

Insurance Terms & Conditions

Product – AR International

Section 1 – Your Policy

Introduction

1. This policy contains a clause which may limit the amount payable.
2. Your Contract is underwritten by Argo Managing Agency Limited for and on behalf of Syndicate 1200 at Lloyd's (Argo). Argo is authorised by the Prudential Regulation authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority.
3. Your Contract and Certificate form a legally binding contract between Loadsure, Argo and You, the Insured named in the Certificate. This Contract and any Certificate, endorsement(s) and Institute Clause should be read as if they are one document.
4. We will insure You during any Period of Insurance for which We have accepted Your premium. Our liability will in no case exceed the amount of any sum insured or limit of indemnity stated within this Contract, the Certificate or any endorsement to this Contract.
5. Please read these documents carefully. The cover that you have is shown in the Certificate. If the Contract and the Certificate do not provide You with the protection You want either now or at any time in the future, please inform your representative.
6. This insurance Contract has been based on the answers that You gave Us on Your presentation and information that You provided presenting the risk to Us. You must tell Us of any change in this information as soon as possible since failure to do so could invalidate Your Contract. You must tell Us of any information or fact that might influence Us in deciding the terms and conditions upon which We issue You, the Premium We charge or whether to insure You.

Any reference to the singular will include the plural and vice versa. Any reference to any statute or statutory instrument will include any amendments thereto or re-enactment thereof. Any heading in this Contract is for ease of reference only and does not affect its interpretation.

Any US state-specific Surplus Lines Notices may be found at <https://www.loadsure.net/surplus-lines-notices>.

Fraudulent claims

The entire Contract of Insurance and any loss or claim thereunder will be void if, whether before or after a loss, You have:

- A. intentionally concealed or Intentionally misrepresented any material fact or circumstance;
- B. engaged in fraudulent conduct; or
- C. made false statements;

relating to the Contract of Insurance or any loss or claim thereunder.

In the event that any provision of this clause is found by a court of competent jurisdiction to be invalid or unenforceable, the other provisions of this clause and the remainder of the provision in question shall not be affected thereby and shall remain in full force and effect.

Reasonable precautions

You shall take all reasonable precautions and / or measures to prevent, minimize or mitigate any loss or damage that may give rise to a claim under this Contract.

Our contract with you

This Contract is a contract of insurance between the Named Insured and Us and contains all the details of the cover We provide.

This Contract is made up of:

- A. The Contract wording. It states what is covered, sets out the claims procedures, Exclusions and other terms and conditions of coverage;
- B. The most current Contract Certificate issued by Us. The Certificate is a separate document unique to You. It includes any changes, Exclusions, terms and conditions applicable to You; and
- C. Any other written changes advised by Us in writing (such as an endorsement). These written changes vary or modify the above documents.

Note, only those coverages shown in the Certificate are insured.

Currency

The currency of this contract will be as stated in the Certificate. The values stated in the Policy Wording, Certificate and other applicable documentation are those stated in the currency stated in the Certificate. If the Certificate does not state a currency, the currency will be the place of domicile of the Insured.

Law and jurisdiction applicable to the contract

Choice of Law and Jurisdiction (applicable to Assured's domiciled in USA only)

This policy shall be subject to the applicable state law to be determined by the court of competent jurisdiction as determined by the provisions of Institute Service of Suit Clause (U.S.A.) CL 355 1.11.92.

Service of suit (applicable to Assured's domiciled in USA only)

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, We, at the request of You, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Our rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States.

It is further agreed that service of process in such suit may be made upon

Mendes and Mount
750 Seventh Avenue
New York, NY 10019

and that in any suit instituted against any one of them upon this contract, We will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on Our behalf in any such suit and/or upon Your request to give a written undertaking to You that they will enter a general appearance upon Our behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, We hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on Your behalf or any beneficiary hereunder arising out of this

contract of insurance (or reinsurance), and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

Choice of Law and Jurisdiction (applicable to Assured's domiciled in Canada only)

This contract shall be governed and construed in accordance with Canadian law and jurisdiction, in the Province or Territory in which the Policyholder is domiciled.

Service of suit (applicable to Assured's domiciled in Canada only)

(Action against Insurer)

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters, whose address for such service is Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930, P.O. Box 51 Toronto, Ontario M5J 2J2.

LMA5028A

01/10/2020

Intention For AIF to Bind Clause (Applicable to Assured's domiciled in Canada only)

Whereas Lloyd's Underwriters have been granted an order to insure in Canada risks under the Insurance companies Act (Canada) and are registered in all provinces and territories in Canada to carry on insurance business under the laws of these jurisdictions or to transact insurance in these jurisdictions.

And whereas applicants for insurance coverage in respect of risks located in Canada and Canadian Cedants wish that Lloyd's insurance and reinsurance coverage be provided in a manner that requires Lloyd's Underwriters to vest assets in trust in respect of their risks pursuant to the Insurance Companies Act (Canada);

- a) This contract shall be in force and shall be the governing contract pending the decision by Lloyd's Underwriters' attorney and chief agent in Canada (the "AIF") to confirm coverage in accordance with both the terms and conditions set out in this contract and applicable Canadian law;
- b) The AIF shall confirm Lloyd's Underwriters' coverage by signing in Canada a policy that will contain the terms and conditions set out in this contract (the "Canadian Policy"), and by communicating from Canada the issuance of that policy to the policyholder or his broker;
- c) This contract shall cease to have effect upon the communication by the AIF from Canada of the Canadian Policy to the policyholder or his broker, and the Canadian Policy will replace and supersede this contract.

LMA5180

01 November 2011

Sanction limitation and exclusion clause (JC2010/014)

We shall not be deemed to provide cover and We shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Privacy: Notice Concerning Personal Information

(applicable to Assured's domiciled in Canada only)

LSW 1543D as per Appendix D attached,

Definitions

In this Contract certain words have special meanings. They have the same meanings wherever they appear. These words are as follows and are shown with a capital letter:

Us, We, Our shall mean Loadsure (on behalf of Syndicate 1200 at Lloyd's (Argo) and other Lloyd's Syndicates).

Deductible shall mean the amount stated in this Contract, the Certificate or any endorsement to this Contract for which You are responsible and which will be deducted from any payment under this Contract as ascertained after the application of all other terms and conditions of this Contract.

Insured, You, Your, Assured means the individual, partnership, corporation or other entity named in the Certificate.

Period of insurance means the period of insurance stated in the Certificate.

Certificate means the Certificate attaching to and forming part of the Contract, including any Certificate substituted for the original Certificate.

Conveyance means any mode of transport by way of air and/or land and/or water.

Subject Matter Insured means goods and interests as set out in the Certificate, including property of others which You have a responsibility and agreed to insure prior to loss or damage.

Geographical Limits shall mean from ports and / or places anywhere in the World to ports and / or places anywhere in the World including all domestic and / or internal transits as required.

Subject to the following excluded territories:

Crimea, Cuba, Iran, North Korean and Syria.

The following territories are excluded unless specially declared and accepted by Underwriters prior to shipment:

Afghanistan, Angola, Bangladesh, Belarus, Bosnia & Herzegovina, Burundi, Cambodia, Cameroon, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Dominican Republic, Eritrea, Ethiopia, Guatemala, Guinea, Guinea-Bissau, Haiti, Honduras, Iraq, Kenya, Kyrgyzstan, Laos, Lebanon, Libya, Madagascar, Mali, Mauritania, Mexico, Mozambique, Myanmar, Nicaragua, Nigeria, Papua New Guinea, Paraguay, Republic of Congo, Russia, Serbia, Somalia, South Sudan, Sri Lanka, Sudan, Sudan & South Sudan, Tajikistan, The Democratic, Republic of Congo, Trinidad and Tobago, Tunisia, Turkey, Turkmenistan, Uganda, Ukraine, Ukraine/Russia, Uzbekistan, Vanuatu, Venezuela, Yemen, Zimbabwe and any other country where their local legislation decrees insurance must be effected locally.

Section 2 – The Cover

Insuring agreement

In consideration of Your payment to Us of the premium specified in the Certificate, We agree to insure Your Subject Matter Insured against direct physical loss or damage during transit including handling, loading and unloading by a peril insured against subject to the terms, conditions and exclusions of the Contract and Certificate. Our liability always under this Contract shall not exceed any Limit stated in the Certificate. In order to recover under this Contract, You must have an insurable interest in the Subject Matter Insured at the time of loss.

This Contract only applies to the transportation of the cargo specified under the unique identifier, as declared in the Certificate, that commence during the Period of Insurance specified in the Certificate or during any subsequent period that We have accepted premium for. All other unique identifiers, and/or transportation of cargo outside of those declared in the Certificate of this Contract are not covered under this contract of insurance.

Insuring Conditions

For Shipments by Water

Institute Cargo Clauses (A) – CL382 01/01/09 however,

In respect of **Temperature Sensitive Products** coverage will be in accordance with:

Institute Frozen/Chilled Food Clauses (A) – **12 Hours Breakdown** – CL423 01/03/2017 (Appendix A) which shall replace Institute Cargo Clause (A) for these cargo interests, **with values less than or equal to USD/CAD 100,000** or;

Institute Frozen/Chilled Food Clauses (A) – **24 Hours Breakdown** – CL423 01/03/2017 (Appendix B) which shall replace Institute Cargo Clause (A) for these cargo interests, **with values which exceed USD/CAD 100,000**.

