



兆豐產物船舶保險 - CONTAINER / CARRIAGE EQUIPMENT COVERAGE

SECTION E

TERMS & CONDITIONS, & SPECIAL CONDITIONS & EXCLUSIONS

TERMS AND CONDITIONS APPLICABLE TO CONTAINER / CARRIAGE EQUIPMENT COVERAGE

1.0 THIS POLICY COVERS THE RISK OF:

- 1.1 Physical loss or damage, including but not limited to constructive/total loss of any Container or Carriage Equipment owned, operated or leased by the Insured and declared to Insurers;
- 1.2 Contribution of any Container or Carriage Equipment in general average, salvage and/or salvage charges. Such claims are payable without application of deductible;
- 1.3 Removal of debris arising out of and following an insured claim under clause 1.1 above, subject to a sub-limit of USD50,000 any one incident or occurrence;
- 1.4 Transportation costs following physical loss/damage as above, solely incurred to mitigate a claim against the Insured;
- 1.5 Disinfection, cleaning and/or quarantine costs/expenses following physical loss or damage as above.

SPECIAL CONDITIONS AND EXCLUSIONS

2.0 NOTWITHSTANDING THE ABOVE, THE FOLLOWING ARE EXCLUDED CLAIMS:

- a) wear, tear and gradual deterioration;
- b) defect in design, or manufacture;
- c) mechanical or electrical derangement, malfunction or breakdown;
- d) failure to carry out proper maintenance or repair;
- e) mysterious disappearance, unexplained loss or loss only discovered upon taking an inventory;

3.0 BASIS OF VALUATION

- 3.1 Insurer's liability in respect of any one Container or item of Carriage Equipment shall not exceed the Schedule limit on the Container Schedule.
- 3.2 Notwithstanding the above, Insurer's liability shall not in any event exceed the Basis of Indemnity in the Container Schedule, or if no valuation is stated liability shall be based on the lower of:
 - a) the market value, or
 - b) in the event of a Container or item of Carriage Equipment being subject to a lease agreement, the value or applicable depreciated value stated in that agreement.
- 3.3 A Container or item of Carriage Equipment shall be deemed a constructive total loss under the Container Schedule where the cost of repairs exceeds the value as determined under Clause 3.2 above.

4.0 MAINTENANCE

It is a condition precedent to the liability of Insurers that:

- a) Containers and Carriage Equipment shall be maintained and/or repaired pursuant to internationally accepted standards and any applicable law/regulation;
- b) the Insured shall keep written or electronic records in relation to transport, storage, inspection, repair and/or maintenance and shall make such records available to Insurers.



5.0 VESSELS

It is further a condition precedent to the liability of Insurers that throughout the period of the Policy, any Vessel owned, chartered managed or operated by the Insured and/or used for the sea carriage of any Container or Carriage Equipment shall be (a)fully Classed with a member of the International Association of Classification Societies (b)entered with a Protection and Indemnity Association which is a member of the International Group (c)ISM Code compliant and (d) unless otherwise agreed by Insurers, less than 20 years in age.

SANCTION LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall 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 the (re)insurer 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.

DEFINITIONS

(applicable to all parts of the Policy)

Additional Insured: An Additional Insured under an Endorsement is insured under this Policy to the same extent as the Insured and subject to the same rights and obligations for insured operations whether carried out by the Insured or the Additional Insured. In the event of a claim under the Policy by the Insured, Insurers may claim against the Additional Insured.

Alternative Dispute Resolution procedures: shall be referred to ADR.

Aggregate Limit: shall mean the total sum payable in the Policy Period for indemnity claims and costs but less any deductible, and the words "in the aggregate" shall be construed accordingly. In no event shall the Aggregate Limit exceed the Policy Cover Limit.

Bill of Lading: shall include a negotiable and/or non-negotiable combined transport/port to port bill of lading, waybill, or similar contract of carriage.

Carriage Equipment: shall mean any equipment used for the transportation of cargo.

