



# GENERALI

Assicurazioni Generali S.p.A.

忠 利 保 險 有 限 公 司

Please read this Open Policy carefully upon receipt and promptly request for any necessary amendments

## Marine Cargo Open Policy

**Policy Number :** 10-14-GO00XXXX

**Insured :** ABC Trading Co., Ltd.

**Period :** From 1st January 2014 to 31st December 2014 (both dates inclusive)

We, Assicurazioni Generali S.p.A. Hong Kong Branch (hereinafter called the Underwriters) hereby agree, in consideration of the payment of Premium by or on behalf of the Assured, to insure the subject-matter specified herein in the manner hereinafter provided and subject to the terms and conditions of the Underwriters' Marine Cargo Policy Form.

This insurance is subject to English law and practice.

**Signed for and on behalf of  
Assicurazioni Generali S.p.A.  
Hong Kong Branch**

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**Authorised Signature**

**Signed at Hong Kong,  
Dated 2<sup>nd</sup> January 2014**

## **Schedule**

<b>Policy No.</b>	: 10-14-GO00XXXX
<b>Type</b>	: Marine Cargo Open Policy
<b>Insured</b>	: ABC Trading Co., Ltd.
<b>Mortgagee</b>	: XXX Bank Co., Ltd.
<b>Period</b>	: From 1st January 2014 to 31st December 2014 (both dates inclusive)
<b>Subject-Matter Insured</b>	: On general garment, textile, fabric and yarn, mainly semi-finished goods, which is purchased from / supplied by various suppliers
<b>Basis of Valuation</b>	: Invoice value of the goods or merchandise plus 10%. Otherwise subject to prior notification to and consent from underwriter and prior to any known/reported loss
<b>Packing</b>	: In Jute, carton, bags
<b>Conveyance</b>	: Per approved vessel or steamer subject to Institute Classification Clause 1/1/01 &/or Regular scheduled airliner &/or other approved connecting conveyances
<b>Voyage</b>	: From Bangladesh to China / Hong Kong / Taiwan
<b>Limit of Liability</b>	: USD100,000 any one conveyance or location
<b>Conditions</b>	: The Institute Clauses referred to herein are those current at the inception of this Open Policy but should such clauses be revised during the period of this Open Policy, and provided that the Underwriters shall have given at least 30 days notice thereof, then the revised Institute Clauses shall apply to risks attaching subsequent to the date of expiry of the said notice.

Against the risks of physical loss and/or damage to the subject matter insured as per the following Institute Clauses &/or Non-Institute clauses in so far as applicable and Exclusions contained herein:

### **Sea Shipment**

1. Institute Cargo Clauses (A) (1/1/82)
2. Institute War Clauses (Cargo) (1/1/82)
3. Institute Strikes Clauses (Cargo) (1/1/82)
4. Institute Classification Clause 1/1/01
5. Cargo ISM Endorsement
6. Warranted insured cargo shipped under deck unless loading, stowing and shipping in general purpose container

### **Air Shipment**

1. Institute Cargo Clauses (Air) (excluding sendings by Post) (1/1/82)
2. Institute War Clauses (Air Cargo)(excluding sendings by Post) (1/1/82)
3. Institute Strikes Clauses (Air Cargo) 1/1/82

**Conditions  
(Continue)**

**: Applicable to All Shipments**

1. Institute Standard Conditions for Cargo Contracts
2. Institute Radioactive, Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause 10/11/03
3. Institute Cyber Attack Exclusion Clause 10/11/03
4. Sanction Limitation and Exclusion Clause (JC2010/014, 11 Aug, 2010)
5. Termination of Transit Clause (Terrorism)
6. 30 Days Notice of Cancellation Clause
7. Brand and Trademark Clause
8. No Survey Clause (For claim below US\$1,500)
9. Including loading and unloading on/off the carrying vehicle
10. Institute Theft Pilferage and Non-Delivery Clause 01/12/82
11. Excluding the risks of sweating, mould, mildew, infestation, deterioration, moth, vermin and other inherent vice in respect of leather and Wet Cow Skin
12. Container Demurrage Charges Clause
13. Packers Clause
14. Premium Payment Warranty (30 days)