Institute Cargo Clauses (B) – CL383 01/01/09 (replaces (A) if specifically mentioned in the Certificate)

Institute Cargo Clauses (C) CL 384 01/01/09 (replaces (A) if specifically mentioned in the Certificate)

Institute War Clauses (Cargo) – CL385 01/01/09

Institute Classification Clause – CL354 01/01/01

Institute Strikes Clauses (Cargo) – CL386 01/01/09

For Shipments by Air

Institute Cargo Clauses (Air) (excluding sendings by Post) – CL259 01/01/09 however,

In respect of **Temperature Sensitive Products** coverage will be in accordance with:

Institute Frozen/Chilled Food Clauses (A) – **12 Hours Breakdown** – CL423 01/03/2017 (Appendix A) which shall replace Institute Cargo Clause (A) for these cargo interests, **with values less than or equal to USD/CAD 100,000** or;

Institute Frozen/Chilled Food Clauses (A) – **24 Hours Breakdown** – CL423 01/03/2017 (Appendix B) which shall replace Institute Cargo Clause (A) for these cargo interests, **with values which exceed USD/CAD 100,000**

Institute War Clauses (Air) – CL388 01/01/09

Institute Strikes Clauses (Air Cargo) – CL252

For Shipment by Rail or Road

Institute Cargo Clauses (A) – CL382 01/01/09 however,

In respect of **Temperature Sensitive Products** coverage will be in accordance with:

Institute Frozen/Chilled Food Clauses (A) – **12 Hours Breakdown** – CL423 01/03/2017 (Appendix A) which shall replace Institute Cargo Clause (A) for these cargo interests, **with values less than or equal to USD/CAD 100,000** or;

Institute Frozen/Chilled Food Clauses (A) – **24 Hours Breakdown** – CL423 01/03/2017 (Appendix B) which shall replace Institute Cargo Clause (A) for these cargo interests, **with values which exceed USD/CAD 100,000**

Institute Cargo Clauses (B) – CL383 01/01/09 (replaces (A) if specifically mentioned in the Certificate)

Institute Cargo Clauses (C) CL384 01/01/09 (replaces (A) if specifically mentioned in the Certificate)

Institute Strikes Clauses (Cargo) – CL386 01/01/09

For Shipments by Water – On Deck

Consignments shipped on deck of the carrying Vessel, with the knowledge and consent of the Insured and for which an On Deck Bill of Lading is issued, are subject to Institute Cargo Clauses (C) – CL384 01/01/09. However, where Consignments are shipped in fully enclosed standard containers, cover is subject to the provisions of a. above applying to under deck shipments by water, even though such containers may be stowed on deck.

Sendings by Post

Institute Cargo Clauses (A) – CL382 01/01/09 however,

In respect of **Temperature Sensitive Products** coverage will be in accordance with:

Institute Frozen/Chilled Food Clauses (A) – **12 Hours Breakdown** – CL423 01/03/2017 (Appendix A) which shall replace Institute Cargo Clause (A) for these cargo interests, **with values less than or equal to USD/CAD 100,000** or;

Institute Frozen/Chilled Food Clauses (A) – **24 Hours Breakdown** – CL423 01/03/2017 (Appendix B) which shall replace Institute Cargo Clause (A) for these cargo interests, **with values which exceed USD/CAD 100,000**

Institute Cargo Clauses (B) – CL383 01/01/09 (replaces (A) if specifically mentioned in the Certificate)

Institute Cargo Clauses (C) CL 384 01/01/09 (replaces (A) if specifically mentioned in the Certificate)

Institute War Clauses (Sendings by concealed Post) – CL390 01/03/09

Additional Conditions applicable to Assured's domiciled in Canada only

Conditions (including Statutory and Additional) – LSW1193A as per Appendix E attached.

Conditions Precedent to Coverage (applicable to Temperature Sensitive products):

For Temperature Sensitive products of all values, It is a condition precedent to coverage that:

- Temperature monitors to be fitted to each container/truck and claims for temperature variation will require uninterrupted temperature data for the duration of the transit.
- MTC coverage is in place for all carriers with minimum limit of USD/CAD 100,000 and reefer extension.
- All shipments to be temperature controlled.

For Temperature Sensitive products of values exceeding USD/CAD 100,000, the following conditions precedent also apply in addition to the above:

- Vehicle shall not be left unattended for a period exceeding 1 hour (applicable to road transit only).
- Vehicle left unattended for any period must have all entry points to the vehicle locked or sealed with a bolt and all keys must have been removed from such Vehicle (applicable to road transit only).
- The power unit may only be detached from the trailer containing the insured cargo in an enclosed, monitored or otherwise secured lot (applicable to road transit only).

Limits of liability

We shall not be liable for more than the amounts set out in the Certificate.

If the total value at risk exceeds the limit(s) of liability provided by this Contract, You shall nevertheless report the full amount at risk to Us for our agreement and shall pay full premium thereon. Acceptance of such reports and premium shall not alter or increase the limit(s) of liability, but We shall be liable for the full amount of coverage up to, but not exceeding the applicable limit(s) of liability.

The limit of liability with respect to the coverages provided for in the General Average and / or Salvage Charges shall not be separate from, or in addition to, the limit of liability set forth above and shall not be separate from or in addition to any other limit(s) of liability set forth in this Contract.

Basis of Valuation

Imports/Exports – Invoice Cost plus charges of Insurance and Freight plus 10% plus duty and taxes if incurred.

All other goods covered hereunder, which are not subject of a purchase or sales invoice – Fair market value at time and place of shipment.

Deductible

All claims for loss, damage or expense resulting from any one Occurrence, shall be adjusted as one claim and one Deductible shall apply, unless otherwise stated.

Notwithstanding the foregoing, in respect of transit losses only, claims recoverable under the Institute Cargo Clauses (C) and claims for general average, salvage charges and sue and labour charges shall be payable in full.

Natural Catastrophe Definition

Natural Catastrophe shall be understood to mean earthquake, seaquake, earthquake shock, seismic and / or volcanic disturbances / eruption, hurricane, tropical storm, tropical depression, rainstorm, storm, storm surge, severe storm, winter storm, thunderstorm, windstorm, tropical storm, tempest, tornado, cyclone, typhoon, tidal wave, tsunami, flood, hail/hailstorm, winter weather/freeze, winter storm, ice storm, weight of snow, avalanche, any falling objects (including but not limited to meteor, asteroid and satellite), solar wind/storm, liquefaction, landslip, landslide, mudslide, bush fire, forest fire, wildfires, brushfires, sinkhole collapse and earth movement, and shall also include all ensuing losses therefrom not otherwise excluded.

Occurrence Definition

The term Occurrence wherever used in this Policy means the sum of all individual losses or series of individual losses resulting from or arising out of and directly occasioned by any one insured event regardless of the number of Insured Locations affected. Occurrence so defined shall be limited to:

A. 72 consecutive hours as regards a Natural Catastrophe;

B. 72 consecutive hours as regards any Occurrence which includes individual loss or losses from any of the causes mentioned in A above;

and no individual loss from whatever insured cause, which occurs outside these periods or areas, shall be included in that Occurrence.

You may choose the date and time when any such period of consecutive hours commences and if any event is of greater duration than the above period, You may divide that event into two or more Occurrences provided no two periods overlap and provided no period commences earlier than the date and time of the happening of the first recorded individual loss to You in that event during the Period of Insurance.

Location Definition

Any building, tank, silo, dock, wharf, pier, bulkhead (or groups thereof) bounded on all sides by public streets or open waterways or open land space, each of which shall be not less than fifty feet wide, (for the purposes of this definition, any bridge or tunnel crossing such street or waterway or open space shall render such separation inoperative unless equipped with fire wall and/or doors or other approved methods whereby the buildings etc. on either side are currently designated as separate fire areas by qualified fire surveyors). Each separate designated fire area is deemed to be a separate location for the purposes of this insurance.

Proof of attachment

This contract shall cover and attach for the shipment(s) of Cargo by any Conveyance as per the issuance date and estimated time specified in the certificate, not exceeding 30 days.

Accumulation Clause

Should there be an accumulation of interest beyond the transit limits expressed in this Contract by reason of any interruption in transit beyond Your control, or by reason of any casualty and/or transshipping point and/or connecting conveyance, then subject to prompt notice by You, We shall hold covered such excess interest and shall be liable for the full amount at risk, but in no event to exceed USD/CAD 10,000,000 per vessel, unless increased with prior agreement of the Underwriters. It is hereby understood and agreed that this Clause is applicable solely to goods in the due course of transit.

Section 3 – Coverage Extensions

Notwithstanding anything contained in the terms and conditions of this policy, the following extensions shall be paramount and apply subject to no increase to limits of liability provided in the certificate, unless specifically stated:

Additional Expenses

Limit: USD/CAD 10,000 per Occurrence.

In the event of damage to the Subject Matter Insured giving rise to a claim hereunder, We shall pay all and any reasonable additional expense incurred by You up to the Limits set out above, including any additional costs incurred by You for the procurement of replacement product, of a like quality, to satisfy existing or future obligations to customers, in discharging, handling, storing, reloading, or transporting sound or damaged goods, by any means, other than the normal methods, or other than at normal cost.

Expenses recoverable under the above clause shall be in addition to any sue and labour or other expenses which may be recoverable elsewhere under this Contract.

We are to be credited with any recovery where such charges are recovered under General Average or from the carriers.

Both To Blame

Where the Subject Matter Insured are shipped under a Bill of Lading containing the so called "Both-to-Blame Collision" Clause, We agree (as to all losses covered by this Contract) to indemnify You for this Contract's proportion of any amount (not exceeding the Limit insured) which You may be legally bound to pay the ship-owners under such Charter Party. In the event that such liability is asserted You agree to immediately notify Us, who shall have the right at Our own cost and expense to defend You against such claim. You agree to provide reasonable assistance in any such defense.

Buyer's Interest

In respect of the Subject Matter Insured purchased by You on CIF or similar terms where the Seller is responsible for effecting insurance on conditions more restrictive than ICC (A), this Contract will indemnify You in respect and to the extent of claims which they fail to recover from the insurance effected by the Seller.

This Contract applies only to physical loss or damage which is or would be recoverable under the conditions of this Contract applicable to similar interest bought or sold on terms that You are responsible for effecting insurance.

The existence of this Contract must not be disclosed to any third party.

All rights and benefits against the Seller and / or Sellers interest and / or Carriers and / or other are to be subrogated to Us.

Any assignment of this Contract or of any interest claim hereunder shall discharge Us from all liability.

Cargo Ism Forwarding Charges Clause (4.6.98)

In consideration of an additional premium to be agreed by Us, this Contract is extended to reimburse You, up to the Limit insured for the voyage, for any extra charges properly and reasonably incurred in unloading, storing and forwarding the Subject Matter Insured to the destination to which it is insured hereunder following release of cargo from a vessel arrested or detained at or diverted to any other port or place (other than the intended port of destination) where the voyage is terminated due either:

- a) to such vessel not being certified in accordance with the ISM Code; or
- b) to a current Document of Compliance not being held by her owners or operators.

As required under the SOLAS Convention 1974 as amended.

This clause, which does not apply to General Average or Salvage or Salvage Charges, is subject to all other terms, conditions and exclusions contained in the Contract.