Charterer: shall include a Charterer and Slot-Charterer. Charterparty and charter shall be construed accordingly. A Slot Charterer is a party chartering space (slots) on a vessel, but not the whole vessel.

Co-Insured: A Co-Insured under a Policy Endorsement is insured to the same extent as the Insured and subject to the same rights and obligations for insured operations whether carried out by the Insured or the Co-Insured. In the event of a claim under the Policy by the Insured, Insurers shall not claim against the Co-Insured.

Consequential Loss: Loss and/or damage arising out of and directly referable to other insured loss and/or damage, but excluding loss of profit, business interruption, market or revenue.

Container: shall mean a standard container including but not limited to refrigerated containers, high cubes and open tops, transportable tanks or flat racks, all in conformance with ISO standards and used for the transportation of cargo.

Costs: shall mean fees and expenses relating to surveyors, adjusters, lawyers, experts and other professional advisers.

Employee: shall mean any person employed by the Insured or a self-employed person contracted by the Insured.

Error / Omission: denotes an act or conduct or failure or omission to act that in each case as aforesaid is negligent (thus not intentional).



Europe, Western: shall mean Andorra, Austria, Belgium, Denmark, France, Germany, Gibraltar, Iceland, Republic of Ireland, Italy, Liechtenstein, Luxemburg, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, United Kingdom

Europe, Eastern: shall mean Albania, Armenia, Belarus, Bulgaria, Croatia, The Czech Republic, Estonia, Georgia, Hungary, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Turkey, Ukraine

Excluded cargo: shall mean:

- a) Bullion and precious metals
- b) Bank notes, coins, cheques and credit cards
- c) Bonds, negotiable instruments, securities, and other financial instruments
- d) Jewellery, works of art, antiques and precious stones
- e) Live animals, birds, reptiles, fish and insects.

Excluded Contract Terms: shall include any oral or written contract terms and conditions (a) to ship or deliver by a specified time/date or (b) providing for a higher limit of liability or greater responsibility than under the Policy (unless agreed by Insurers) or (c) providing for a declared or agreed value of cargo.

FIATA: means International Federation of Freight Forwarders Associations.

Freight Services: shall mean the provision of services relating to freight forwarding.

General Trading Terms and Conditions: shall mean standard contractual trading terms and conditions on which the Insured conducts its business, including but not limited to carriage by road, sea or air.

Geographical Limit: shall mean the geographical scope of the Policy.

Greenwich Mean Time: shall be referred to as GMT.

Gross Weight: shall mean the weight of the cargo together with weight of packaging, and weight of container if containerised.

Handling Equipment: shall mean equipment for the handling, lifting or movement of cargo and/or containers.

Hazardous Cargo: shall mean cargo which is inherently dangerous or liable by virtue of its state or nature to cause loss/damage or give rise to the risk of loss/damage to other property or persons.

High Risk Cargo: shall mean:

- a) wines, spirits and other alcoholic beverages
- b) cigarettes and tobacco based products
- c) furs and leather, and clothes made from fur and leather
- d) televisions, plasma and other electronic screens; CD players, DVD players and other electronic players;
- e) computers, laptops, games consoles, MP3 players, Ipods and similar electronic items
- f) cellular or mobile phones of any description
- g) CD's, DVD's, Blue Ray discs, video tapes, electronic computer games, computer micro-chips
- h) clocks and watches, or parts of either.

Incident or Occurrence: shall mean any one incident or occurrence, or a series of incidents or occurrences arising from one event.

Insolvency: shall mean the inability to pay debts when due and payable.



Institute Warranty Limits: shall mean geographical limits as defined by the Institute of London Underwriters / International Underwriting Association from time to time.

Insured: shall mean the Insured on the Policy Form but does not include an associate, subsidiary, or other related company, corporation, association, partnership or individual (unless specified on the Policy Form).

Insurers: Kiln, Syndicate 510 at Lloyds.

