

Freight Liability Section

Definitions applicable to this Section

British Isles

means Great Britain Northern Ireland the Channel Islands the Isle of Man the off-shore islands and the Republic of Ireland

CMR

means the Convention on the Contract for the International Carriage of Goods by Road

Container

means any container tanktainer demountable body flat or similar unit including all ancillary equipment whilst attached to any such unit

Conveyance limit

means the maximum amount **we** will pay for all **property** in or on any one **conveyance**

Damage/damaged

means physical loss or damage destruction or misdelivery

Event limit

means the maximum amount **we** will pay for all claims arising out of one **event**

Failure of a system

means the failure or inability of any **system** to

- 1) correctly recognise or utilise any data concerning a date as being such calendar date as the data is intended to represent
- 2) operate as a result of any command programmed in to the **system** utilising any date

Full responsibility

means any contract for the carriage of **goods** by road excluding any contract which is subject to **CMR** terms where **you**

- 1) do not use contract conditions and or do not wish to restrict **your** liability for **damage** to common law
- 2) use contract conditions but do not wish to restrict liability for **damage** by application of their terms

High risk property

means the following

- 1) bullion precious metals and or stones and or articles made of or containing precious metals and or stones

- 2) jewellery and or watches
- 3) processed tobacco and or tobacco products
- 4) lap-top palm-top and or similar portable computer equipment
- 5) mobile cellular WAP and or other portable telephone equipment
- 6) systems boards memory boards microchips integrated circuits microcontrollers hard disks disk drives memory SIMMS memory DIMMS central processing units CD ROM drives PCMIA cards and or similar **electronic data** processing equipment for use with computers and or hardware software and programs and or **electronic data** processing equipment

Location limit

means the maximum amount that will be paid if **property** housed in one or more buildings at any one site sustains **damage** as a result of any one **event**

Mainland Europe

means Western Europe plus Bosnia Herzegovina Bulgaria Croatia Czech Republic Estonia Finland the former Yugoslav Republic of Macedonia Greece Hungary Latvia Lithuania Montenegro Poland Romania Serbia Slovakia Slovenia Turkey (west of the Bosphorus) Cyprus Malta

Own property

means **property** equipment and or merchandise belonging to **you** or hired leased or loaned to **you** and appertaining to **your business** as Road Hauliers Freight Forwarders or Warehousekeepers provided that the corresponding Subsection Road Haulage or Static Risks or Freight Forwarding is stated in the **appendix**

Property

means **goods** and or merchandise carried handled and or warehoused for reward other than

- 1) **container**
- 2) **goods** and or merchandise owned or hired by or leased or loaned to **you**

Subcontractor

means any person other than an **employee** to whom **you** entrust **property** for carriage storage or forwarding for the whole or part of the contract

Terrorism

means any act including (but not limited to) the use of force or violence or the threat thereof by any person or group of persons (whether acting alone or on behalf of or in connection with any organisation or government) committed for political religious ideological or similar purposes including the intention to influence any government or to put the public or any section of the public in fear

Thief attractive property

means the following

- 1) bottled perfumery

- 2) bottled spirits
- 3) clothing and or footwear
- 4) televisions digital cameras audio equipment video equipment and or associated pre-recorded media
- 5) **computer equipment** software electrical and or electronic accessories
- 6) non-ferrous metals in sheet bar tube ingot coil scrap or similar form

The **definition thief attractive property** does not include **property** stated within **high risk property** above

Total sum insured

means the maximum amount **we** will pay for any claim or series of claims arising out of any one **event** under this Section

Trailer

means any trailer or semi-trailer

Transportation equipment

means **trailers** and or **containers** load securing and stowage equipment and any ancillary and similar equipment for which cover is provided by this Section but excluding motor vehicles and self propelled equipment

Value of the property damaged

means the invoice value if the **property** had been sold or in any other circumstances the replacement cost to the **property** owner at the commencement of the road transport including any duties or taxes paid or payable in respect of the **property**

Vehicle

means any motor vehicle excluding any motor cycle and or **trailer** used for the carriage of **property**

Vehicle limit

means the maximum amount that will be paid for all **property** in or on any one **vehicle trailer** or **vehicle** and **trailer** combination at any one time