Cargo ISM Premium

Subject to the amount recoverable under the Cargo ISM Forwarding Charges Clause above being limited to 20% of the limit of liability for the voyage or USD 25,000 whichever is the lesser amount, We agree to waive the additional premium due for the forwarding charges cover.

Ceramics, Fragile And Glass Deductible Clause

Notwithstanding anything contained herein to the contrary, it is specifically understood and agreed that, with respect to the Subject Matter Insured that are fragile in nature, made of glass or ceramic, the Deductible in respect of these interests, whilst in transit, will be 10% of the whole shipment value, subject to a minimum of USD/CAD 2,500 per Occurrence. If fragile goods do not make up the entirety of the shipment, the whole shipment value shall mean the total value of all goods that are fragile in nature or glass or ceramic. Whole shipment value will be deemed to be the whole value inside a container, the whole value inside a truck or the whole value inside a rail car as appropriate.

Concealed Damage

This Contract covers physical loss and/or damage to the Subject Matter Insured which is discovered upon unpacking and/or opening of containers, cases and/or packaging, provided that the containers, cases and or packaging is opened within sixty (60) consecutive days after discharge at the final destination, shall be deemed to have occurred during the insured transit, irrespective of Your attachment of interest hereunder, unless it can be shown to have occurred after arrival and following cessation of the insured transit.

If physical damage is discovered after the 60 day period, but the damage occurred during the period of coverage under this Contract, the burden to show when the damage occurred shall revert to You. Nevertheless, any containers, cases and/or packaging showing signs of external damage are to be opened and examined immediately upon arrival and any loss reported in accordance with the claims procedures herein.

Consequential Loss

This Contract covers consequential loss reasonably and necessarily incurred by You as a result of

- a) Physical loss of or damage to the Subject Matter Insured recoverable under this Contract
- b) And / or as a result of delay to the Subject Matter Insured whilst in transit caused by the carrying conveyance suffering physical loss or damage from:
 - i). fire or explosion;
 - ii). vessel being stranded, grounded, capsized or sunk;
 - iii). collision or contact of vessel or conveyance with any external object other than water;
 - iv). General Average sacrifice.

This clause will not cover:

- a) any pecuniary penalties imposed under contract;
- b) any claim for loss of future orders

Cover under this Clause is limited to either the insured value of the insured shipment, or USD/CAD 25,000 per Occurrence, whichever is the less.

Coverage hereunder is also subject to You contributing to each and every loss recoverable hereunder in the proportion of 20% of the gross amount of the loss, We will pay the balance of 80% subject to the foregoing limits.

Consolidation & Deconsolidation

The Contract is extended to cover the Subject Matter Insured whilst on the premises of freight forwarders, export packers, consolidators, truckers, warehouseman or others for the purpose of storage incidental to transit, packing or repacking, consolidation, deconsolidation, containerization, decontainerization or similar for a period not exceeding sixty (60) consecutive days.

Container Demurrage Charges

This Contract is extended to cover demurrage and / or late penalties assessed against, and paid by You for late return of containers when said containers are retained by You upon Our instruction or from Our appointed surveyors for investigation of loss or damage which may be recoverable hereunder. However, We shall not be liable for any demurrage charges which may be assessed against You for delay caused by strike, lockout, stoppage or restraint of labor. The time period for which We shall be liable for said charges shall begin at the time We or our appointed surveyors instruct You in writing to retain the containers for inspection and end at time the appointed surveyor instructs You to return the containers.

Cover under this extension is for the sole benefit of the Insured named in this Contract and is not assignable.

Continuation

In case of short shipment in whole or in part, or if the Subject Matter Insured be shipped by, or transhipped to another vessel and/or vessels, to be carried beyond, or discharged short of destination, or in the event of deviation, change of voyage or vessel, or any interruption beyond Your control, or other variation beyond Your control, or other variation of the voyage or risk, this insurance shall nevertheless cover the Subject Matter Insured until safe arrival and delivery at destination, provided prompt notice be given to Us when such facts are known to You.

Control of Damaged Goods Clause (applicable to Manufacturers only).

It is agreed that in the event of damage to goods insured under this policy, the Assured shall retain control of all damaged goods. The Assured, however, agrees whenever practicable to recondition and sell such goods after removal of all brands and trademarks, the Company being entitled to the proceeds from such sale. It is further agreed the Company will be consulted and allowed to inspect any damaged goods prior to any disposal or sales of such property.

Where it is agreed by both the Assured and the Company that the disposal or sale of such damaged goods is detrimental to the Assured's interest (or which the Assured will be unable to sell or dispose of under their agreement with any trade associations) such damage will be treated as a constructive total loss, and the goods shall be destroyed in the presence of a representative of the Company.

Cutting Clause

In the event of physical damage or breakage to the Subject Matter Insured caused by an insured peril, it is agreed the damaged length or portion shall be cut off, the remaining length or portion be considered as sound and We shall be liable only for the insured value of the length or portion which has been lost by being broken off or cut off. In addition, We shall be liable for the cost of cutting.

Debris Removal Clause

This Contract is extended to reimburse You, in addition to any other amount recoverable hereunder, for extra expense reasonably incurred for the removal and disposal of debris of the Subject Matter Insured, or part thereof, damaged or destroyed by the operation of an insured peril, but excluding absolutely:

- a) Any expense incurred in consequence of or to remove, dispose, prevent or mitigate pollution or contamination, or any threat thereof or liability thereof; and / or
- b) The cost of removal of cargo from any vessel or craft.

In no case shall We be liable under this clause for more than 10% of the proportionate value of the damaged Subject Matter Insured, subject to a maximum of USD/CAD 25,000 any one Occurrence.

Deliberate Damage – Pollution Hazard

This Contract is extended to cover, only whilst the Subject Matter Insured is aboard a waterborne conveyance, physical loss of or damage to the Subject Matter Insured directly caused by governmental authorities acting for the public welfare to prevent or mitigate a pollution hazard or threat thereof, provided that the accident or occurrence creating the situation which required such governmental action would have resulted in a recoverable claim under the Contract if the Subject Matter Insured would have sustained physical loss or damage as a direct result of such accident or occurrence.

Door To Door Shipments

As may be declared from time to time by You, risk commences from the time the Subject Matter Insured is removed from its storage location at the warehouse, place of loading or place of storage or at a Location named within the Schedule for the commencement of transit until delivered to its designated final destination, place of delivery, receiving warehouse including the risk whilst remaining on quay or wharves and / or in warehouses or sheds whilst awaiting shipment for a period not exceeding sixty (60) consecutive days in the ordinary course of transit. Any period in excess of sixty (60) consecutive days held covered at a rate to be arranged, subject to prompt advice thereof being given to Us.

Duty &/Or Taxes

This Contract is extended to cover increased value of Subject Matter Insured by reason of payment of duty and / or taxes at the port or place of destination, but to apply only such duty and / or taxes are imposed and if the risk was declared to Us.

Subject to the same clauses and conditions as the insurance on Subject Matter Insured and to pay the same percentage of loss (excluding charges and expenses) as the original insurance but excluding claims in respect of:

- a) Total loss of whole or part of the cargo prior to the duty and / or taxes becoming payable;
- b) General average, salvage and / or salvage charges arising from any casualty occurring prior to the duty and / or taxes becoming payable.

Liability hereunder shall be calculated on the actual amount of duty and / or taxes paid or the amount insured whichever is the lower and in ascertaining the amount of claim recoverable hereunder, credit shall be given for any rebate or refund of duty or taxes, which may become allowable. It is warranted that You will use reasonable efforts to obtain abatement or refund of duties and / or taxes paid or claimed in respect of goods lost, damaged or destroyed and when We so elect shall surrender any portion of the merchandise to the Customs and / or other Authorities concerned, in which event the claim hereunder shall be for the value of the said merchandise so surrendered and the expenses incidental thereto.

Expediting Expense

Coverage is extended to indemnify You for the reasonable and necessary additional expense incurred following a covered loss to obtain repairs or replacement on an expedited basis. These costs are limited to the following expediting costs:

- (1) The additional cost to ship replacement property or replacement parts by express freight;
- (2) The increased costs of repairs due to the cost of overtime labor to effect repairs more quickly than would otherwise have been possible;
- (3) The increased costs to obtain replacement documentation and customs clearance more quickly than would otherwise have been possible;

This coverage extension is applicable immediately upon discovery of loss for Subject Matter Insured sustaining physical damage; instances involving non-delivery or lost shipments are subject to sixty day waiting period before this coverage becomes available.

These costs will only apply in the event that said costs mitigate a recoverable loss under this insurance.

The most the Company will pay under this coverage extension is USD/CAD 10,000 any one Occurrence or 10% of the insured value of the Subject Matter Insured, whichever is less.

Fumigation

In the event of physical loss or damage to the Subject Matter Insured caused by fumigation, We agree to indemnify You for such loss or damage, and You hereby agree to subrogate to Us any recourse You may have against third parties. This clause does not extend to cover loss or damage caused by customary fumigation applied prior to inception of the risk nor to fumigation arising from inherent vice of the Subject Matter Insured.

In no case shall We be liable under this clause for more USD/CAD 10,000 any one Occurrence.

General Average And Salvage Charges

General Average and/or Salvage Charges, if incurred, are payable in accordance with the contract of affreightment or, if there be no contract of affreightment, payable in accordance with either the laws and usages prevailing at the port of destination or at the termination of the voyage or in accordance with a foreign statement.

We shall be liable for only such proportion of general average and salvage charges as the amount declared for insurance purposes (less any particular average for which We are liable hereunder) bears to the contributory value of the Subject Matter Insured hereby insured, but in no event shall Our liability exceed the applicable Limit of liability as stated in the Schedule.

Our Limit of liability with respect to the coverage provided for in the General Average and/or Salvage Charges and/or Special Charges shall not be separate from, or in addition to, the Limit of liability set forth above and shall not be separate from, or in addition to any other Limit(s) of liability set forth in this Contract.

Increased Value on Arrival (including Duty/Surcharges)

In the event that the Insured incurs a liability for and/or is required to pay any freight costs and/or duty and/or any other charges on arrival at the place where these or any of them become due then the insured value of the subject-matter insured shall be increased accordingly if such charges have not been included in the original basis of valuation. Subject always to this coverage forming part of the original Limits of Liability contained in this Contract of Insurance.

Institute Dangerous Drugs Clause

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

- a) the drugs shall be expressly declared as such in the Contract 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 Contract

and

- b) 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

- c) the route by which the drugs were conveyed was usual and customary.