**Excess** : US\$XXX on each and every loss

**Estimated Annual Turnover** : HK\$XX,XXX,XXXX

**Premium Rate** : As agreed

The above rate is inclusive of War & Strikes rates

**75% Minimum & Deposit Premium (M&D)** : As agreed

payable in advance and adjustable at policy expiry subject to actual turnover declared by the Assured on monthly declarations

**Claims  
Procedure &  
Settlement**

**: Damage Survey**

- In the event of loss or damage for which the Underwriters may be liable under this Policy, immediate notice must be given to the Underwriters' nominated Survey Agent at destination.
- Details of Survey Agents and Claim Negotiation Agents to be advised.

**Claims Procedures and Documentation**

- Subject to Important Notice.

**Claim Payment**

- Claims, if any, payable at Hong Kong or as arranged and which may be shown on the executed Cargo Policy or Certificate of Insurance, in respect of Declarations made.
- Claims settlement thereof shall be made in conformity with the laws and customs of Hong Kong.

## **INSTITUTE STANDARD CONDITIONS FOR CARGO CONTRACTS**

- 1 This contract is to insure the subject-matter specified for the transits and on the conditions named shipped by or for account of

### **The Assured as stated in the Schedule**

or the insurance of which is under their control as selling or purchasing agent unless insured elsewhere prior to 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 Assured or Assignee.

- 2 It is a condition of this contract that the Assured are bound to declare hereunder every consignment without exception, Underwriters being bound to accept up to but not exceeding the amount specified in clause 3 below.

- 3 3. This contract is for an open amount but the amount declarable may not exceed the **limit of liability as stated in the Schedule** in respect of any one vessel, aircraft and/or connecting conveyance.

~~3. Should this contract be expressed in the form of a floating policy the total amount declarable hereunder may not exceed \_\_\_\_\_ subject always to the provisions of clause 3.1 above. **DELETED.**~~

- 4 Notwithstanding anything to the contrary contained in this contract Underwriters liability in respect of any one accident or series of accidents arising from the same event in any one location shall not exceed the **limit of liability as stated in the Schedule.**

- 5 In the event of loss accident or arrival before declaration of value it is agreed that the basis of valuation shall be the prime cost of the goods or merchandise plus the expenses of and incidental to shipping, the freight for which the Assured are liable, the charges of insurance and **an agreed percent as stated in the Schedule**

- 6 This contract is subject to the Institute Classification Clause.

- 7 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.

- 8 The Institute Clauses referred to 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 Underwriters shall have given at least 30 days notice thereof, then the revised Institute Clauses shall apply to risks attaching subsequent to the date of expiry of the said notice.

- 9 This contract may be cancelled by either Underwriters or the Assured giving **thirty days (30) days** notice in writing to take effect from **the date of cancellation specified in the notice** but risks covered by Institute War Clauses may be cancelled at seven days notice and risks covered by the Institute Strikes Clauses may be cancelled at **seven (7) days** notice, or at **forty-eight (48) hours** notice in respect of shipments to or from the United States of America. Notice shall commence from midnight of the day when it is issued but cancellation shall not apply to any risks which have attached in accordance with the cover granted hereunder before the cancellation becomes effective.

**NOTE The Assured are required to give the earliest provisional notice of intended shipments advising in each case the name of the vessel and approximate value of the shipments.**

### Institute Clause Wording

Copy of Institute Clauses can be obtained from underwriters upon request.