Western Europe

means Andorra Austria Belgium **British Isles** Denmark France Germany Gibraltar Italy Liechtenstein Luxembourg Monaco Netherlands Norway Portugal San Marino Spain Sweden Switzerland

Freight Liability Section – Subsection 1 Road Haulage
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Insurance Provided

We will indemnify **you** for **damage** to **property** occurring within the territorial limits stated in the **appendix** during any **period of insurance** whilst **property** is being loaded onto carried by or off loaded from any Methods of Transit stated in the **appendix** or temporarily housed in the ordinary course of **transit** on or off any such Methods of **Transit** where **your** liability exists

- 1) under the contract conditions stated in the **appendix**
- 2) at common law if such contract conditions have been incorporated into the contract with **your** customer but cannot be enforced
- 3) under a contract for carriage of **property** by road excluding any contract which is subject to **CMR** where **you**
 - 3.1) do not use contract conditions and or do not wish to restrict **your** liability for **damage** to common law
 - 3.2) use contract conditions but do not wish to restrict liability for **damage** by application of their terms

and where **full responsibility** is stated in the **appendix**

We will not

- 1) indemnify **you** beyond **your** liability under any applicable International Convention
- 2) pay claims for **property** in the course of a household office factory or similar removal

Limit of Liability

Our liability under this Subsection in respect of all claims arising out of any one **event** will not exceed any Limit(s) stated in the **appendix** as the Subsection Limit of Liability or the Section Total Sum Insured whichever is the less any one **period of insurance** and or any Limit stated in any Extension irrespective of the number of parties claiming under this Subsection

Extensions

The terms Conditions and Exclusions of this policy and or Section apply to these Extensions Where no Limit or maximum liability is stated in the Extensions the Subsection or Section Limit of Liability applies
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Drivers' personal effects

We will at **your** request indemnify the driver of any **vehicle** owned or operated by **you** stated in the **Road Haulage** Section of the **appendix** for **damage** to clothing and personal effects incurred while such driver is engaged in **your business** provided that

- 1) the **event limit** applicable to this extension is £500
- 2) the **excess** applicable to this extension is £100
- 3) **we** will not pay claims for
 - 3.1) **damage** caused by or arising from wear and tear
 - 3.2) theft of **unattended** personal effects unless evidenced by forcible and violent entry to the **vehicle**
 - 3.3) mobile telephones and prepaid telephone cards laptop computers personal computers game consoles and documents watches jewellery of every description and **money**
 - 3.4) personal effects that are insured under a household insurance

Lien

We will indemnify **you** for **damage to property** in respect of which **you** have properly exercised a lien provided that

- 1) **damage** occurs within the territorial limits stated in the **appendix** during any **period of insurance** while the **property** is being loaded upon carried by or unloaded from any **vehicle** stated in the **appendix**
- 2) **we** will not pay more than £50,000 or
 - 2.1) the **vehicle** limit
 - 2.2) the amount of the debt properly the subject of the lien
 - 2.3) the value of the **property**

whichever is the less

- 3) In addition to the Section and **policy** Exclusions **we** will not pay claims for
 - 3.1) **damage** arising as a result of packing which was inadequate to withstand normal handling during **transit**
 - 3.2) **damage** caused by or arising from inherent vice
 - 3.3) wear and tear
 - 3.4) mechanical electrical or electronic breakdown failure or derangement

Own property

We will indemnify **you** by payment or at **our** option repair reinstate or replace any **damage to your property** occurring within the territorial limits stated in the **appendix** during the **period of insurance** whilst being loaded upon carried by or unloaded from any **vehicle** owned or operated by **you** as stated in the **appendix** provided that

- 1) The **vehicle limit** under this Extension is £10,000
- 2) If at the time of any **damage** the value of **own property** contained in or on any **vehicle** exceeds the **vehicle limit** under this Extension **you** will be considered as being **your** own insurer for the difference and shall bear a proportionate share of the claim accordingly
- 3) In addition to the Section and **policy** Exclusions **we** will not pay claims for
 - 3.1) **damage** arising as a result of packing which was inadequate to withstand normal handling during **transit**
 - 3.2) **damage** caused by or arising from inherent vice
 - 3.3) wear and tear
 - 3.4) mechanical electrical or electronic breakdown failure or derangement
 - 3.5) **damage** to mobile telephones **trailers** and or **containers**
 - 3.6) **property** carried for reward