Interruption of Transit

It is agreed that Subject Matter Insured taken out of ordinary transit upon instructions of surveyors appointed by or on behalf of Us for the purpose of establishment of physical loss or damage, shall be held covered, subject to the original terms and conditions applying to such shipment, without payment of additional premium or advice to Us, during such interruption or suspension of transit until disposed of by delivery to and acceptance by the original consignee or by sale or otherwise, provided that during such interruption or suspension You comply with the surveyor's instructions.

Label Clause

In case of physical damage affecting labels, capsules or wrappers, We, if liable therefore under the terms of this Contract, shall not be liable for more than an amount sufficient to pay the cost of new labels, capsules or wrappers, and the cost of reconditioning the Subject Matter Insured, but in no event shall We be liable for more than the Limit of Liability of the damaged Subject Matter Insured.

Machinery

When the Subject Matter Insured under this policy includes a machine or article consisting when complete for sale or use of several parts, then in case of physical loss or damage covered by this insurance to any part of such machine or article, We shall be liable only for the proportion of the insured value of the part lost or damaged, or at Your option, for the cost and expense, including labor and forwarding charges, of replacing or repairing the lost or damaged part; but in no event shall We be liable for more than the insured value of the complete machine or article.

Misuse of Bills of Lading

This Contract covers physical loss of or damage to the subject-matter insured caused by the utilisation of legitimate bills of lading and/or other shipping documents without the authorisation and/or consent of the Insured, its agents or the shipper.

This Contract also covers physical loss incurred by the Insured through the acceptance by the Insured, its agents or the shipper of fraudulent bills of lading, shipping receipts, messenger receipts or other shipping documents.

No Risk After Discharge Clause

Notwithstanding anything contained herein to the contrary, it is specifically understood and agreed, that where Cargo is exported to the following territories or regions, this insurance will cease upon completion of discharge overboard of the Subject Matter Insured from the oversea vessel at the final port of discharge. This insurance will not cover any storage, temporary or otherwise, nor any inland transit, be this by river, road or rail, in the territories or regions defined below, unless prior written agreement has been obtained from Underwriters.

Afghanistan, Angola, Bangladesh, Belarus, Bosnia & Herzegovina, Burundi, Cambodia, Cameroon, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Dominican Republic, Eritrea, Ethiopia, Guatemala, Guinea, Guinea-Bissau, Haiti, Honduras, Iraq, Kenya, Kyrgyzstan, Laos, Lebanon, Libya, Madagascar, Mali, Mauritania, Mexico, Mozambique, Myanmar, Nicaragua, Nigeria, Papua New Guinea, Paraguay, Republic of Congo, Russia, Serbia, Somalia, South Sudan, Sri Lanka, Sudan, Sudan & South Sudan, Tajikistan, The Democratic Republic of Congo, Trinidad and Tobago, Tunisia, Turkey, Turkmenistan, Uganda, Ukraine, Ukraine/Russia, Uzbekistan, Vanuatu, Venezuela, Yemen, Zimbabwe.

Other Insurance

Notwithstanding that a third party may have arranged insurance covering the subject-matter insured, with or without the Insured's instructions to so insure, the Insured may elect that this Contract is the primary insurance with full rights of subrogation against any such other insurance to be maintained. In no case shall this insurance contribute in double insurance.

Packing Clause

In the event of a claim being made for loss or damage which is alleged to be caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured, Insurers hereby agree that they will not use such alleged insufficiency or unsuitability as a defence against the claim in any case where the packing or preparation was carried out by a party other than the named Insured and the insufficiency or unsuitability arose without the named Insured's privity or knowledge. For the purpose of this clause "packing" shall be deemed to include stowage in a container or other similar inter-modal method of unit load.

The Insured agrees to assist Insurers in all respects to pursue rights of recovery against sellers and/or other responsible third parties.

The above agreement does not remove Insurers' rights of subrogation against packers and/or their Insurers.

Pair, Set Or Parts

In the event of physical loss of or damage to:

- a) any article which is a part of a pair or set, the measure of loss or damage to such article or articles shall be a reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article or articles, but in no event shall such loss or damage be construed to mean total loss of the pair or set;
- b) any part of property covered consisting, when complete for use, of several parts, We shall only be liable for the value of the part lost or damaged.

Released Bill of Lading

Privilege is hereby granted to the Insured to ship subject-matter insured covered by this Contract under released or limited bills of lading, express receipts or shipping receipts and to accept other usual contract from carriers, bailees and warehousemen releasing or limiting their liability, without prejudice to this insurance.

Replacement By Air

It is agreed that where there is physical loss or damage to the Subject Matter Insured which is the subject of a claim hereunder and You can demonstrate the necessity to forward the replacements of the lost or damaged items by air in order to prevent interruption to Your business, We will pay the extra cost so involved up to a maximum amount of 20% of the insured value or USD/CAD 25,000 (whichever is the lesser), notwithstanding that the original consignment was not dispatched by air.

Replacement Clause (Applicable To New Machinery)

Institute Replacement Clause CL161 01/01/34

In the event of insured physical loss of or damage to any part or parts of an insured machine caused by a peril covered by the Contract 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 Our liability exceed the insured value of the complete machine.

Returned Goods

This Contract of insurance is extended to cover, at Contract terms and conditions, shipments of returned Subject Matter Insured which have not been delivered to the final consignee and which have been continuously covered hereunder, provided such goods remain in their original approved overseas packing and You warrant to report all such shipments as soon as practicable after they have knowledge of the refusal. Shipments returned to You by the consignee shall be subject to the same terms, conditions and rate under which such shipments were insured under this Contract while in transit to such consignees. Returned merchandise other than as defined above is insured subject to the Institute Cargo Clauses (C) CL 254 dated 01/01/09 at the rates to be agreed by Us.

Sealed Container Clause

We agree to accept shippers' load and count in respect of sealed door to door container loads. Where the Subject Matter Insured hereunder is carried in containers, it is agreed between You and Us, that the seaworthiness and/or cargo worthiness of the container is hereby admitted. It is hereby noted and agreed that in respect of consignments shipped in containers or curtain sided trailers or full vehicle loads, that claims in respect of theft, shortage and non-delivery of a whole package will not be invalidated by the fact that the seals appear intact and that such claims will be settled in full on production of loading and discharge tally sheets. We will be subrogated to Your rights against the carriers and/or other bailees.

Second Hand Replacement (Applicable To Second Hand / Used Machinery)

In the event of a claim for insured physical loss of or damage to any part or parts of the Subject Matter Insured, in consequence of a peril covered by the Contract, the amount recoverable hereunder shall not exceed such proportion of the cost of replacement of the part or parts lost or damaged as the insured value bears to the value of a new machine plus additional charges for forwarding and refitting the new part or parts if incurred. Provided always that in no case shall Our liability exceed the insured value of the complete article.

Seller's Interest / Contingency

a) This Contract is extended to cover the Subject Matter Insured sold on CFR, Ex-Works, FOB or similar terms, which remain or become the property of and / or at Your risk due to:

- i). the Buyer refusing to accept the goods and / or take up the documents of title;
- ii). Your exercising a lien when this is reasonable to safeguard Your interests.

In the event of any of the above contingencies arising, the cover granted hereunder shall attach retrospectively to the commencement of transit and be in accordance with the Contract terms and conditions, as within, as if the goods had been sold on "CIF" terms.

In the event of any delay or deviation caused by the failure of the Buyer to take up the Subject Matter Insured or documents the Subject Matter Insured will be held covered at an additional premium to be arranged. If the Subject Matter Insured are to be returned, the Returned Goods Clause will apply.

This Contract shall in no case cover the additional cost or expense of returning on-shipping goods incurred as a result of any of the above contingencies arising.

b) It is a condition of this Contract that You shall at all times exercise reasonable care to prevent or minimize loss and / or damage and to enforce the contract of sale.

c) You must notify Us immediately of the occurrence of any of the contingencies outlined in clause a). above and provide evidence of the terms and conditions of the Contract of Sale to substantiate any claim made hereunder.

d) Upon settlement of any claims hereunder We will be subrogated to all Your rights of recovery against any Third Party including the Buyer.

e) Any assignment of this Contract or any interest or claims hereunder shall discharge Us from all liability whatsoever.

f) Disclosure of the existence of this Contract to any Third Party including the Buyer and / or their insurers shall render it null and void.

g) This Contract is for the benefit of You only and not to be treated as double insurance.

h) It is a condition of this Contract that until completion of the contract, You are bound to declare hereunder each and every CFR, Ex-Works, FOB or similar terms sending without exception whether arrived or not, We will be bound to accept same up to but not exceeding the amount specified herein.

Shortage from Container

With respect to shipments of goods in containers, this Policy covers physical loss and/or damage to the subject matter insured from a peril insured against resulting in shortage of contents, meaning thereby the difference between (1) the number of packages or units loaded in the container as per the shipper's or supplier's invoice or packing list and (2) the number of packages or units unloaded from the container by the Insured or consignee or their agent.

Sue and Labour

If a situation arises following a peril insured against hereunder which produces a situation where the subject-matter insured appears to be in imminent danger of incurring loss or damage or incurs actual loss or damage then permission is granted to the Insured or their appointed agent(s) to take all necessary measures and to incur reasonable expenses in safeguarding and recovering the subject-matter insured, or any part of it, without prejudice to this insurance with Insurers bearing the cost of the Insured's actions in this respect.

Surveys

No survey is required on claims unlikely to exceed USD/CAD 5,000 (or the equivalent in any other currency) in excess of any applicable Contract deductible.

Warehouse To Warehouse Extension

Goods purchased by You on "FOB", "CFR" or Similar Terms

Cover attaches under this Contract from the time the Subject Matter Insured leave the Supplier's factory, Warehouse, Store or Mill as if the Contract of Sale was "ex Suppliers' premises" notwithstanding that the Subject Matter Insured may have been purchased on "FOB", "CFR" or similar terms.

You are required to pursue Suppliers and / or other parties where evidence exists to show that loss occurred prior to "FOB" or similar. In the event that You are unable to recover from Suppliers and / or other parties, then this Contract will pay subject to the terms and conditions herein. You shall also not make any third party aware of the existence of the cover provided under this Extension.

We are to be subrogated to Your rights of recourse against Suppliers or other parties.

