
Lonham Group

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A Chaucer Group Company

Marine Liability Policy No: 112411 DB

Assured

KC Freight Limited

Interest

This policy will apply in respect of the Legal Liability of the Assured arising in the course of the Assured's business.

Business Activities

Freight Forwarder and NVOCC

Period

From: 12 April 2023 at 00:00 hours

To: 11 April 2024 at 23:59 hours

Local Standard Time at the address of the Assured

Territorial Limits

Worldwide

TRADING CONDITIONS:

CMR/CMR by Contract

ADDITIONAL CONDITIONS:

1) Warranted that the Assured incorporates the conditions into contracts with all customers.

CRITICAL INFORMATION:

Sub-contractors are regularly checked to ensure that they have adequate transit insurance.

Bills of Lading are not issued.

COD's/CAD's are not undertaken.

T Forms &/or SAD's requiring guarantees are not issued.

Own warehouse is not operated.

Own cargo carrying vehicles are not operated.

Annual estimated turnover GBP459,032.00

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A handwritten signature in black ink, appearing to read 'C. M. M. M. M. M.', is written over a light grey rectangular background.

.....
LONHAM GROUP LTD

On behalf of Chaucer Insurance Company DAC UK Branch

B601490039423AA

Marine Liability Policy No: 112411 DB

Limits		Excess	
Freight Forwarders Legal Liability (As Agent)			
GBP 350,000.00	Any one loss / occurrence	GBP 250.00	Each and every loss
Freight Forwarders Legal Liability (As Carrier)			
GBP 350,000.00	Any one loss / occurrence	GBP 250.00	Each and every loss
Legal Liability Uplifted to Full Value			
GBP 0.00	Not Covered	GBP 0.00	Not Covered
Warehousekeepers Legal Liability			
GBP 0.00	Not Covered	GBP 0.00	Not Covered
Errors and Omissions			
GBP 100,000.00	Any one loss and in the aggregate for the period of the policy	GBP 500.00	Each and every loss
Consequential Loss			
GBP 100,000.00	Any one loss and in the aggregate for the period of the policy	GBP 500.00	Each and every loss

Premium

Minimum and Deposit Premium GBP 1,377.10

Premium adjustable upon expiry at a rate of 0.3% on declared annual turnover

Freight Forwarders Legal Liability (As Agent)

Conditions

Freight Forwarder Conditions (As Agent)

To cover the Assured's legal liability in their capacity as agents, as declared to Underwriters, under the standard trading conditions of the Institute of Freight Forwarders (IFF 1984 Edition) and/or British International Freight Association (BIFA 2005 and/or 2017 Edition) and/or at common law and/or under the Assured's own trading conditions and/or under other such conditions as may have been declared to and approved by Underwriters in writing.

IMPORTANT cover provided under this section of the policy is subject to the GENERAL CONDITIONS, EXCLUSIONS AND OBSERVANCE TERMS.

Freight Forwarders Legal Liability (As Carrier)

Conditions

Freight Forwarders Conditions (As Carrier)

To cover the Assured's legal liability arising from their declared operations as:-

- Freight Forwarders issuing FIATA bills of lading.
- Freight Forwarders issuing House bills of lading.
- Freight Forwarders issuing House air way bills.
- Freight Forwarders issuing CMR consignment notes, CIM consignment notes and/or other transit documents for road or rail transits.
- and/or any other operations specifically declared and agreed by Underwriters.

It is a condition precedent to liability under this section of the policy that any bill of lading or other transit document relating to ocean transportation must contain a paramount clause.

Ad Valorem bills of lading or any bill of lading or other transit document which extends the liability of the Assured beyond any previously agreed limits will only be considered on the basis of the original limitations of liability declared and agreed previously by Underwriters. Any increased limit of indemnity under a transit document must be agreed by Underwriters prior to commencement of transit to ensure increased or full value is covered by this policy.

Cover is afforded under this section of the policy for deviation only where such deviation occurs without the prior knowledge of the Assured.

SPECIAL NOTICE

Cover under this section is subject to the Assured's compliance with part (iv) of the "DUTY OF ASSURED" wording requiring that the Assured shall at no time deliberately and/or knowingly and/or recklessly furnish incorrect information either verbally or on any documentation issued or completed in performance of the Assured's business including without limitation any Bills of Lading and/or other documents containing or evidencing a contract of carriage or otherwise, and/or any customs documents and/or shipping documents.

IMPORTANT cover provided under this section of the policy is subject to the GENERAL CONDITIONS, EXCLUSIONS AND OBSERVANCE TERMS.

Legal Liability Uplifted to Full Value Conditions

Legal Liability Uplifted to Full Value

It is hereby understood and agreed that this Insurance covers the Assured's legal liability for Goods in Transit and/or Storage which has been increased to the basis of all risks of physical loss or damage for the indemnity value but subject to the Limits of Liability as expressed hereon and subject also to the following exclusions in addition to the Exclusions forming part of this Policy:

The indemnity value is defined as the replacement cost at the time of loss if new or replacement cost at the time of loss taking into account age, condition and depreciation if second hand/used.