Removal of debris

We will indemnify **you** for costs and expenses as a direct result accident or overturning of the **vehicle** incurred with **our** prior consent in respect of

- 1) Removing debris and or site clearance
- 2) Transhipment and or recovery charges for the **Property**

The maximum **we** will pay is £10,000 for any one **event**

Freight Liability Section – Subsection 2 Road Haulage - Optional Extensions
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The following Extensions apply when stated to be insured in the Subsection appendix
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The terms Conditions and Exclusions of this policy and or Section and Subsection apply to these Extensions Where no Limit or maximum liability is stated in the Extensions the Subsection or Section Limit of Liability applies

Cabotage

We will indemnify **you** for liability under the mandatory national laws of any country within the territorial limits stated in the **appendix** excepting the **British Isles** where the **property** is collected carried and delivered solely within the borders of that country provided that

- 1) such liability attaches irrespective of any contract or agreement
- 2) **we** will not pay more than the **event limit** stated in the **appendix** for this Extension
- 3) if at the time of any **damage your** liability for such **property** while contained in or on any **vehicle** exceeds the **vehicle limit** or exceeds the **event limit** then **you** will be considered as being **your** own insurer for the difference and shall bear a proportionate share of the claim accordingly

Deterioration

Freight Liability Section Exclusions 2) does not apply to **property** while being carried in a temperature or humidity controlled **vehicle** or **container**

Trailers

We will indemnify **you** for **damage** to **trailers** belonging to **you** or for which **you** are responsible provided that

- 1) **we** will not pay claims for
 - 1.1) wear and tear gradual and natural deterioration scratching bruising or denting
 - 1.2) mechanical electrical or electronic breakdown failure or derangement
 - 1.3) **damage** to tyres by punctures cuts bursts or the application of brakes
- 2) **we** will not pay more for any one **trailer** than the amount stated in the Subsection **appendix** for this Extension
- 3) if at the time of any **damage** the value of any one **trailer** or the total value of all **trailers** belonging to **you**

or for which **you** are responsible exceeds the respective amounts stated in the **appendix** for this Extension then **you** will be considered as being **your** own insurer for the difference and shall bear a Proportionate share of the claim accordingly

Freight Liability Section – Subsection 3 Static Risks

Insurance Provided

We will indemnify **you** for **damage** to **property** occurring during any **period of insurance** whilst warehoused in a building at any location address stated in the **appendix** where **your** liability exists

- 1) under the contract conditions stated in the **appendix**
- 2) at common law if such contract conditions have been incorporated into the contract with **your** customer but cannot be enforced

We will not pay claims for unexplained discrepancies between **your** records and those of **your** customer or unexplained shortage discovered during stocktaking or inventory check

Limit of liability

Our liability under this Subsection in respect of all claims arising out of any one **event** will not exceed any Limit(s) stated in the **appendix** as the Subsection Limit of Liability or the Section Total Sum Insured whichever is the less any one **period of insurance** and or any Limit stated in any Extension irrespective of the number of parties claiming under this Subsection

Extensions

The terms Conditions and Exclusions of this **policy** and or Section apply to these Extensions
Where no Limit or maximum liability is stated in the Extensions the Subsection or Section Limit of Liability applies

Lien

We will indemnify **you** for **damage** to **property** in respect of which **you** have properly exercised a lien provided that

- 1) such **damage** occurs while the **property** is being warehoused at any location address stated in the **appendix** for a period not exceeding 14 days during any **period of insurance**
- 2) **we** will not pay more than £50,000 or
 - 2.1) the **location limit** or
 - 2.2) the amount of the debt properly the subject of the lien or
 - 2.3) the value of the **property**

whichever is the less

- 3) the indemnity provided by this Extension is restricted to **damage** caused by or arising from

- 3.1) fire
- 3.2) explosion
- 3.3) water **damage**
- 3.4) persons gaining entry to or exit from the warehouse building at any location address(es) stated in the **appendix** by violent and forcible means

Freight Liability Section – Subsection 4 Freight Forwarding
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Insurance Provided