In Transit: shall mean in the normal course of transport between place of departure and final destination, and "Transit" shall be interpreted accordingly.

ISM: shall mean International Safety Management Code.

Locked: shall mean secured by means of a deadlock or mortise lock or other similar locking mechanism.

Loss Payee: shall mean the person or party (not being insured under the Policy) to whom payment shall be made in full discharge of a claim under the Policy.

Policy Period: shall mean the period of Policy cover, from midnight (GMT) on the date of commencement to midnight (GMT) on the date of expiry, unless otherwise specified on the Policy Form.

Policy Limit: shall be the maximum sum including indemnity and costs that Insurers shall pay under the Policy to the Insured per incident or occurrence, less any applicable deductible.

Policy Endorsement: an endorsement issued in writing to amend the Policy.

Property: shall include real and personal property.

Reckless : shall mean careless or heedless of consequence and shall include but not be limited to (a) ignoring the likely consequence of an act or omission and (b) the concept of "gross negligence" as may be applied in a legal system other than in England.

Safe Working Load: shall mean the maximum permitted load specified for equipment by the manufacturer or as may be authorised under any law directive or regulation.

Schedule Limit: shall be the maximum sum including any claim indemnity and costs less deductible that Insurers shall pay to the Insured under a Schedule per incident or occurrence. In no event shall a Schedule Limit exceed the Policy Cover Limit.

Schedule: shall form part of the Policy where effected and contains details of financial and geographical limits, deductibles and Policy Covers effected.

Ship's Agent: shall mean an agent representing a principal involved with but not limited to ownership or operation of a vessel.

Seepage and Pollution: shall include but not be limited to discharge, dispersal, release or escape of smoke, vapour, soot, fumes, alkalis, toxic substances or derivatives (any chemical, oil, oil refuse or mixed waste or other irritant, contaminant or pollutant) into or upon land, the atmosphere, property, persons, animals or other living creatures, watercourse or body of fresh or salt water.

Servant: shall mean employees or individuals including self-employed persons, contracted by the Insured.

Storage in Transit: shall mean storage reasonably ancillary to the transport of cargo including but not limited to customs clearance, whilst cargo is in In Transit.

Sub-Contractor: shall mean a party engaged under a subordinate contract by another party which has itself contracted for work.



Sub-limit: shall be the maximum sum including claim indemnity and costs less deductible payable under the Policy per incident or occurrence, irrespective of Policy Cover Limit, Schedule Limit or Aggregate Limit.

Temporary Storage: shall mean storage of cargo, not exceeding fourteen days in duration, in a Warehouse or secure building suitable for care of the type nature and value of cargo in question, not being Storage in Transit.

“Third Party”: shall mean any person or legal entity other than a party with whom the Insured contracts.

Total Loss: total loss shall mean actual total loss and shall include constructive total loss.

Trailer: shall mean chassis and/or trailer.

Transport Equipment: shall include (but not be limited to) a vessel, aircraft, road vehicle, container or trailer.

USA: shall mean the United States of America.

US COGSA: shall mean the United States Carriage of Goods by Sea Act 1936 as may be amended.

Vessel: shall mean a motor ship navigable in inland waterway and/or at sea.

Vessel's Equipment: shall mean vessel's hull machinery and equipment including but not limited to derricks and cranes.

Warehouse: shall mean a purpose built and designed building for the secure storage and warehousing of cargo but shall exclude the area outside the building whether used for storage or otherwise and whether or not surrounded by a security fence and /or gate.

Waste Cargo: shall mean waste cargo which is subject to the prior notification and consent procedures under the Regulations of the European Union on the shipments of waste.

Wilful: shall mean deliberate or intentional.