Wilful Misconduct

Notwithstanding anything to the contrary contained herein or in the law and practice to which this Contract is subject, this insurance shall not exclude loss, damage or expense attributable to wilful misconduct of any person or persons committed without the privity of the directors and/or officers or whoever is considered the alter ego of the Insured.

SECTION 4 – GENERAL EXCLUSIONS

Excluded Classes of Business and Interests

Notwithstanding anything contained in the policy, the following cargo interests are excluded under this Contract and will not be covered:

Cash & Financial Instruments

Documents, negotiable documents or instruments, monies of every description, securities, bonds, bullion, stamps, credit and debit cards including telephone calling cards

Temperature Controlled products:

Pharmaceuticals (other than FDA approved 'over-the-counter' pharmaceuticals which are not excluded), nutraceuticals (other than FDA approved 'over-the-counter' nutraceuticals which are not excluded), Narcotics/narcotic based substances including but not limited to Marijuana, CBD, THC.

Luxury goods

Furs, precious stones, jewellery, high-value watches, perfumes, antiques and art, tobacco or tobacco products.

Tech goods

Digital cameras, microchips, motherboards and/or memory of any kind which is not part of a complete system, mobile telephones, mobile telephones components, parts and accessories, digital camera photo sticks.

Live animals /plants

Living creatures and life forms of any type

Other

Satellites, nuclear fuel, explosives, firearms, ammunition.

Excluded Perils

Notwithstanding anything contained in the policy, the following perils are excluded under this Contract and will not be covered unless specifically reinstated under Section 3 – Coverage Extensions::

- A loss damage or expense attributable to wilful misconduct of the Assured
- B ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
- C loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
- D loss damage or expense caused by inherent vice or nature of the subject-matter insured

E loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 of the Institute Cargo Clauses (A) – CL382 01/01/09).

F loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage

This exclusion shall not apply where the contract of 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

G loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

The following exclusions apply in addition to the exclusions contained in the Institute clauses or stated elsewhere in this Policy and attachments to this Contract:

Carrier or Bailee

Warranted that this insurance shall not inure, directly or indirectly, to the benefit of any carrier or bailee.

Communicable Disease Exclusion (Cargo) JC2020-011 17th April 2020

1. Notwithstanding any provision to the contrary within this insurance, this insurance does not insure any loss, damage, liability, claim, cost or expense of whatsoever nature caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - 2.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - 2.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - 2.3. the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.

Institute Radioactive Contamination Chemical Biological Bio-Chemical Electromagnetic Weapons Exclusion Clause (10/11/03 CL370)

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

In no case shall this Contract cover loss damage liability or expense directly or indirectly caused by or contributed to by arising from:

- A. Ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;

- B. The radioactive toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- C. Any weapon or device employing atomic or nuclear fission and / or fusion or other like reaction or radioactive force or matter;
- D. The radioactive, toxic, explosive or other hazardous or contaminating properties or 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 or stored or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
- E. Any chemical, biological, bio-chemical or electro-magnetic weapon.

Cargo ISM

In no case shall this Contract 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 and ISM Code Document of Compliance when, at the time of loading of the Subject Matter Insured on board the vessel, You 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; or
- b) That a current Document of Compliance was not held by the owners or operators.

This exclusion shall not apply where this Contract has been assigned to the party claiming hereunder

Marine Cyber Exclusion – LMA5402 (11 November 2019)

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

1 In no case shall this insurance cover any loss, damage, liability or expense directly or indirectly caused by, contributed to by or arising from: 1.1 the failure, error or malfunction of any computer, computer system, computer software programme, code, or process or any other electronic system, or 1.2 the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

Mechanical and/or Electrical and/or Electromagnetic derangement Exclusion

It is specifically understood that this Contract does not cover loss or damage to the Subject Matter Insured, caused by mechanical and/or electrical and/or electromagnetic derangement and/or breakdown of machinery where there is no external evidence that an insured event occurred.

Misappropriation Exclusion (JC2017/002)

In no case shall this insurance cover loss or damage arising from misappropriation.

Misappropriation shall in this insurance be deemed to mean the unauthorised conversion use release or disposal of the Subject Matter Insured at or from a warehouse or other place of storage whether on or offshore by or with the knowledge of the bailee or of any other person or entity including their officers and employees to whom the Subject Matter Insured has been entrusted.

POLICYHOLDER DISCLOSURE (applicable to Assured's domiciled in USA only) NOTICE OF TERRORISM INSURANCE COVERAGE

Coverage for acts of terrorism is already included in the policy (including any quotation for insurance) to which this notice applies. You should know that, under the policy, any losses caused by certified acts of terrorism would be partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States pays 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020; of covered terrorism losses exceeding the statutorily established deductible paid by the insurer providing the coverage. However, your policy

may contain other exclusions which might affect your coverage, such as exclusion for nuclear events. The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for certified acts of terrorism as defined in the Terrorism Risk Insurance Act of 2002, as amended, is: \$2.00

I ACKNOWLEDGE THAT I HAVE BEEN NOTIFIED THAT UNDER THE TERRORISM RISK INSURANCE ACT OF 2002, AS AMENDED, ANY LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM UNDER MY POLICY COVERAGE WILL BE PARTIALLY REIMBURSED BY THE UNITED STATES, SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE MY COVERAGE, AND I HAVE BEEN NOTIFIED OF THE AMOUNT OF MY PREMIUM ATTRIBUTABLE TO SUCH COVERAGE.

Rejection Exclusion

It is specifically understood and agreed that loss of income as a result of rejection of the Subject Matter Insured, by a port or customs authority, the USFDA or equivalent governing body, will be excluded from this Contract. This Contract will only cover physical loss or damage to the Subject Matter Insured by a peril insured against.

Termination of Transit Clause (Terrorism)

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

- A. Notwithstanding any provision to the contrary contained in the contract of insurance or the Clauses referred to therein, it is agreed that in so far as the contract of insurance covers loss of or damage to the Subject Matter Insured caused by

1. any act of terrorism being an act of any person acting on behalf of, or in connection with, any organization which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted or
2. any person acting from a political, ideological or religious 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. as per the transit clauses contained within the contract of insurance,

Or

2. on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
3. on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Insured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or

4. when the Insured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit,
5. in respect of marine transits, on the expiry of 60 consecutive days after completion of discharge outside of the Subject Matter Insured from the oversea vessel at the final port of discharge
6. in respect of air transits, on the expiry of 30 consecutive days after unloading the Subject Matter Insured from the aircraft at the final place of discharge

whichever shall first occur.

B) If the contract of insurance 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 a).

SECTION 5 – CLAIMS CONDITIONS

Claims – action by you

You shall in the event of any covered loss as a result of which a claim is or may be made under this Contract or any Section of it:

- A. notify Us immediately, or such further time as We may allow
- B. notify the police as soon as it becomes evident that any damage has been caused by theft or malicious damage or other crime involving the Subject Matter Insured
- C. not pay or offer to agree to pay any money, agree any compromise or make any admission of liability without the previous consent by Us
- D. immediately hold liable any responsible carrier, bailee or other third party
- E. as soon as possible pass on to Us all communications from third parties relating to a matter which might give rise to a claim under the Contract
- F. carry out and permit to be taken any action which may be reasonably practicable to prevent further damage.
- G. furnish with all reasonable despatch at Your expense
 1. such further particulars and information as We may reasonably require
 2. if required, a statutory declaration of the truth of the claim
 3. details of any other insurances covering the subject matter of the claim under this Contract and any matters connected with it
- H. make available at Your own expense any documents required by Us with regard to any letter of claim.

No claim under this Contract shall be payable unless the terms of this Contract Condition have been complied with and any payment on account of a claim already made shall be repaid to Us.

Claims – our rights

We have the right:

- A. to decide where and how the damaged Subject Matter Insured will be repaired
- B. to commence or take over the conduct of any claim brought in the name of any persons, company or corporation whose Subject Matter Insured are covered under this Contract to recover sums which or which might be payable under the Contract
- C. to ask for and receive such assistance from any such persons as We may reasonably request for the purposes of exercising Our rights under this Contract including the exercise of rights in subrogation.

No Goods may be abandoned to Us, whether taken possession of by Us or not. In respect of damage for which a claim is made, We and any person authorised by Us may without incurring any liability or diminishing any of Our rights in respect of the cover under this Contract, enter premises where such damage has occurred, and take possession of or require to be delivered to Us any Subject Matter Insured, and to deal with such property for all reasonable purposes and in any reasonable manner.

We will not pay for any claim unless the terms of this Contract Condition have been complied with.

What to do in the event of a claim

In the unfortunate event of loss or damage to your goods which may involve a claim under this Contract, the following procedures should be undertaken:

How to advise Loadsure of your claim

Our aim at Loadsure is to make the claims process simple and straightforward so that you can be compensated for your loss without delay. In the unfortunate event of loss or damage to your goods which may involve a claim under this Contract, immediate notice of such loss or damage should be notified to Loadsure as soon as possible so that we can act to assist you straight away. A new claim can be reported as follows:-

1) To enable claims to be dealt with promptly, You or Your Agents are required to complete our electronic First Notice of Loss (EFNOL) form. Loadsure's EFNOL can be found by logging in via Loadsure.net or Loadsure's partners portal.

You will receive notification from Loadsure to advise you of your Reference Number. Our Agent will also advise whether a survey will be necessary together with what further information and documentation is required to process your claim. If a survey is necessary, our Agent will make arrangements for the same through their local agent/surveyor.

2) Call our claims representatives directly on the toll-free number 1-855 346 8728 or send an email to loadsure@wkwebster.com.

Documentation

To enable claims to be dealt with promptly, You or Your Agents are required to complete our electronic First Notice of Loss (EFNOL) form as per the above instruction, including submitting the following relevant supporting documentation without delay as advised on Loadsure Claims Portal:

1. Commercial Invoice;
2. Packing List, if applicable
3. Proforma Invoice
4. Original Bill of Lading and / or Consignment note and/or other documentation evidencing the contract of carriage (front and reverse side needed)
5. Certificate of Origin
6. Air waybill, if applicable.
7. Sea waybill, if applicable
8. Outturn report (for cargo that is short-landed or non-delivered)
9. Customs invoice
10. Delivery Receipts;
11. Police Report, if applicable
12. Fire report, if applicable
13. Photographic evidence of your loss

Additional Documents Specific to Perishable Goods:

14. Condemnation certificates (issued by authorities confirming goods destroyed)
15. Health certificates
16. Ships temperature log

Claims settlement

It is hereby understood that the Subject Matter Insured hereunder shall be valued as per the 'Basis of Valuation Clause' contained within this policy, unless stated otherwise in the Certificate.