We will indemnify **you** for **damage** to **property** occurring within the territorial limits stated in the **appendix** during any **period of insurance** whilst **property** is being loaded onto carried by or off loaded from any **conveyance** or temporarily housed in the course of **transit** on or off any such **conveyance** where **your** liability exists

- 1) under the contract conditions stated in the **appendix**
- 2) at common law if such contract conditions have been incorporated into the contract with **your** customer but cannot be enforced
- 3) under International Conventions or Statutes if stated in the **appendix**

We will not pay claims in respect of liability incurred under International Conventions or Statutes where **you** have specifically contracted under any such International Convention or Statute

Limit of liability

Our liability under this Subsection in respect of all claims arising out of any one **event** will not exceed any Limit(s) stated in the **appendix** as the Subsection Limit of Liability or the Section Total Sum Insured whichever is the less any one **period of insurance** and or any Limit stated in any Extension irrespective of the number of parties claiming under this Subsection

Extensions

The terms Conditions and Exclusions of this policy and or Section apply to these Extensions Where no Limit or maximum liability is stated in the Extensions the Subsection or Section Limit of Liability applies
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Lien

We will indemnify **you** for **damage** to **property** in respect of which **you** have properly exercised a lien provided that

- 1) **damage** occurs within the territorial limits stated in the **appendix** during any **period of insurance** while the **property** is being loaded upon carried by or unloaded from any **conveyance**
- 2) **we** will not pay more than £50,000 or
 - 2.1) the **conveyance limit**

2.2) the amount of the debt properly the subject of the lien

2.3) the value of the **property**

whichever is the less

3) in addition to the Section and **policy** Exclusions **we** will not pay claims for

3.1) **damage** arising as a result of packing which was inadequate to withstand normal handling during **transit**

3.2) **damage** caused by or arising from inherent vice

3.3) wear and tear

3.4) mechanical electrical or electronic breakdown failure or derangement

Freight Liability Section - Subsection 5 Optional Extensions

These Extensions apply when stated to be insured in the appendix

The terms Conditions and Exclusions of this **policy** and or Section and Subsection apply to these Extensions
Where no Limit or maximum liability is stated in the Extensions the Subsection or Section Limit of Liability applies

Errors and omissions

1) **We** will indemnify **you** for **your** liability under

1.1) the contract conditions stated in the **appendix**

1.2) common law if such contract conditions have been incorporated into the contract with **your** customer but cannot be enforced

in respect of any claim or claims which may be made against **you** during the **period of insurance** for breach of duty by reason of any negligent act negligent error or omission arising out of failure to comply with instructions faulty arrangements or clerical errors committed by **you** or **your** predecessors any **employee** or **subcontractor** in the conduct or **your business** as road hauliers freight forwarders and or warehousekeepers provided that

a) the corresponding Subsection is stated in the **appendix**

b) where **you** notify **us** of circumstances occurring during the **period of insurance** that may result in a claim under this Extension any resulting claim shall be dealt with under this Extension as if it had been made against **you** during such **period of insurance**

2) In addition to Section and **policy** Exclusions we will not indemnify **you** under this Extension in respect of claims made against **you**

2.1) where **you** have agreed to accept **full responsibility** for the transaction giving rise to the claim as provided in contract conditions 4 Full responsibility of the Subsection 1 **Road Haulage** in the **appendix**

- 2.2) for any liability for **damage** other than misdelivery
- 2.3) brought about or contributed to by fraudulent criminal or malicious act or omission by **you** or **your** predecessors any **employee** or any **subcontractor**
- 2.4) for any liability for the charter of the whole or part of any vessel or aircraft
- 2.5) resulting from **your** insolvency bankruptcy and or cessation of trading
- 2.6) resulting from **your** inability to pay or collect accounts other than accounts that **you** may be required to pay or collect on behalf of any customer goods owner or **principal** contractor
- 2.7) resulting from **your** failure to comply with instructions to effect insurance
- 2.8) made by any central or local government or agency of such government for **your** liability to them for duty taxes fines or penalties
- 2.9) arising from the breach of any obligation owed by **you** as employer to any **employee** or former **employee**
- 2.10) for the consequence of any circumstances known to **you** at the inception of this Extension that might reasonably have been expected to result in a claim
- 2.11) for defamation libel or slander