- 1) loss, damage or expense attributable to wilful misconduct of the Assured
- 2) ordinary leakage, ordinary loss in weight or volume or ordinary wear and tear of the Goods
- 3) loss, damage or expense caused by insufficiency or unsuitability of packing or preparation of the Goods other than by the Assured or their servants or agents
- 4) loss, damage or expense caused by inherent vice or nature of the Goods
- 5) loss, damage or expense proximately caused by delay even though the delay be caused by a risk insured against
- 6) loss, damage or expense due to mechanical or electrical derangement, oxidation, discoloration or rust unless caused by fire or accident to carrying vehicle
- 7) loss, damage or expense due to breakage of glass, marble, china, earthenware or other articles of a brittle nature unless caused by fire or accident to the carrying vehicle and the articles are properly packed
- 8) loss, damage or expense due to depreciation, moth, vermin, mildew, sweat, spontaneous combustion or gradual deterioration or any process of cleaning, repairing or restoring the goods
- 9) any loss of use or consequential loss
- 10) loss or damage due to climatic or atmospheric conditions or extremes of temperature.

IMPORTANT cover provided under this section of the policy is subject to the GENERAL CONDITIONS, EXCLUSIONS AND OBSERVANCE TERMS.

Warehousekeepers Legal Liability Conditions

Warehousekeepers Liability Conditions

This insurance shall indemnify the Assured for their legal liability for physical loss or damage to goods and/or merchandise and/or equipment in accordance with the National Association of Warehousekeepers Trading Conditions (N.A.W.K.) and/or the United Kingdom Warehousekeepers Association Conditions (U.K.W.A.) and/or Road Haulage Association Conditions and/or under the Assured's own trading conditions and/or other conditions as may be approved by Underwriters in writing.

IMPORTANT cover provided under this section of the policy is subject to the GENERAL CONDITIONS, EXCLUSIONS AND OBSERVANCE TERMS.

Errors and Omissions

Conditions

Errors and Omissions

This section shall cover the Assured's legal liability in relation to the goods and/or merchandise and/or containers and/or trailers arising out of their occupation insured under this policy, arising from negligent acts, errors and omissions, including misdirection of goods, and resulting in the Assured failing partly or totally to fulfil their contractual obligations. However, this section excludes any claim for consequential loss and/or delay except insofar as provided for elsewhere in the policy.

Losses falling under this extension for errors and omissions are recoverable hereunder, only if discovered during the period of the policy and the claim is advised in writing not later than three months after expiry.

If the nature of the loss is such as to be covered under another section of the policy, including but not limited to claims for physical loss or damage, the claim will be dealt with under that section.

Excluding claims in respect of full loads of wines, spirits, cigarettes and tobacco products arising from the incorrect **discharge or failure to discharge any 'T Form', 'Carnet' or similar customs related transit document.**

Excluding any claim howsoever arising relating to the incorrect calculation of freight charges or agency fees or similar charges by the Assured, whether invoiced or quoted.

Excluding any claim howsoever arising relating to demurrage, quay charges or similar storage costs, following failure of the third party contract of sale for the goods.

Excluding fines or penalties imposed by the authorities of any country comprised in the former USSR including the C.I.S.

Excluding any claim howsoever arising relating to the breach of or failure to comply with Financial Conduct Authority (FCA) Regulations concerning but not limited to the sale of insurance or the administration thereof whether or not the Assured is regulated (in whatever capacity) or unregulated by the FCA.

Claims under this section are subject to the General exclusions of the policy. Underwriters shall only be liable for the amount by which any claim exceeds the sum stated as the excess and only up to the limit as provided for in the schedule.

IMPORTANT cover provided under this section of the policy is subject to the GENERAL CONDITIONS, EXCLUSIONS AND OBSERVANCE TERMS.

Consequential Loss

Conditions

Consequential Loss

To indemnify the Assured for legal liability following loss of, destruction of, damage to or delay of goods in transit but excluding absolutely liability for:-

- 1) any claim resulting from a failure to meet a contractually agreed date or delivery time unless the prior consent of Underwriters has been obtained and any additional premium paid;
- 2) death or bodily injury to any person or living creature;
- 3) loss of, or damage to any goods owned by or leased to the Assured;
- 4) loss of, or damage to, any third party property other than cargo.
- 5) any claim howsoever arising relating to any breach of or failure to comply with Financial Conduct Authority (FCA) Regulations concerning but not limited to the sale of insurance or the administration thereof whether or not the Assured is regulated (in whatever capacity) or unregulated by the FCA.

Claims for consequential loss are only recoverable if the limits for such losses (ie. carriage charges) are set aside.

IMPORTANT cover provided under this section of the policy is subject to the GENERAL CONDITIONS, EXCLUSIONS AND OBSERVANCE TERMS.