### Non-Institute Clause Wording

### Termination of Transit Clause (Terrorism)

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

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

either

- 1.1 As per the transit clauses contained within the Policy,

or

- 1.2 on delivery to the Consignee's or other final warehouse or place of storage at the destination named herein,

- 1.3 on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either for storage other than in the ordinary course of transit or for allocation or distribution,

Or

- 1.4 in respect of marine transits, on the expiry of 60 days after completion of discharge overseas of the goods hereby insured from the overseas vessel at the final port of discharge,

- 1.5 in respect of air transits, on the expiry of 30 days after unloading the subject-matter insured from the aircraft at the final place of discharge,

whichever shall first occur.

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

JC2001056 Terrorism Clause

### **BRAND & TRADE MARK CLAUSE**

In case of damage to property bearing a Brand or Trade Mark the sale of which carries or implies a guarantee of the supplier or Assured, the salvage value of such damaged property shall be determined after the removal of all Brands and Trade Marks. On containers where the Brand or Trade Mark cannot be removed, the contents shall be transferred to plain bulk containers. With respect to any merchandise and/or containers where it is impractical to destroy all evidence of the Assured's connection therewith, the Assurers agree to consult and co-operate with the Assured with respect to the disposition of said merchandise and/or containers.

### **CARGO ISM ENDORSEMENT (JC 98/019 1 May 1998)**

Applicable to shipments on board Ro-Ro passenger ferries.

Applicable with effect from 1 July 1998 to shipments on board:

Passenger vessels transporting more than 12 passengers and

Oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high speed craft of 500 gt or more,

Applicable with effect from 1 July 2002 to shipments on board all other cargo ships and mobile offshore drilling units of 500 gt or more.

In no case shall this insurance cover loss, damage or expense where the subject matter insured is carried by a vessel that is not ISM Code certified or whose owners or operators do not hold an ISM Code Document of Compliance when, at the time of loading of subject matter insured on board the vessel, the Assured were aware, or in the ordinary course of business should have been aware:-

Either that such vessel was not certified in accordance with the ISM Code.

Or that a current Document of Compliance was not held by her owners or operators

As required under the SOLAS Convention 1974 as amended.

This exclusion shall not apply where this insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject matter insured in good faith under a binding contract.

### **CONTAINER DEMURRAGE CHARGES CLAUSE**

This policy shall cover demurrage charges and/or late penalties assessed against, and paid by the Assured for late return of containers when said containers are retained by the Assured at the instruction of the Underwriters for inspection by the Underwriters' Survey in investigation of loss or damage recoverable under this policy.

The time period for which the Underwriter shall be liable for said charges and/or penalties shall begin at the time the Underwriters instructs the Assured to retain the containers for inspection and end at the time the Underwriters' Surveyor instructs the Assured to return the containers.

In no event shall the Underwriters' liability for container demurrage charges exceed USD5,000 each and every claim.

**NO SURVEY CLAUSE (For claim below USD1,500)**

No survey required on claims unlikely to exceed US\$1,500 or equivalent in any other currency. The following documents, where available, to be deemed sufficient proof of loss:-

- Original Insurance Certificate or Declaration.
- Commercial Invoice.
- Claim statement.
- Bill of Lading or Airway Bill.
- Customs &/or Landing Account.
- Notice to the carrier

**PACKERS CLAUSE**

It is agreed (when requested) that the insured interest shall be covered from the time of leaving store or factory on route to packers warehouse whilst there for packing (but limited to 1 month prior to shipment) and thence in transit to overseas steamer, or held covered.

**PREMIUM PAYMENT CLAUSE (30 DAYS)**

If payment of premium is not made by the Insured within 30 days of the invoice issued by the Insurer, it is at the Insurer's discretion that the policy may be cancelled automatically or at any time by the Insurer giving to the Insured immediate notice of such cancellation. Such cancellation shall be without prejudice to the premiums earned and due for the period the policy was in force.

**SANCTION LIMITATION AND EXCLUSION CLAUSE**

No insurer shall be deemed to provide cover and no 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 that 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.