Packing

Freight Liability Section Exclusions 5) is cancelled and replaced by the following –

- 5) **damage** or liability caused by or arising from a process where **you** have contracted to undertake any such process

Freight Liability Section

<p>These Extensions apply to Freight Liability Section Subsections - 1, 3 and 4 when the respective Subsection is stated to be insured in the appendix unless we state otherwise by endorsement</p> <p>The terms Conditions and Exclusions of this Policy or Section and Subsection apply to these Extensions</p> <p>Where no Limit or maximum liability is stated in the Extensions the Subsection or Section Limit of Liability applies</p>

Containers

We will indemnify **you** against liability for **damage** to containers for which **you** are responsible provided **we** will not pay claims for

- 1) more than £50,000 for any one **container**
- 2) wear and tear gradual deterioration scratching bruising or denting
- 3) mechanical electrical or electronic breakdown failure or derangement
- 4) **containers** owned by hired by leased or loaned to **you** or stored at a rental or under a contract for storage and distribution or otherwise on request

Consequential loss

We will indemnify **you** against liability for financial loss consequent upon

- 1) **damage** to **property** provided that **our** liability for such **damage** has been admitted as covered under this Section
- 2) accidental delay in delivering or releasing **property** excluding failure to meet a specific delivery or release date or time agreed by **you**

provided that

- a) the **event limit** applicable to this Extension is £250,000
- b) **we** will not pay claims under this Extension unless **you** contracted in terms which either excluded liability for such financial loss or limited liability for such financial loss to an amount not exceeding twice the charges received by or due to **you** for the carriage handling or warehousing of the **property** which has suffered **damage**
- c) **we** will not pay claims under this Extension for financial loss consequent upon **damage** to **goods** or merchandise not being carried handled or warehoused by **you**

General average and salvage charges

We will indemnify **you** against liability for General Average and Salvage Charges payable according to foreign statement or to York Antwerp Rules if in accordance with the contract of affreightment

Non-incorporation of contract conditions

We will indemnify you to the extent to which **you** have a liability at common law if **you** have failed to incorporate the contract conditions stated in the **appendix** into the contract with the customer provided that

- 1) **you** intended to trade under such contract conditions and took reasonable steps to notify customers of their application and
- 2) the failure to notify the customer of such contract conditions was due to an error and **you** can prove to **our** satisfaction that **you** had established procedures for such notification to be given to customers and that all **employees** had been instructed in writing to follow such procedures

When **policy** Optional Extensions Errors and omissions is stated to be operative in the **appendix** this Extension also applies

Exclusions additional to the Policy Exclusions

We will not pay claims for

- 1) **damage** to or **your** liability for
 - 1.1) documents business records **money** or **property** of a similar nature
 - 1.2) **trailers** other than while being carried on a **vehicle** for reward
 - 1.3) **property** being towed other than on a **trailer**
 - 1.4) **property** stored at a rental or under a contract for storage and distribution or otherwise upon request

except as provided for under Subsection **Static Risks** if stated in the **appendix**

- 1.5) **damage** or injury to or death disease or illness of any person or living creature
- 1.6) natural deterioration
- 2) **damage to property** caused by or arising from any change in temperature or humidity unless caused by fire and or theft or attempted theft or as a direct result of accident or overturning of the **vehicle**
- 3) loss of market or loss of profits delay or any **consequential loss** of any nature whatsoever and howsoever arising except as stated under Extensions Consequential Loss
- 4) **damage** liability or expense of whatsoever nature caused by or contributed to by or arising from
 - 4.1) War invasion **terrorism** act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection civil commotion assuming the proportions of or amounting to an uprising military or usurped power and any action taken in controlling preventing suppressing or in any way relating to the aforementioned
 - 4.2) nationalisation confiscation requisition or **damage** by order of any government or other officials or authorities
 - 4.3) ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - 4.4) any weapon or device employing atomic or nuclear fission and or fusion or other like reaction or radioactive force or matter
 - 4.5) the radioactive toxic explosive or other hazardous or contaminating properties of any
 - a) **nuclear installation nuclear reactor** or other nuclear assembly or nuclear component thereof
 - b) radioactive matter. The Exclusion in this sub-clause does not extend to radioactive isotopes (other than nuclear fuel) when such isotopes are being prepared carried stored or used for commercial agricultural medical scientific or other similar peaceful purposes
 - 4.6) any chemical biological biochemical or electromagnetic weapon
- 5) **damage** or liability caused by or arising from faulty packing or process where **you** have contracted to pack or to undertake any such process
- 6) liability caused by or arising from the exercise by **you** of a Lien whether contractual or otherwise except as stated under Extensions
- 7) **damage** directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds
- 8) **damage** liability or expense of whatsoever nature directly or indirectly caused by or arising from
 - 8.1) the failure of a system
 - 8.2) the malicious partial or total destruction distortion erasure corruption alteration misinterpretation or misappropriation of electronic data
 - 8.3) malicious creation amendment input or use of electronic data

