 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 brought or agreed to buy the subject matter insured in good faith under a binding contract.

## **INSTITUTE RADIOACTIVE CONTAMINATION 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 of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

## **ELECTRONIC DATA RECOGNITION EXCLUSION CLAUSE**

In no case shall this insurance cover any loss, damage, expense or liability of whatever nature which might otherwise be recoverable under this insurance arising out of or in any way connected with, whether directly or indirectly, the use or operation of any computer, computer system, computer software, program or process or any electronic system where any such loss, damage, expense or liability

arises, whether directly or indirectly, as a consequence of (i) the date change to the year 2000 or any other date change, and/or (ii) any change or modification of or to any such computer, computer system, computer software, program or process or any electronic system in relation to any such date change.

This exclusion however, does not apply to claims for loss of or damage to the subject matter insured reasonably attributable to:

- (1) fire or explosion
- (2) any risks whilst in transit

Subject always to the terms, conditions, limits and exclusions contained elsewhere in this policy.

### **Breakup 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.

### **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 this Company, 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) this Company shall have the right to investigate facts and legality in respect of the trades in case of claims being presented.

### **Waiver of Subrogation Clause**

The Insurer shall waive the right of subrogation in respect of loss of or damage to the goods hereby insured claimable hereon, if any, against NIPPON EXPRESS COMPANY, LIMITED (NITTSU) and all subsidiaries (including overseas subsidiaries) and associated companies and agents of the aforementioned engaged in transportation of personal effects, unless such loss or damage is caused by willful misconduct or gross negligence of above mentioned companies.

### **TERMINATION OF TRANSIT CLAUSE (TERRORISM)**

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

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

- 1.1 As per the transit clauses contained within the Policy, or
- 1.2 on delivery to the Consignee's or other final warehouse or place of storage at the destination named herein, or
- 1.3 on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
- 1.4 in respect of marine transits, on the expiry of 60 days after completion of discharge overseas of the goods hereby insured from the overseas vessel at the final port of discharge,
- 1.5 in respect of air transits, on the expiry of 30 days after unloading the subject matter insured from the aircraft at the final place of discharge,

2 If this Policy or the Clauses referred to therein specifically provide cover for inland or other further transits following on from storage, or termination as provided for above, cover will re-attach, and continues during the ordinary course of that transit terminating again in accordance with clause 1 .

3 This clause is subject to English law and practice.

## **INSTITUTE EXTENDED RADIOACTIVE CONTAMINATION 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.

## **INSTITUTE CHEMICAL, BIOLOGICAL, BIO-CHEMICAL, ELECTROMAGNETIC WEAPONS AND CYBER ATTACK 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 any chemical, biological, bio-chemical or electromagnetic weapon
  - 1.2 the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, computer virus or process or any other electronic system.

### **Standard Packing Clause**

In case of loss of or damage to the goods hereby insured, the Underwriters shall not decline any claim by reason of insufficient packing of the goods, so long as such packing shall be admitted as appropriate for transportation by the Insured and/or all subsidiaries (including overseas subsidiaries) and/or associated companies and/or agents of the aforementioned.

### **F.O.B. / F.A.S. ENDORSEMENT**

It is understood and agreed that this policy is extended to cover the goods and/or merchandise sold on F.O.B., F.A.S., C & F or similar terms whereby marine insurance for the ocean voyage is not to be covered under this policy.

This insurance attaches from the commencement of transit at points in the U.S.A. and terminates when the insured interest ceases but not later than the time the goods and/or merchandise are laden on board the ocean vessel or the aircraft, or at the time of transfer of title, whichever shall first occur.

This insurance includes any lighterage, and for not exceeding 30 days while held at terminals, on wharfs, piers, docks, quays, storage barges, boats and lighters while awaiting loading on board the vessel or held covered at an additional premium if required, provided prompt notice is given to this Company.

This insurance is not to attach as respects any goods and/or merchandise if, at the time of loss or damage, there is any other insurance which would attach if the coverage provided under this endorsement had not been effected, except that this insurance shall apply only as excess and in no event as contributing insurance, and then only after all other insurance has been exhausted. Any direct loss sustained by the Insured otherwise recoverable hereunder shall be advanced as a loan without interest, repayable out of any recovery the Insured may receive out of such other insurance.

For each shipment insured hereunder the Insured shall issue a Certificate and pay premium thereon at the rate agreed on.