



Cargo Insurance Policy Summary

Cargo Insurance is what is known as an All Risks insurance, with certain exceptions, covering a customer's goods in transit or storage worldwide.

Policy Period

Cover is available for ad-hoc shipment(s) or annually, for a maximum period of 12 months, at the option of the Assured.

Assured

Bona fide cargo interests from whom DHL has received and accepted instructions to insure, prior to pick up of goods

Conveyances

Shipments by Vessel, Air, Road or Rail

Territorial Limits

From all ports or places in the World to all ports or places in the World, but subject to Embargo and Sanctions Exclusions and excluding shipments from, to and within countries which have restrictive cargo insurance legislation. These countries are therefore subject to prior approval by Insurers

Subject Matter Insured

Lawful goods and merchandise of every description, but certain goods are excluded or require prior approval by Insurers

Valuation

Cost of manufacture or suppliers invoice cost, plus insurance, plus freight, plus duty if applicable, plus 20%.

Specific valuations are available in respect of sold, second-hand and reconditioned goods.

Principal Clauses

This insurance covers all risks of loss of or damage to the subject-matter insured, except as excluded elsewhere in the policy.

The principal clauses are:

- INSTITUTE CARGO CLAUSES (A)
- INSTITUTE FROZEN FOOD CLAUSES (A) (Excluding Frozen Meat)
- INSTITUTE FROZEN MEAT CLAUSES (A)
- INSTITUTE WAR CLAUSES (CARGO)
- INSTITUTE STRIKES CLAUSES (CARGO)

(Copies of these and all other clauses are available on request)

Specific coverage conditions apply in respect of the following categories of goods:

- Aircraft
- Antiques and works of art
- Cement
- Charity goods and humanitarian aid
- Exhibition risks
- Household goods and personal effects



- Military goods, arms, ammunition and explosives
- Motor vehicles
- Prototypes and one of a kind interests
- Storage risks
- Temperature controlled goods
- Temperature sensitive and perishable goods
- Watercraft

Exclusions/Conditions

Coverage exclusions or conditions can be specific or implied through insurance law or custom. The following are the most important, but this list is not exhaustive.

Specific Exclusions

Any deliberate act by the customer or someone acting on their behalf, which results in loss or damage, known as wilful misconduct

Ordinary wear and tear, ordinary leakage and ordinary loss in weight or volume

Poor, insufficient or unsuitable packing, preparation or stowage of the goods by the customer

Any loss or damage that arises as a direct result of the characteristic or nature of the goods being transported, known as inherent vice

Loss arising from a delay in the delivery of a shipment

Insolvency or financial default of the carrier

Loss or damage caused by any weapon or device employing atomic or nuclear fission or fusion

Mechanical, electrical or electronic derangement or breakdown of the goods unless caused by a peril insured against

Coverage remains in force whilst the goods are under any process, but does not cover loss or damage caused by such process

For goods carried unpacked or unprotected, including on deck in an open container or on land in a flat bed or open top truck, cover excludes claims for water damage, damage to paint work, chipping, denting, scratching, marring, bruising, rust, oxidization and discolouration

Any loss or damage which is insured by any other existing policy. This is known as non-contribution

Loss or damage caused by Terrorism whilst the goods are NOT in transit

**Implied Exclusions**

Loss or damage to goods, whilst on land, resulting from war, civil war, revolution, rebellion, insurrection or civil strife, or any hostile act by or against a belligerent power

Consequential losses or any indirect losses. This insurance only responds to direct loss or damage to the goods

Implied Conditions

The customer must have an insurable interest in the goods at the time of the loss

The customer must disclose to the insurer, before the policy is concluded, all material information which may effect Insurers appraisal of the risk

Under insurance (valuation lower than the correct value of the goods) may result in the customer contributing proportionately to the loss

Coverage is subject to payment of the applicable insurance premium

Deductible

Nil, unless specifically required by Insurers on a case by case basis

Premium

As agreed between the customer and the Insurer

Insurer

AIG Europe Limited