8.4) malicious acts resulting in total or partial inability or failure to receive send access or use electronic data (for any time or at all)

8.5) the taking of or failure to take any corrective or other action in connection with 8.1) to 8.4) above

9) the **excess** amount stated in the **appendix**

Claims Conditions additional to the Policy Conditions
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Claims (action by **you**)

It is a **condition precedent** to **our** liability to indemnify **you** in relation to any claim under this **Freight Liability Section** that **you** will

- 1) give immediate notice to **us** of any circumstance which may give rise to a claim under this Section with full particulars of such **event**
- 2) give immediate notice to the police of any incidents of theft and or malicious damage
- 3) take all reasonable steps to hold responsible any party who has or may have a liability in respect of any claim under this Section including the giving of written notice in due time and ensuring that any time limit is protected
- 4) provide all additional information **we** may require within the reasonable time stipulated by **us**
- 5) forward to **us** unanswered any claim form summons or other originating process or any letter of claim or other written notification of claim and all documents relating thereto
- 6) send to **us** a detailed claim in writing and supply copies of correspondence or such further particulars as may be reasonably required by **us**

Failure to notify **us** immediately will not prejudice the claim provided that

- a) at the date **we** received notification the Section had not lapsed or been cancelled and
- b) notification was received by **us** within three months of the date that the claim was made against **you** or when **you** first became aware of the circumstances or incident or **event** and the delay in notification has not in **our** opinion prejudiced the investigation defence or mitigation of the claim and
- c) **you** accept **our** terms for continuation of the Section if the delay in notification has in **our** opinion prejudiced renewal or the underwriting of the Section

Claims (discharge of liability)

We may at any time at **our** sole discretion pay to **you** the Limit of Liability applicable (less any sum or sums already paid in respect or in lieu of damages) or any lesser sum for which the claim or claims against **you** can be settled and **we** shall not be under any further liability in respect of such claim or claims except for other costs and expenses for which **we** may be responsible incurred prior to such payment

Claims notification

To enable **us** to consider any claim promptly and efficiently **you** should immediately notify **your** insurance advisor of an impending claim and supply the following documents

- 1) all correspondence received and exchanged with third parties **subcontractors** and bailees
- 2) claim invoice
- 3) collection note and delivery receipt
- 4) **your** written details of the **event** giving rise to the loss and the particulars of the claim
- 5) confirmation of the contract conditions applicable for carriage or trading

Subrogation

You at **our** request and expense will do everything that **we** reasonably require to

- 1) enforce a right or remedy
- 2) obtain relief or indemnity

from any other party to which **we** will become entitled to recover under subrogation as a result of any payment made

We may require **you** to carry out such actions before or after making any admission of liability or payment of a claim

Conditions additional to the Policy Conditions

Additional alteration

The insurance under this Section will cease if after the commencement of this insurance

- 1) the risk of **damage** is materially increased
- 2) **your** interest ceases
- 3) **your business** be wound up or carried on by a liquidator or administrator or receiver or permanently discontinued
- 4) the contract conditions stated in the **appendix** are varied
- 5) a special declaration of value or of special interest in delivery is accepted by **you**

unless agreed in writing by **us** prior to such alteration

Bills of lading housebills and waybills

- 1) **You** and or **your** employee(s) must not
 - 1.1) enter or give instructions to enter information which is known to be incorrect or is likely to be incorrect on any bill of lading housebill waybill or similar document
 - 1.2) release or give instructions to release customers' **property** except against the surrender of the original bill of lading or similar original document
- 2) Any house bill of lading or house air waybill issued by **you** or on behalf of **you** must

