



Marine Cargo Insurance Brief

Transporters in general, including FTL, have limited liabilities. We strongly recommend our customers therefore to purchase a warehouse to warehouse marine cargo insurance cover for each and every shipment to protect themselves from loss or damage of cargo during shipment. It must be highlighted that marine cargo insurance covers perils occurring during transit and is not a warranty for the product itself.

INSURANCE CLAUSE

All business, unless otherwise specified in writing, is subject to our General Trading Conditions and regarding insurance, the condition is as follows:

'No insurance will be effected except upon express instructions given in writing by the Customer and all such insurances effected by the Company are subject to the usual exceptions and conditions of the policies of the insurance company or underwriters taking the risk. Unless otherwise agreed in writing, the Company shall not be under any obligation to effect a separate insurance on each consignment but may declare it on any open or general policy held by the Company. Should the insurers dispute their liability for any reason whatsoever the insured shall have recourse against the insurers only and the Company shall not be under any responsibility or liability whatsoever in relation thereto notwithstanding that the premium upon the policy may not be at the same rate as that charged by the Company or paid to the Company by its Customers. The Company acts solely as agent for the Customer in effecting insurance and does so subject to the limits of liability contained in clauses 29 and 30 [of our General Trading Conditions] herein notwithstanding that loss or damage was caused by the Company's negligence or default including any failure to place any insurance or the appropriate insurance. The Customer further warrants that all the necessary details have been disclosed to the Company prior to the subscription of any insurance policy and agrees to defend, indemnify and hold harmless the Company against all penalties, claims, liabilities (whether civil, criminal, fiscal or otherwise), damages, costs and expenses whatsoever arising in connection with or incidental to any claim from the insurers or any related third party as a result of any failure to provide the Company with the said details.'

CONDITIONS OF INSURANCE

General cargo is usually insured All Risks as per Institute Cargo Clauses (A) and (Air) and Institute War and Strikes Clauses (Cargo) and (Air Cargo) unless otherwise specified on the insurance policy. Conditions of Insurance are available upon request.

EXCLUSIONS

The following are general exclusions to the Institute Cargo Clauses (A):

- Delay
- Damage or loss prone to happen due to inherent vice or nature of goods such as evaporation of solvents, protruding corks, wood naturally releasing moisture creating condensation resulting in growth of mould and mildew, etc.
- Wilful misconduct of the assured/deliberate damage or destruction of the insured matter
- Use of any atomic or nuclear weapon
- Ordinary leakage, ordinary loss in weight or volume or ordinary wear and tear
- Insufficiency or unsuitability of packing. Packing should be customary or certified by a recognized independent surveyor. Packing and labelling or good condition of any transport unit are the direct responsibility of the customer/shipper.
- Unseaworthiness/unfitness of vessel or craft, conveyance or container at the time of loading
- Insolvency or financial default of carriers.

MORE NOTES

- Short packing by shipper is not an insured peril.
- Shipping wine/spirits, etc. in a dry container instead of a reefer entails running the risk of not being refunded by the insurers should the goods be damaged following variations in temperature.
- Even for reefers, certain conditions apply. For instance, loss or damage attributable to breakdown of refrigerating machinery resulting from its stoppage is refunded only if the breakdown lasts more than 24 consecutive hours.
- It is strongly recommended that for cargo sensitive to temperature, customer ships goods together with a temperature recorder.
- Insurance is from warehouse to warehouse, i.e., from time consignment leaves shipper's/supplier's premises to the time the goods reach first stop after customs clearing. For FOB/CFR shipments it must also be proven that there is a dispute whereby the supplier is refusing the claim.
- Insurance stops upon delivery at consignee's premises/or unless otherwise agreed in writing.

REQUESTING INSURANCE COVER

Request for a standard insurance cover must be done in writing or while filling in our Instructions for Despatch of Goods (IDG) in case of an exportation.

Full details such as below are necessary to ensure that your goods are properly insured:

- Description of goods.
- Insured value. We recommend that you submit a copy of packing list and commercial invoice for each shipment. We reserve the right to forward these documents to the insurers for confirmation of value and appropriate insurance coverage.
- Is the consignment new or second-hand?
- If foodstuff, what is the primary packaging? Jars, tins, bottles, pails, bags on pallets, etc?
- Are goods refrigerated, chilled or frozen?
- If flavouring/fruit preparation, are commodities powder-/ liquid- / dried- / paste-based?
- Any other info relative to value, nature of product, etc should be disclosed to be properly insured
- In case of personal effects, an inventory list stating quantity, description and value per item is required.

INSURANCE CLAIM

The following must be highlighted:

- Prior to taking delivery, carefully inspect the outside packaging of your shipment and note down any discrepancy on the gate pass/delivery note.
- If any further damage is found upon opening of your packages, kindly inform us in writing within 3 working days of unstuffing/delivery and notify your supplier as well. These correspondences and their replies will be required for the claim file.
- Check with the insurers and do not discard any good/packaging until they give a release for survey purposes or should there be re-assessment of a claim.
- The insurers will be the ones to decide, based on available information and claim bill, whether they will appoint a surveyor or not. Should a survey not be immediately possible, it is advised to take photos of damage (type of damage and quantity damaged if possible) and keep any defective products and packing for the surveyor to inspect at a later date. Goods/packaging should at no cost be discarded without the insurers' formal consent.

CLAIM ADJUSTMENT

If the claim is receivable, the insurer will make an adjustment of claim and retain any excess applicable. The excess is available as from the time of quote and appears on the insurance certificate.