GENERAL POLICY TERMS, CONDITIONS AND EXCLUSIONS

1.0 INDEMNITY

- 1.1** Payment under this indemnity Policy will only be made to the Insured or Loss Payee and only in relation to a claim arising out of an incident or occurrence during the Policy period upon provision of a written discharge as required by Insurers.
- 1.2** Other than cover under the Port and Terminal Handling Equipment Schedule (Loss and Damage) and Container Schedule, Policy cover is for the legal and/or contractual liability of the Insured.
- 1.3** This Policy is non-assignable and shall not benefit a third party under the Contracts (Rights of Third Parties) Act 1999.
- 1.4** The Marine Insurance Act 1906 will apply to marine risks under this Policy, save as amended by express terms and conditions
- 1.5** This Policy shall comprise the Policy Form, Schedule(s), Terms and Conditions applicable to the effective Schedules, Endorsements, General Policy Terms Conditions and Exclusions, Definitions and Additional Cover wording, which shall all be read together and construed as one contract.
- 1.6** Where after inception of the Policy an additional Schedule is agreed, unless specifically stated, no Additional Cover shall be effected.



2.0 ERRORS AND OMISSIONS

- 2.1** Liability arising out of a negligent act error or omission under the Errors and Omissions Additional Cover is not insured under the Policy unless that Additional Cover is affected.
- 2.2** Insurer's liability in respect of claims insured under Errors and Omission Additional Cover shall cease 24 calendar months after the expiry of the Policy, unless Insurers have been previously notified of a claim. Where the Policy is renewed the 24 calendar month period shall run from the expiry of the period as renewed.

3.0 DUTY OF DISCLOSURE

- 3.1** The Insured, its employees, or agents shall disclose all material information to the Insurers prior to inception of the Policy. Information which might influence Insurers in deciding whether or not to accept the risk, the terms and conditions of cover, or what premium to charge is material for the purposes of this clause. Failure to comply shall entitle Insurers to avoid the Policy from inception and repudiate cover.
- 3.2** The Insured, its servants, or agents shall be under a continuing duty throughout the Policy period to disclose to Insurers any change in material information or circumstance. Failure to comply, whether deliberate or innocent, shall entitle Insurers to avoid the Policy from inception.

4.0 MISREPRESENTATION

The Insured, its employees, or agents shall not make any material misrepresentation, whether innocent or deliberate, prior to inception of the Policy. Failure to comply shall entitle Insurers to avoid the Policy from inception.

5.0 GOOD FAITH

- 5.1** The Insured shall act in good faith at all material times and be under a continuing duty to act in good faith throughout the period of the Policy. Failure to comply will entitle Insurers to avoid the Policy from inception.
- 5.2** If the Insured shall submit any claim to Insurers knowing the claim to be false or fraudulent, or shall fail to act in good faith when submitting a claim, the Policy may be avoided from inception.

6.0 CLAIMS NOTIFICATION

It is a condition precedent to Insurer's liability that the Insured and /or its employees or agents provides to Insurers as soon as reasonably possible (a) notice in writing and (b) copies of relevant documents , in relation to each of the following:

- 6.1** any claim notification , whether or not in writing, holding the Insured responsible for any matter for which the Insured may claim to be indemnified under the Policy;
- 6.2** any legal or administrative step, procedure , document, submission , statement of case, or pleading relating to a claim against the Insured whether relating to Court proceedings, arbitration, mediation, alternative dispute resolution or otherwise howsoever;
- 6.3** any incident or matter that might result in a claim under the Policy.

7.0 CLAIMS PROCEDURE

It is a condition precedent to indemnification of a claim under the Policy that the Insured : -

- 7.1** shall continue to keep Insurers fully informed of any matter under Clause 6.2 above and provide copies at no cost to Insurers of all relevant documents
- 7.2** shall take, procure or permit any step or action, including but not limited to provision to Insurers of documentation (at no cost to Insurers) and information, as may reasonably be required by Insurers for the purpose of (a) investigating and/or defending any claim or legal step or process against the Insured and/or (b)



enforcing any right or remedy and/ or (c) obtaining relief or indemnity from any other party to which Insurers shall or become entitled or subrogated upon paying any claim regardless of whether such action shall be or become necessary or required before indemnification by Insurers;