2.1) contain on the reverse the British International Freight Association Standard Trading Conditions or **your** own contract conditions for freight forwarding stated as 'Insured' under the **Freight Forwarding** Subsection of the **appendix**

2.2) not be signed by **you** or on **your** behalf 'as carrier'

3) any air waybill or house air waybill issued by **you** or on **your** behalf must include a notice to the effect that if the carriage involves an ultimate destination or stop in a country other than the country of departure the Warsaw Convention may be applicable and the Convention governs and in most cases limits the liability of the carriers in respect of **damage to property**

4) **You** must only issue air waybills with the express agreement of the third party air carrier and any such air waybill must

4.1) be signed by **you** 'as agent for' such third party air carrier and

4.2) contain the contract conditions of such third party air carrier on the reverse

High risk and Thief attractive **property event limit**

The **event limit** for

1) **high risk property** is £10,000 or any lesser limit stated in the **appendix**

2) theft of **thief attractive property** is £50,000 or any lesser limit stated in the **appendix**

The **event limit** for **thief attractive property** will not apply provided **you** can prove to **our** satisfaction that neither **you** nor any **employee** had any means of knowing that such **thief attractive property** was being carried handled or warehoused

Full responsibility

When contract conditions 4 Full responsibility of the Subsection **Road Haulage** states an applicable Limit of Liability in the **appendix** the insurance of **property** for which **you** have accepted **full responsibility** is subject to the following

1) **We** will not pay claims for

1.1) **damage** caused by or arising as a result of packing which was inadequate to withstand normal handling during **transit**

1.2) **damage** caused by or arising from inherent vice

1.3) wear tear natural and or gradual deterioration

1.4) mechanical electrical and or electronic breakdown failure and or derangement

2) **We** will not pay more than the **value of the property damaged** or the cost of repairing or re-instating the **damage** whichever is the least. If only part of the **property** suffers **damage** **we** will not pay more than the value of that part actually **damaged** regardless of whether it affects the value of other parts of the **property**

3) If at the time of any **damage** the total value of the **property** in or on any one **vehicle** exceeds the **vehicle limit** **we** will not pay more than the proportion of the claim that the **vehicle limit** bears to the total value of **property** in or on the **vehicle**

Other insurance

If at the time of any claim there is or but for the existence of this Section there would be any other insurance covering your interest in or liability for the **property** and or **transportation equipment** the indemnity will only apply in respect of any amount beyond that which would have been payable under such other insurance had this Section not been in force

Parties insured

Where the **insured** stated in the **appendix** comprises more than one party all such parties shall be treated as one party or legal entity so that there will be only two parties to this contract of insurance namely **us** and the parties named in the **appendix** being jointly **insured**

Reasonable care

It is a **condition precedent** to **our** liability to indemnify **you** in relation to any claim for **damage** under this **Freight Liability Section** that **you** will take all reasonable care

- 1) to prevent or minimise any **event** which may give rise to a claim under this Section
- 2) to maintain the premises plant **vehicles** and everything used in connection with **your business** in proper repair
- 3) in the selection and supervision of **employees** including the obtaining and retaining of references from reliable sources

Subcontractors

If **vehicles** of **subcontractors** are stated in the **appendix**

- 1) **we** agree to cover **property** and **transportation equipment** entrusted to a **subcontractor** provided the **subcontractor** has agreed in writing
 - 1.1) to accept no less liability than **you** have and
 - 1.2) to fully indemnify **you** for all damage

This Condition does not apply to **property** or **transportation equipment** entrusted by **you** to a **subcontractor** acting in the capacity of a shipping line airline port or railway operator

- 2) the indemnity provided by this Section will not be prejudiced if **you** fail to secure the written agreement of a **subcontractor** to accept liability and to indemnify **you** in accordance with 1) above provided that **you** can prove to **our** satisfaction that
 - 2.1) at the time of the **damage you** had established procedures for doing so and
 - 2.2) all **employees** had been instructed in writing to follow such procedures and any failure to do so was due to an error
- 3) the benefit of this Section will in no circumstances whatsoever pass to any **subcontractor** and or successive **subcontractor** or their insurers