JC2010/014  
11 August 2010

## **IMPORTANT NOTICE**

### **PROCEDURE IN THE EVENT OF LOSS OR DAMAGE FOR WHICH UNDERWRITERS MAY BE LIABLE**

#### **LIABILITY OF CARRIERS, BAILEES OR OTHER THIRD PARTIES**

It is the duty of the Assured and their Agents, in all cases, to take such measures as may be reasonable for the purpose of averting or minimising a loss or damage and to ensure that all rights against Carriers, Bailees or other third parties are properly preserved and exercised. In particular, the Assured or their Agents are required:-

1. To claim immediately on the Carriers, Port Authorities or other Bailees for any missing packages.
2. In no circumstances, except under written protest, to give clean receipts where goods are in doubtful condition.
3. When delivery is made by Container, to ensure that the Container and its seals are examined immediately by their responsible official. If the delivered Container is damaged or with seals broken or missing or with seals other than as stated in the shipping documents, to clause the delivery receipt accordingly and to retain all defective or irregular seals for subsequent identification.
4. To apply immediately for survey by Carriers' or other Bailees' Representatives if any loss or damage be apparent and claim on the Carriers or other Bailees for any actual loss or damage found at such survey.
5. To give notice in writing to the Carriers or other Bailees within three (3) days of delivery if the loss or damage was not apparent at the time of taking delivery.

NOTE: The Consignees or their Agents are recommended to make themselves familiar with the Regulations of the Port Authorities at the port of discharge.

#### **INSTRUCTIONS IN CASE OF DAMAGE OR LOSS**

1. In the event of loss or damage which may involve a claim under this Insurance, immediate notice of such loss or damage should be given to, and a Survey Report or Joint Survey Report obtained from the Survey Agent named in the Schedule overleaf.
2. On discharge the goods should be externally examined at the Port. In case there are visible or audible signs of damage, do not give a clean receipt, but immediately hold the Carriers responsible and invite them to inspect the goods and also have the Surveyor present. Except on the instructions of the surveyor this inspection should be held before the goods reach your Warehouse.
3. If there is known to be a Short-Landing on discharge, to request the Carriers for a Certificate/letter confirming the Short-landing in lieu of the Survey Report.
4. To avoid loss and/or damage, do not allow the goods to remain on the Quay or in the Port Warehouse any longer than is strictly necessary. Bring the goods into the safety of your Warehouse as quickly as possible.
5. In the event of loss and/or damage being discovered on opening of any one package subsequent to delivery of Cargo in external sound condition, stop opening the balance packages and immediately give notice to the Surveyor. Opening of such packages should commence within three days of clearance of cargo.
6. If it is clear that the damage and/or loss occurred while the goods were in the hands of a local Carrier he should immediately be held responsible.

#### **DOCUMENTATION OF CLAIMS**

To enable claims to be dealt with promptly, the Assured or their Agents are advised to submit to the Claim Negotiation Agent named in the Schedule overleaf all available supporting documents without delay, including when applicable:-

1. Original policy or certificate of insurance.
2. Original or copy shipping invoices, together with shipping specification and/or weight notes.
3. Original Bill of Lading and/or other contract of carriage.
4. Survey report or other documentary evidence showing the extent of the loss or damage.
5. Landing account and weight notes at final destination.
6. All correspondence exchanged with the Carriers and other Parties regarding their liability for the loss or damage.
7. Short-landing Certificate.
8. Repair estimate.

#### **NOTICE OF LOSS CLAUSE**

The holder of this Insurance is required not to sign any Average Bond or to pay any deposit on account of General Average without first communicating with the Claim Negotiation Agent named in the Schedule overleaf.

In the event of damage to, or loss of the interest insured under this Insurance, no claim will be admitted by the Underwriters unless prompt notice be given to the Survey Agents named in the Schedule overleaf.

**FAILURE TO COMPLY WITH THE ABOVE INSTRUCTIONS MAY PREJUDICE ANY CLAIM UNDER THIS INSURANCE.**