Loss Payee

Loss, if any, payable to the Insured or whom the broker has been asked to insure.

Any bank and/or mortgagee and/or lender and/or similar interested parties are to be automatically included as Loss Payees herein as their respective rights and interests may appear in the subject-matter insured but only in so far as losses may be recoverable under the terms and conditions agreed herein.

Payment on account

When the claim documents submitted demonstrate, and We and You agree, that only the quantum of the claim is yet to be agreed, a payment on account will be made equal to the lower of the amount (i) claimed by You or (ii) agreed to by Us or the surveyor approved by Us, within 30 business days after such agreement.

Payment of loss

All claims are to be paid to You within thirty (30) days after satisfactory proof of loss has been filed with and accepted by Us.

Suit against us

No suit, action or proceeding for the recovery of any claim will be sustained in any court of law or equity unless:

1. You have fully complied with all the provisions of this Contract; and
2. legal action is started within 12 (twelve) months after inception of the loss.

If under the insurance laws of the jurisdiction in which this Contract is subject, such 12 (twelve) months' limitation is invalid, then any such legal action needs to be started within the shortest limit of time permitted by such laws.

SECTION 6 – GENERAL CONDITIONS

Institute standard conditions for cargo contracts (amended)

- A. This Contract is to insure the Subject Matter Insured for the transits and on the conditions named shipped by or for the account of the Insured named in this Contract or the insurance of which is under their control as selling or purchasing agent unless insured elsewhere prior to the inception of this Contract or to insurable interest being acquired. This Contract does not cover the interest of any other person, but this shall not prevent a transfer of the insurance by the Insured or Assignee.
- B. This Contract is for an open amount, but the amount declarable may not exceed the Limit as per the Certificate in respect of any one conveyance.
- C. Notwithstanding anything to the contrary contained in this Contract, Our liability in respect of any one accident or series of accidents arising from the same Occurrence shall not exceed the Limit as per the Certificate.
- D. In the event of loss, accident or arrival before declaration or value, it is agreed that the basis of valuation shall be as per the Basis of Valuation clause unless specifically stated otherwise in the Certificate.
- E. Should the risks of war, strikes, riots and civil commotions be included in the cover granted by this Contract, the relevant Institute War Clauses and Institute Strikes Clauses shall apply.
- F. The Institute Clauses referred herein are those current at the inception of this Contract, but should such clauses be revised during the period of this Contract, and provided that We shall have given at least sixty (60) days notice thereof, then the revised Institute Clause shall apply to risks attaching subsequent to the date of expiry of the said notice.

Cancellation

- a) This Contract may be cancelled at any time upon Your request by giving sixty (60) days written notice of such cancellation and We shall be entitled to retain or collect the premium due for the time that the Contract has been in force, on a pro-rata basis, subject to a minimum retained premium.
- b) This Contract may be cancelled by Us by giving sixty (60) days written notice of such cancellation and, if the premium has been actually paid by You to Us or Our agent, We shall refund the pro rata unearned premium thereon calculated as of the effective date of the cancellation.
- c) Risks covered by the Institute War and Institute Strikes Clauses may be cancelled by the Us on seven (7) days notice, except in the case of sendings to and/or from the United States of America which shall be subject to forty-eight (48) hours notice of cancellation at any time.

Complaints (applicable to Assured's domiciled in USA only)

If you wish to register a complaint then please contact The Complaints Officers at:

Lochain Patrick Insurance Brokers Limited

One Minster Court

Mincing Lane

London

EC3R 7AA

Or by telephoning +44(0) 207 398 1700

If we cannot immediately resolve your complaint we will write to you within 5 business days of its receipt – our acknowledgment will include a copy of our complaints procedure.

Complaints (applicable to Assured's domiciled in Canada only)

LSW1542F – Lloyd's Underwriters' Policyholders' Complaint Protocol as per Appendix C attached.

Contracts (rights of third parties) act 1999 exclusion clause

The Provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to this insurance or to any certificate(s) of insurance issued hereunder. Neither this insurance nor any certificates issued hereunder confer any benefits on any third parties. No third party may enforce any term of this insurance or of any certificate issued hereunder. This clause shall not affect the rights of the Insured (as assignee or otherwise) or the rights of any loss payee.

JC2000/002

18 February 2000

Subrogation

We, shall on payment of any loss hereunder, be subrogated to the extent of such payment to all rights of recovery by You against any person or corporation, private or municipal, and You shall assign all such rights of action to Us or to any person acting on Our behalf. You further agree to render all such reasonable assistance in such action.

We shall not be liable for any loss, which, without Our consent, has been settled or compromised with any other party.

It is agreed that You may accept Bills of Lading or Shipping Receipts issued by carriers in the ordinary course of business which may limit the carrier's liability to less than the actual value, provided such limitations are in accordance with national laws or international conventions relating to the carriage of goods.

Waiver of subrogation

You must not grant any waiver of subrogation or recourse to any third party without Our prior written consent.

Insurers agree to waive all rights of subrogation against the Assured as defined herein.

Other insurance

This Contract does not cover any loss or damage which at the time of happening of such loss or damage is insured by, or would, but for the existence of this Contract, be insured by any other policy or policies except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this Contract not been effected.

Currency

All limits, sub-limits & deductibles as shown are in the currency as set out in the Certificate.

Dispute resolution

Subject to the overriding provisions of the Law and Jurisdiction clause, disputes between You and Us may, if not settled amicably by negotiation, be referred at the request of You or the Us to mediation or other form of alternative dispute resolution and, in default of agreement as to the procedure to be adopted, any such mediation or other form of alternative dispute resolution shall be in accordance with the current CEDR Solve model procedures.

INSURANCE. SIMPLIFIED.

APPENDIX A

01/03/2017

INSTITUTE FROZEN/CHILLED FOOD CLAUSES (A) – 12 HOURS BREAKDOWN (Amended)

(suitable for food in a mechanically temperature-controlled environment)

RISKS COVERED

Risks

1. This insurance covers, except as excluded by the provisions of Clauses 4, 5, 6 and 7 below,
 - 1.1 all risks of loss of or damage to the subject-matter insured, other than loss or damage resulting from any variation in temperature howsoever caused,
 - 1.2 loss of or damage to the subject-matter insured resulting from any variation in temperature attributable to
 - 1.2.1 breakdown of refrigerating machinery resulting in its stoppage for a period of not less than 12 consecutive hours
 - 1.2.2 fire or explosion
 - 1.2.3 vessel or craft being stranded grounded sunk or capsized
 - 1.2.4 overturning or derailment of land conveyance
 - 1.2.5 collision or contact of vessel craft or conveyance with any external object other than water
 - 1.2.6 discharge of cargo at a place of distress.

General Average

2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 below.

"Both to Blame Collision Clause"

3. This insurance indemnifies the Assured, in respect of any risk insured herein, against liability incurred under any Both to Blame Collision Clause in the contract of carriage. In the event of any claim by carriers under the said Clause, the Assured agree to notify the Insurers who shall have the right, at their own cost and expense, to defend the Assured against such claim.

EXCLUSIONS

4. In no case shall this insurance cover

- 4.1 loss damage or expense attributable to wilful misconduct of the Assured
- 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
- 4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
- 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured (except loss damage or expense resulting from variation in temperature specifically covered under Clause 1.2 above)
- 4.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
- 4.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel/aircraft where, at the time of loading of the subject-matter insured on board the vessel/aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage.

This exclusion shall not apply where the contract of 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

- 4.7 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 4.8 loss damage or expense arising from any failure of the Assured or their employees to take all reasonable precautions to ensure that the subject-matter insured is kept in refrigerated or, where appropriate, properly insulated and cooled space
- 4.9 any loss damage or expense otherwise recoverable hereunder unless prompt notice thereof is given to the Insurers and, in any event, not later than 30 days after the termination of this insurance.

5. 5.1 In no case shall this insurance cover loss damage or expense arising from

- 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
- 5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.

- 5.2 Exclusion 5.1.1 above shall not apply where the contract of 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.
- 5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
6. In no case shall this insurance cover loss damage or expense caused by
- 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
- 6.2 capture seizure arrest restraint or detention (piracy excepted), and the consequences thereof or any attempt thereat
- 6.3 derelict mines torpedoes bombs or other derelict weapons of war
- 6.4 embargo, or by rejection prohibition or detention by any government or their agencies or departments.
7. In no case shall this insurance cover loss damage or expense
- 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
- 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
- 7.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
- 7.4 caused by any person acting from a political, ideological or religious motive.

DURATION

Transit Clause

8. 8.1 Subject to Clause 11 below, this insurance attaches from the time the subject-matter insured is loaded into the conveyance at the freezing/cooling works or at the cold store (at the place named in the contract of insurance) for the commencement of transit,

continues during the ordinary course of transit

and terminates either

- 8.1.1 on delivery to the cold store or place of storage at the destination named in the contract of insurance, or
- 8.1.2 on delivery to any other cold store or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or

- 8.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit, or
- 8.1.4 on the expiry of 5 days after completion of discharge overside of the subject-matter insured from the oversea vessel or after completion of unloading of the subject-matter insured from the aircraft, at the final place of discharge
- whichever shall first occur.
- 8.2 If, after discharge overside from the oversea vessel, or after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above, shall not extend beyond the commencement of transit to such other destination.
- 8.3 This insurance shall remain in force (subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 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 carriers under the contract of carriage.

Termination of Contract of Carriage

9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before delivery of the subject-matter insured as provided for in Clause 8 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either
- 9.1 until the subject-matter insured is sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter insured at such port or place, whichever shall first occur,
- or
- 9.2 if the subject-matter insured is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 8 above.

Change of Voyage/Transit

10. 10.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to the Insurers for rates and terms 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 market terms.*
- 10.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1 above), but, without the knowledge of the Assured or their employees the vessel sails/aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMS

Insurable Interest

11. 11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 11.2 Subject to Clause 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding Charges

12. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a port or place other than that to which the subject-matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter insured to the destination to which it is insured.
- This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive Total Loss

13. 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 insured to the destination to which it is insured would exceed its value on arrival.