- 7.3 shall give proper and timely notice to any other party and ensure that any time limit or other legal step is protected ;
- 7.4 shall take reasonable steps to avoid, minimise or mitigate loss/damage or liability and Insurers shall indemnify the Insured for any costs/expense thereby incurred subject to prompt notice in writing to Insurers and subject to Policy limits.;
- 7.5 shall not admit liability or agree to compromise or settle any claim unless authorised by Insurers;

8.0 COSTS AND CLAIMS HANDLING

- 8.1 It is a condition precedent to indemnification of a claim under the Policy that Insurers shall have the sole right (at Insurer's cost and expense without application of deductible but subject to Clause 8.4 below) to appoint and/or retain surveyors, adjusters, lawyers, experts and other professional advisors , and the sole right to control claims investigation, defence and handling.
- 8.2 Should Insurers agree in writing to claims investigation, defence and handling by the Insured, subject to Clauses 7 and 8.4 and provided costs are not referable to a claim under the deductible (even if the amount of costs when added to the claim exceeds the deductible), Insurers shall pay reasonable costs incurred by the Insured in the investigation, defence and handling of a claim but in no circumstances shall this include staff and management costs of the Insured, but only if incurred with their prior written consent
- 8.3 Agreement by Insurers in relation to a claim under Clause 8.2 above shall not be taken or construed as similar agreement by Insurers in relation to any other claim (whenever occurring) under the Policy.
- 8.4 Subject to Clause 8.5 below, Insurers shall pay reasonable costs incurred with their prior written consent relating to monies owed to the Insured, if those monies are being withheld by a third party solely due to a claim for which the Insurers may be liable under the Policy.
- 8.5 If costs exceed the Policy Limit, Schedule Limit, Sub-Limit or Aggregate Limit, or if costs combined with any amount payable under the Policy exceed any applicable limit, Insurers shall not be liable to pay that portion of the costs that exceeds the applicable limit.
- 8.6 Claims control by Insurers under Clause 8.1 or Insurer's consent to the incurring of costs or the requirement that the Insured takes, permits or procures any step or action, or any other requirement or request whatsoever by Insurers, shall not be construed as an admission of liability by Insurers under this Policy.

9.0 INSURER'S RIGHT TO SETTLE

- 9.1 Where, in the sole opinion of Insurers, a claim under the Policy should be settled or compromised, the Insured may be required to settle or compromise the claim.
- 9.2 If the Insured unreasonably refuses to settle or compromise the claim after Insurers have required such course be taken, Insurers may discharge their Policy obligations either:
 - a) by payment to the Insured of a sum representing the amount at which the claim could (in the opinion of Insurers) be settled or compromised less the applicable deductible, or
 - b) if the claim might be settled or compromised under such deductible, then by giving written notice to the Insured that Insurers consider their liability to have been discharged , and by giving such notice Insurers shall be discharged in respect of the claim.



10.0 SUBROGATION

The Insured shall take all reasonable steps to enable Insurers to pursue a subrogated claim, including but not limited to the provision to Insurers of a form of written subrogation as required by Insurers and, where also required, formal assignment of claim.

11.0 PREMIUM

Premium is payable in full in accordance with payment terms, without deduction set-off or counterclaim. If payment is not made as agreed, Insurers may avoid the Policy from inception upon 7 days written notice to the Insured or its broker. Payment to the Insured's Broker shall not constitute payment to Insurers.

12.0 BROKERS

The Insured's insurance broker shall be deemed to be the agent of the Insured at all times. Where Insurers pay a commission to a broker it shall not be construed as an appointment of the broker as agent of Insurers and such commission shall be disclosed to the Insured if requested.

13.0 POLICY COVER LIMITS/DEDUCTIBLES

13.1 The Policy Cover Limit shall apply even where an incident or occurrence falls under more than one effective Schedule and/or more than one Additional Cover, where combined limits would but for this clause exceed the Policy Cover Limit.