Increased Value

14. 14.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

- 14.2 **Where this insurance is on Increased Value the following clause shall apply:**

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

15. This insurance

- 15.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,
- 15.2 shall not extend to or otherwise benefit the carrier or other bailee.

MINIMISING LOSSES

Duty of Assured

16. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

- 16.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss,
and
- 16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised

and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

- 17. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

- 19. This insurance is subject to English law and practice.

NOTE:- Where a continuation of cover is requested under Clause 9, or a change of destination is notified under Clause 10, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

CL.423

01/03/2017

APPENDIX B

01/03/2017

INSTITUTE FROZEN/CHILLED FOOD CLAUSES (A) – 24 HOURS BREAKDOWN

(suitable for food in a mechanically temperature-controlled environment)

RISKS COVERED

Risks

1. This insurance covers, except as excluded by the provisions of Clauses 4, 5, 6 and 7 below,
 - 1.1 all risks of loss of or damage to the subject-matter insured, other than loss or damage resulting from any variation in temperature howsoever caused,
 - 1.2 loss of or damage to the subject-matter insured resulting from any variation in temperature attributable to
 - 1.2.1 breakdown of refrigerating machinery resulting in its stoppage for a period of not less than 24 consecutive hours
 - 1.2.2 fire or explosion
 - 1.2.3 vessel or craft being stranded grounded sunk or capsized
 - 1.2.4 overturning or derailment of land conveyance
 - 1.2.5 collision or contact of vessel craft or conveyance with any external object other than water
 - 1.2.6 discharge of cargo at a place of distress.

General Average

2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 below.

"Both to Blame Collision Clause"

3. This insurance indemnifies the Assured, in respect of any risk insured herein, against liability incurred under any Both to Blame Collision Clause in the contract of carriage. In the event of any claim by carriers under the said Clause, the Assured agree to notify the Insurers who shall have the right, at their own cost and expense, to defend the Assured against such claim.

EXCLUSIONS

4. In no case shall this insurance cover

- 4.1 loss damage or expense attributable to wilful misconduct of the Assured
- 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
- 4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
- 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured (except loss damage or expense resulting from variation in temperature specifically covered under Clause 1.2 above)
- 4.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
- 4.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel/aircraft where, at the time of loading of the subject-matter insured on board the vessel/aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage.

This exclusion shall not apply where the contract of 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

- 4.7 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 4.8 loss damage or expense arising from any failure of the Assured or their employees to take all reasonable precautions to ensure that the subject-matter insured is kept in refrigerated or, where appropriate, properly insulated and cooled space
- 4.9 any loss damage or expense otherwise recoverable hereunder unless prompt notice thereof is given to the Insurers and, in any event, not later than 30 days after the termination of this insurance.

5. 5.1 In no case shall this insurance cover loss damage or expense arising from

- 5.1.3 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
- 5.1.4 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out
prior to attachment of this insurance or
by the Assured or their employees and they are privy to such unfitness at the time of loading.

- 5.2 Exclusion 5.1.1 above shall not apply where the contract of 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.
- 5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
6. In no case shall this insurance cover loss damage or expense caused by
- 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
- 6.2 capture seizure arrest restraint or detention (piracy excepted), and the consequences thereof or any attempt thereat
- 6.3 derelict mines torpedoes bombs or other derelict weapons of war
- 6.4 embargo, or by rejection prohibition or detention by any government or their agencies or departments.
7. In no case shall this insurance cover loss damage or expense
- 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
- 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
- 7.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
- 7.4 caused by any person acting from a political, ideological or religious motive.

DURATION

Transit Clause

8. 8.1 Subject to Clause 11 below, this insurance attaches from the time the subject-matter insured is loaded into the conveyance at the freezing/cooling works or at the cold store (at the place named in the contract of insurance) for the commencement of transit,

continues during the ordinary course of transit

and terminates either

- 8.1.1 on delivery to the cold store or place of storage at the destination named in the contract of insurance, or
- 8.1.2 on delivery to any other cold store or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or

- 8.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit, or
- 8.1.4 on the expiry of 5 days after completion of discharge overside of the subject-matter insured from the oversea vessel or after completion of unloading of the subject-matter insured from the aircraft, at the final place of discharge
- whichever shall first occur.
- 8.2 If, after discharge overside from the oversea vessel, or after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above, shall not extend beyond the commencement of transit to such other destination.
- 8.3 This insurance shall remain in force (subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 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 carriers under the contract of carriage.

Termination of Contract of Carriage

9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before delivery of the subject-matter insured as provided for in Clause 8 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either
- 9.1 until the subject-matter insured is sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter insured at such port or place, whichever shall first occur,
- or
- 9.2 if the subject-matter insured is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 8 above.

Change of Voyage/Transit

10. 10.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to the Insurers for rates and terms 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 market terms.*
- 10.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1 above), but, without the knowledge of the Assured or their employees the vessel sails/aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMS

Insurable Interest

11. 11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 11.2 Subject to Clause 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding Charges

12. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a port or place other than that to which the subject-matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter insured to the destination to which it is insured.
- This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive Total Loss

13. 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 insured to the destination to which it is insured would exceed its value on arrival.

Increased Value

14. 14.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

- 14.2 **Where this insurance is on Increased Value the following clause shall apply:**

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

15. This insurance

15.2 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,

15.2 shall not extend to or otherwise benefit the carrier or other bailee.

MINIMISING LOSSES

Duty of Assured

16. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

16.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss,

and

16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised

and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

17. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

19. This insurance is subject to English law and practice.

NOTE:- Where a continuation of cover is requested under Clause 9, or a change of destination is notified under Clause 10, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

CL.423

01/03/2017

APPENDIX C

LLOYD'S

LLOYD'S UNDERWRITERS' POLICYHOLDERS' COMPLAINT PROTOCOL

Lloyd's strives to enhance your customer experience with us through superior service and innovative insurance products.

We have developed a formal complaint handling protocol in accordance with the Insurance Companies Act of Canada to ensure your concerns as our valued customer are addressed expeditiously by our representatives. This protocol will assist you in understanding the steps we will undertake to help resolve any dispute which may arise with our product or service. All complaints will be handled in a professional manner. All complaints will be investigated, acted upon, and responded to in writing or by telephone by a Lloyd's representative promptly after the receipt of the complaint. If you are not satisfied with our products or services, you can take the following steps to address the issue:

- Firstly, please contact the broker who arranged the insurance on your behalf about your concerns so that he or she may have the opportunity to help resolve the situation.
- If your broker is unable to help resolve your concerns, we ask that you provide us in writing an outline of your complaint along with the name of your broker and your policy number.

Please forward your complaint to:

Lloyd's Underwriters

Attention: Complaints Officer:

Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930, P.O. Box 51 Toronto, Ontario M5J 2J2

Tel: 1-877-455-6937

E-mail: info@lloyds.ca

Your complaint will be directed to the appropriate business contact for handling. They will write to you within two business days to acknowledge receipt of your complaint and to let you know when you can expect a full response. If need be, we will also engage internal staff in Lloyd's Policyholder and Market Assistance Department in London, England, who will respond directly to you, and in the last stages, they will issue a final letter of position on your complaint.

In the event that your concerns are still not addressed to your satisfaction, you have the right to continue your pursuit to have your complaint reviewed by the following organizations:

General Insurance OmbudService (GIO): assists in the resolution of conflicts between insurance customers and their insurance companies. The GIO can be reached at:

Toll free number: 1-877-225-0446

www.giocanada.org

For Quebec clients:

Autorité des marchés financiers (AMF): The regulation of insurance companies in Quebec is administered by the AMF. If you remain dissatisfied with the manner in which your complaint has been handled, or with the results of the complaint protocol, you may send your complaint to the AMF who will study your file and who may recommend mediation, if it deems this action appropriate and if both parties agree to it. The AMF can be reached at

Toll Free: 1-877-525-0337

Québec: (418) 525-0337

Montréal: (514) 395-0311

www.lautorite.qc.ca

If you have a complaint specifically about Lloyd's Underwriters' complaints handling procedures you may contact the FCAC.

Financial Consumer Agency of Canada (FCAC) provides consumers with accurate and objective information about financial products and services, and informs Canadians of their rights and responsibilities when dealing with financial institutions. FCAC also ensures compliance with the federal consumer protection laws that apply to banks and federally incorporated trust, loan and insurance companies. The FCAC does not get involved in individual disputes. The FCAC can be reached at:

427 Laurier Avenue West, 6th Floor, Ottawa ON K1R 1B9

Services in English: 1-866-461-FCAC (3222)

Services in French: 1-866-461-ACFC (2232)

www.fcac-acfc.gc.ca

10/20

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APPENDIX D

PRIVACY: NOTICE CONCERNING PERSONAL INFORMATION

Who we are

We are the Lloyd's underwriter(s) identified in the insurance contract and/or the certificate of insurance. Your privacy is important to us. This Privacy notice explains what personal information we collect, use and disclose about policyholders, beneficiaries, claimants and witnesses and for what purposes, in compliance with applicable Canadian privacy laws.

What personal information we collect

Personal information is any information about an identified and or identifiable individual. The personal information that is collected for a clear and legitimate use and disclosure generally includes the following:

- Identification and contact information (name, address including postal code, country, telephone number, email address, month and date of birth, drivers licence, employer, job title, employment history, family details)
- Policy information (policy number, policy amounts, policy terms)
- Claim information (claim number, information relating to a potential or existing claim)
- Payment information (credit card details, bank account details, credit score)
- Other information related to your insurance cover or a claim only for legitimate business purposes

We also collect personal information about you when you visit www.lloyds.com. Further details can be found on our online Cookies policy at <http://www.lloyds.com/common/privacy-and-cookies-statement>

We will not use your personal information for marketing purposes and we will not sell your personal information to other parties.

How we use your information

By purchasing insurance from certain Lloyd's Underwriters ("Lloyd's"), a customer provides Lloyd's with his or her explicit consent to the collection, use and disclosure of personal information. Meaningful consent is subject to the customer's understanding of the nature, purpose and consequences of the collection, use or disclosure of their personal information.