13.2 Where a claim falls under more than one Schedule/ Additional Cover or combination as aforesaid, the claim as limited by the Policy Cover Limit will be apportioned pro rata between the applicable Schedule / Additional Cover and the deductible (if any) under each shall then be applied.

14.0 EXPRESS RIGHTS

Breach of any Policy provision expressed to be a warranty, condition or condition precedent shall entitle Insurers to avoid cover, in addition to any Policy provision entitling Insurers to avoid the Policy.

15.0 DOUBLE INSURANCE

If a claim under the Policy is insured under another policy of insurance or the claim would have been so insured but for a breach of a warranty or condition or misrepresentation, non-disclosure, non-payment of premium, fraud, or breach of the obligation as to good faith, then the claim shall not be payable under this Policy. This exclusion shall apply even if there is a different insurable interest.

16.0 CANCELLATION AND RENEWAL

Insurers and the Insured respectively may give the other 60 clear days written notice of cancellation under the Policy but in respect of cover that may be provided in respect of War (whether or not declared), hostilities, civil war, rebellion, civil strife or commotion, terrorist act (or act by any person acting from political ideological or religious motive), weapons of explosion, detonation of a nuclear device, strike, lockout, stoppage, or labour disturbance then 7 clear days written notice may be given.

Insurers shall be under no obligation to renew a Policy, nor to give notice of non-renewal, nor to give any reason for non-renewal.

17.0 SUB-CONTRACTORS

17.1 The Insured shall take reasonable care to ensure that any agent or subcontractor is reasonably competent, has sufficient financial means to satisfy any claim by the Insured and has relevant, adequate and valid insurance cover. Should the Insured fail to comply with the aforesaid and Insurers are thereby prejudiced, Insurers may avoid



- the claim or in their absolute discretion reduce the amount payable under the Policy by the amount attributable to failure to comply;
- 17.2 Clause 17.1 above shall not apply to the specific provisions of section A(B)1.4 of the Terms and Conditions applicable to Freight Services referable to sub-contractor's conditions of carriage and insurance.

18.0 EXCLUDED CLAIMS

Claims arising out of, caused by, or connected with (directly or indirectly) the following are excluded under the Policy:

- 18.1 Death, bodily or mental injury or illness relating to inhalation, ingestion or absorption of asbestos, tobacco or tobacco based products and coal dust;
- 18.2 Repetitive strain or stress whether physical or mental;
- 18.3 Infringement of a right under the European Convention on Human Rights or any enactment thereof ;
- 18.4 Sexual, racial or other discrimination;
- 18.5 Contract of employment , service contract, contract for supply of labour , employment practice, employer's liability or workman's compensation legislation, and disability / unemployment benefit;
- 18.6 the operation, use, management, ownership, lease, rental or licence of a motor vehicle, trailer, chassis or similar motorised conveyance which is covered by any law, statute, rule, regulation or directive (including but not limited to licensing) of any government (local or national) or international body relating the insurance of motor vehicles;
- 18.7 the use of any office building or office premises owned, leased or licensed by the Insured;
- 18.8 Charter of a vessel except under Charterer's Liability Schedule;
- 18.9 Operation or business activity of the Insured not notified to and agreed by Insurers;
- 18.10 Operation or business activity of the Insured outside the geographical limits or specified location under the Policy Cover;
- 18.11 Property including but not limited to containers and transport equipment owned or leased by the Insured or licensed out by the Insured to a third party;
- 18.12 Fine or penalty for breach of any law, statute, rule, regulation, customs regulation or directive, except where insured under Errors and Omissions Cover, subject to the terms and conditions thereof;
- 18.13 Unlawful, illegal, fraudulent, or dishonest act or omission by the Insured or its employees (other than theft of cargo by an employee) or by the Insured's agents;
- 18.14 Wilful or Reckless act or omission by the Insured or its employees;
- 18.15 Seepage and/or Pollution, as defined, unless:
- a) Third Party Liability Cover is effected and
 - b) Seepage and/or Pollution is sudden and unexpected, and
 - c) Seepage and/or Pollution does not result from failure to comply with any international, national, or local law, rule, regulation or directive and
 - d) The Seepage and/or Pollution occurs during the period of the Policy, and
 - e) The Seepage and/or Pollution is notified to Insurers within 30 clear days of the occurrence, whether continuous or not.
- Insurer's liability shall not in any event exceed USD50,000 per incident or occurrence and USD50,000 in the aggregate;
- 18.16 Radiation or contamination by radioactivity;
- 18.17 Hazardous property of any explosive, nuclear assembly or nuclear component or chemical, biological, biochemical or electromagnetic weapon;
- 18.18 War (whether or not declared), hostilities, civil war, rebellion, civil strife or commotion, terrorist act (or act by any person acting from political ideological or religious motive), weapons of explosion, detonation of a nuclear device, but this exclusion shall not apply if such claims arise at sea. In any event, where there is outbreak of war involving any of the United States of America, Russia or former CIS States, People's Republic of China and European Union Member States this exclusion shall apply;