Information is generally collected, used, disclosed and stored in order to provide you with the insurance products that you have requested, including to:

- Identify you and provide you with insurance cover
- Communicate with Lloyd's policyholders
- Calculate, collect or refund premiums
- Underwrite policies and facilitate policy administration
- Evaluate and process claims
- Detect and prevent fraud, carry out anti-money laundering and sanctions checks
- Investigate and prosecute fraud
- Meet our regulatory and other legal obligations
- Enforce terms or exercise rights under the insurance contract
- Analyze insurance risk and business results
- Improve our services and offerings
- Provide general client care
- Defend or prosecute legal claims
- Renew your insurance policy
- Transfer of books of business, company sales and reorganisations

Or as may be otherwise required or authorized by law.

Your information may be shared and disclosed;

In order to fulfil the purposes described in this Privacy notice, we may share your personal information with other third parties that we have engaged to provide services on our behalf, or who otherwise assist us in providing you with services, such as affiliated organizations, sub-contractors, agents/coverholders, legal counsel, insurers, brokers, reinsurers, loss adjusters and other service providers.

We will limit this disclosure to only the Personal Information that is reasonably necessary for the purpose or service for which the third party or affiliate will provide. We will use contractual and other means to provide a comparable level of protection while the information is being processed by these service providers, including limiting such providers to using your Personal Information solely to provide Lloyd's with the specific service for which they were engaged, and for no other purpose. You can obtain more information about our policies and practices with respect to the use of Personal Information by Third Party Service Providers by contacting us as described below, under the section "How to Contact Us" at the end of this document.

Some of these entities may be located outside Canada, therefore your information may be processed in a foreign jurisdiction, where it will be subject to the laws of that jurisdiction, which may be different than the laws in your province. Personal information that is stored or processed outside Canada may also be accessible to the law enforcement and national security authorities of that jurisdiction.

We may also share or transfer your Personal Information where reasonably required in the context of a sale, merger or amalgamation of all or part of our business or the insurance or securitization of our assets. In any such case, the recipient parties will be contractually required to keep the information confidential and use it only for the purposes of the transaction, or proposed transaction, in question. In the event a business transaction is affected, assignees or successors of Lloyd's or our business or assets, or those of our affiliated entities, may use and disclose Personal Information only for the purposes as set out in this Privacy notice, unless further consent is obtained.

We may also share your Personal Information with law enforcement, national security agencies or other governmental officials, as required or permitted by law, such as in response to a court order or a verified request relating to a criminal investigation or alleged illegal activity, where we are legally obligated to contribute information to compulsory insurance databases, or where required to detect, prevent or prosecute fraud.

Authority to collect, use and disclose personal information

When you share information with us for particular purposes, such as providing you with insurance, you give us explicit consent to collect, use and disclose your information for those purposes. Canadian law also authorizes us to collect, use and disclose personal information without consent in certain circumstances prescribed by law, which may include the following:

- Detecting or suppressing fraud
- Investigating or preventing financial abuse
- For communication with the next of kin or authorized representative of an injured, ill or deceased individual
- Investigating a breach of an agreement or a contravention of the laws of Canada or a foreign jurisdiction where obtaining consent would compromise the availability or accuracy of the information
- Witness statement necessary to assess, process or settle insurance claims
- Information that is produced in the course of an individual's employment, business or profession

There may be situations where we need your additional consent to collect, use, and disclose information about you. In those situations, we will ask you for consent separately. You do not have to give your consent and, subject to legal and contractual restrictions, you can withdraw your consent to us collecting, using and disclosing your information at any time. However, withdrawing your consent may affect our ability to provide you with insurance cover or other services.

Retention and security

We retain personal information for as long as necessary to provide you with insurance cover and meet the other purposes for collection, use and disclosure described in this Privacy notice, or as otherwise required or permitted by law. When your Personal Information is no longer required, we will make all reasonable efforts to ensure all electronic and hard copies of such information are securely destroyed and irreversibly deleted from our systems.

We use various physical, technical and administrative security measures, appropriate to the sensitivity of the personal information, that are designed to protect against loss, theft, unauthorized access, disclosure, copying, use or modification by. Although we will take reasonable measures to protect personal information, the transmission of information through the internet or other electronic means is not guaranteed to be secure and may create risks for the privacy and security of your information.

How to access your personal information

Subject to certain exceptions provided by applicable law, you have the right to access your personal information, request corrections about your personal information if you identify any inaccuracies, and request that we delete your information. If you would like to exercise any of these rights, please contact the Ombudsperson at info@lloyds.ca.

The Ombudsperson can also provide additional information about Lloyd's policies and practices, answer questions about the collection, use, disclosure or storage of personal information by Lloyd's and its service providers located outside Canada, as well as discuss any complaints you may have regarding the collection, use and disclosure of your personal information.

Changes

We may amend this Privacy notice from time to time as our business evolves, in response to legal developments, as new technologies become available, or as we introduce new features, products or services.

When we make changes to wording of this Privacy notice we will revise the "last updated" date at the bottom of this Privacy notice. You should check back here periodically to find out if any changes have been made to this Privacy notice. If we make substantial changes we will, as appropriate prominently post these changes to our Site or notify registered Users directly.

How to contact us

Further information about Lloyd's personal information protection policy may be obtained by visiting, <https://www.lloyds.com/lloyds-around-the-world/americas/canada/market-conduct> from your broker, or by contacting Lloyd's by phone: 514 861 8361, 1 877 455 6937 or email: info@lloyds.ca.

05/19

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APPENDIX E

LSW 1193A – CONDITIONS

The conditions as set out below apply to all of the perils insured by this policy either as STATUTORY CONDITIONS or as contractual conditions as the law may require.

STATUTORY CONDITIONS/CONDITIONS

Misrepresentation

1. If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge of the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

Property of Others

2. Unless otherwise specifically stated in the contract, the insurer is not liable for loss or damage to property owned by any person other than the insured, unless the interest of the insured therein is stated in the contract.

Change of Interest

3. The insurer is liable for loss or damage occurring after an authorized assignment under the *Bankruptcy Act (Canada)* or change of title by succession, by operation of law, or by death.

Material Change

4. Any change material to the risk and within the control and knowledge of the insured avoids the contract as to the part affected thereby, unless the change is promptly notified in writing to the insurer or its local agent, and the insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within fifteen days of the receipt of the notice, pay to the insurer an additional premium, and in default of such payment the contract is no longer in force and the insurer shall return the unearned portion, if any, of the premium paid.

Termination

5. 1. This contract may be terminated,
 - (a) by the insurer giving to the insured fifteen days' notice of termination by registered mail or five days' written notice of termination personally delivered;
 - (b) by the insured at any time on request.
2. Where this contract is terminated by the insurer,
 - (a) the insurer shall refund the excess of premium actually paid by the insured over the *pro rata* premium for the expired time, but, in no event, shall the *pro rata* premium for the expired time be deemed to be less than any minimum retained premium specified; and
 - (b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.

3. Where this contract is terminated by the insured, the insurer shall refund as soon as practicable the excess of the premium actually paid by the insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
4. The refund may be made by money, postal or express company money order or cheque payable at par.
5. The fifteen days mentioned in clause 1(a) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

Requirements After Loss

6. 1. Upon the occurrence of any loss of or damage to the insured property, the insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11,
 - (a) forthwith give notice thereof in writing to the insurer;
 - (b) deliver as soon as practicable to the insurer a proof of loss verified by a statutory declaration,
 - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
 - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
 - (iv) showing the amount of other insurances and the names of other insurers,
 - (v) showing the interest of the insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,
 - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
 - (vii) showing the place where the property insured was at the time of loss;
 - (c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;
 - (d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
2. The evidence furnished under clauses 1(c) and (d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

Fraud

7. Any fraud or wilfully false statement in a statutory declaration in relation to any of the above particulars, vitiates the claim of the person making the declaration.

Who May Give Notice and Proof

8. Notice of loss may be given and proof of loss may be made by the agent of the insured named in the contract in case of absence or inability of the insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the insured refuses to do so, by a person to whom any part of the insurance money is payable.

Salvage

9.
 1. The insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.
 2. The insurer shall contribute *pro rata* towards any reasonable and proper expenses in connection with steps taken by the insured and required under subparagraph (1) of this condition according to the respective interests of the parties.

Entry, Control, Abandonment

10. After loss or damage to insured property, the insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the insurer is not entitled to the control or possession of the insured property, and without the consent of the insurer there can be no abandonment to it of insured property.

Appraisal

11. In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under the *Insurance Act* before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.

When Loss Payable

12. The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

Replacement

13.
 1. The insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss.
 2. In that event the insurer shall commence to so repair, rebuild, or replace the property within forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

Action

14. Every action or proceeding against the insurer for the recovery of a claim under or by virtue of this contract is absolutely barred unless commenced within one year* next after the loss or damage occurs.

* Two years in the Province of Manitoba and the Northwest and Yukon Territories.

Saskatchewan Statutory Condition 14 is repealed. See The Limitations Act, S.S. 2004, c.L-16.1.

Notice

15. Any written notice to the insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the insurer in the Province. Written notice may be given to the insured named in the contract by letter personally delivered to the insured or by registered mail addressed to the insured at the insured's latest post office address as notified to the insurer. In this condition, the expression "registered" means registered in or outside Canada.

ADDITIONAL CONDITIONS

Notice to Authorities

1. Where the loss is due to malicious acts, burglary, robbery, theft, or attempt thereof, or is suspected to be so due, the Insured shall give immediate notice thereof to the police or other authorities having jurisdiction.

No Benefit to Bailee

2. It is warranted by the Insured that this insurance shall in no way enure directly or indirectly to the benefit of any carrier or other bailee.

Pair and Set

3. In the case of loss of or damage to any article or articles, whether scheduled or unscheduled which are a part of a set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, but in no event shall such loss or damage be construed to mean total loss of set.

Parts

4. In the case of loss of or damage to any part of the insured property whether scheduled or unscheduled, consisting, when complete for use, of several parts, the Insurer is not liable for more than the insured value of the part lost or damaged, including the cost of installation.

Sue and Labour

5. It is the duty of the insured in the event that any property insured hereunder is lost to take all reasonable steps in and about the recovery of such property. The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with the foregoing according to the respective interests of the parties.

Basis of Settlement

6. Unless otherwise provided, the Insurer is not liable beyond the actual cash value of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality.

Subrogation

7. The insurer, upon making any payment or assuming liability therefore under this Policy, shall be subrogated to all rights of recovery of the Insured against any person, and may bring action in the name of the Insured to enforce such rights. Where the net amount recovered after deducting the costs of recovery is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportions in which the loss or damage has been borne by them respectively.

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