- 18.19 Strike, lockout, stoppage, or labour disturbance unless arising during vessel loading or unloading operations or within port confines;
- 18.20 Piracy, capture, seizure, arrest, restraint, detainment or any consequences of any of the aforesaid;
- 18.21 Confiscation, expropriation, nationalisation, requisition, detention, destruction or damage under the order or direction of any government or public, local or customs authority;
- 18.22 Libel, slander or malicious statement;
- 18.23 Insolvency or financial default of the Insured or a contracting party with the Insured;
- 18.24 Exercise of a lien and/or possessory claim (whether or not lawful) over property owned leased or licensed by the Insured, or bailed by the Insured;
- 18.25 Subject to the provisions of Clause 8.4 above, failure by the Insured to obtain payment from or to pay a party with whom the Insured has contracted or any third party;
- 18.26 Punitive, exemplary, aggravated, multiple or compound damages;
- 18.27 The Safe Working Load of any equipment overloaded other than for the purpose of inspecting or testing;
- 18.28 Inherent vice, latent defect or error in design or manufacture;
- 18.29 Error, fault, breakdown or defect in operation or function of Computer Equipment, computer or machinery programming or in data processing including but not limited to the sending or receipt of emails and data accessible via the internet;
- 18.30 Mechanical or electrical breakdown or derangement of any communication equipment or alarm system;

19.0 HAZARDOUS CARGOES/WASTE CARGOES

It is a condition precedent to liability of Insurers that the Insured shall have taken all reasonable steps and have in place suitable workplace systems, including but not limited to written operational procedures and regular relevant training of employees, to comply with all relevant and applicable laws, regulations and/or statutory provisions relating to the carriage handling and storage of hazardous and/or waste cargoes. It is a further condition precedent that the Insured shall have taken reasonable steps to ensure that any sub-contractor has applicable written operational procedures and undertakes regular relevant training of its employees to ensure compliance as aforesaid.

20.0 WORDS & HEADINGS

All words in the singular shall include, where the context permits, the plural and vice versa.

21.0 ALTERNATIVE DISPUTE RESOLUTION

In the event of dispute under the Policy, Insurers and Insured agree that they will seek in good faith to resolve the dispute by submitting the matter to ADR, including but not limited to mediation;

Both parties will use best endeavours to expedite resolution and to complete ADR, which may take place outside England to facilitate the ADR, within three calendar months

By entering into ADR, neither Insurers nor Insured shall have waived nor be deemed to have waived their right to submit disputes to adjudication by the English Court as below.

22.0 DISPUTES

This Policy shall be subject to and construed according to English Law. All disputes shall be submitted to the exclusive jurisdiction of the High Court of Justice, England.