General Conditions

Conditions

General Conditions, Exclusions and Observance

CANCELLATION CLAUSE

This insurance may be cancelled at any time by either party giving 30 days notice in writing by pre-paid letter post properly addressed to the last known address of either the Assured or Underwriters as applicable. Subject to no claims having been made during the period of insurance Underwriters at their discretion shall receive and retain pro-rata or earned premium whichever is the greater. The provisions of this clause are without prejudice to the Underwriters' rights of cancellation in the clause headed "Premium Payment Clause" in these conditions.

COMMUNICABLE DISEASE EXCLUSION

1, Notwithstanding any provision to the contrary within this insurance, this insurance does not insure any loss, damage, liability, claim, cost or expense of whatsoever nature caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.

2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

2.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

2.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

2.3 the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.

JC2020-011 17 April 2020

CO-OPERATION CLAUSE

The Assured shall, at the request and expense of Underwriters, co-operate in all reasonable and necessary steps required by Underwriters.

CYBER ATTACK EXCLUSION CLAUSE

(i) Subject only to paragraph 3 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.

(ii) Subject to the conditions, limitations and exclusions of the policy to which this clause attaches, the indemnity otherwise recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software programme, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.

(iii) Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, paragraph 1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

LMA5403 11 November 2019

DATA PROTECTION

Your personal information notice

Who we are:

We act for Chaucer and are the company identified in the contract of insurance and/or in the certificate of insurance.

The basics:

We and other insurance market participants collect and use relevant information about you to provide you with your insurance cover or the insurance cover that benefits you, or in connection with a claim and to meet our legal obligations.

This information includes details such as your name, address and contact details and any other information that we collect

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about you in connection with the insurance cover from which you benefit. This information may include more sensitive details such as information about your health and any criminal convictions you may have.

In certain circumstances, we may need your consent to process certain categories of information about you (including sensitive details such as information about your health and any criminal convictions you may have). Where we need your consent, we will ask you for it separately. You do not have to give your consent and you may withdraw your consent at any time. However, if you do not give your consent, or you withdraw your consent, this may affect our ability to provide the insurance cover from which you benefit and may prevent us from providing cover for you or handling your claims.

The way insurance works means that your information may be shared with, and used by, a number of third parties in the insurance sector for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. We will only disclose your personal information in connection with the insurance cover that we provide and to the extent required or permitted by law.

Other people's details you provide to us:

Where you provide us or your agent or broker with details about other people, you must provide this notice to them.

Want more details?

For more information about how we use your personal information please see our full privacy notice(s), which is/are available online on our website(s) or in other formats on request.

Contacting us and your rights

Contacting us and your rights

You have rights in relation to the information we hold about you, including the right to access your information. If you wish to exercise your rights, discuss how we use your information or request a copy of our full privacy notice(s), which is also available on our website www.lonham.co.uk, please contact us, or the agent or broker that arranged your insurance. Our contact details are:

Lonham Group Ltd, The Maltings, Princes Street, Ipswich, Suffolk, IP1 1SB, UK, Tel: +44(0)1473216116, E-mail:

lonham@lonham.co.uk

LMA9151 (Amended) 25 April 2018

DUTY OF ASSURED CLAUSE

It is a condition precedent to the liability of Underwriters hereunder:-

- (i) that the Assured makes a full declaration of all current trading conditions at inception of the policy period;
- (ii) that during the currency of this policy the Assured continuously trades under the conditions declared and approved by Underwriters in writing;
- (iii) that the Assured shall take all reasonable and practicable steps to ensure that their trading conditions are incorporated in all contracts entered into by the Assured. Reasonable steps are considered by Underwriters to be the following, but not limited to same:
 - the Assured makes specific reference to their trading conditions in job quotations to their customers;
 - if "own conditions" are used, i.e. not industry standard trading conditions such as BIFA or RHA, a copy of those conditions should be made available to the insured's customers at the time of contracting;
 - the Assured specifies their trading conditions on all invoices and written communications to their customers.

If a claim arises in respect of a contract into which the Assured have failed to incorporate the above mentioned conditions the Assured's right to be indemnified under this policy in respect of such a claim shall not be prejudiced providing that the Assured has taken all reasonable and practicable steps to incorporate the above conditions into contracts;

(iv) that the Assured shall at no time deliberately and/or knowingly and/or recklessly furnish incorrect information either verbally or on any documentation issued or completed in performance of the Assured's business including without limitation any Bills of Lading and/or other documents containing or evidencing a contract, of carriage or otherwise, and/or any customs documents and/or shipping documents;

(v) that the Assured shall at all times act with due diligence.

The policy is subject to and incorporates the provisions of the Insurance Act 2015 and any modification thereof unless such modification has been excluded under the policy. In connection therewith the policy includes LMA5264.

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EXCESS CLAUSE

If a payment in excess of the amount of indemnity available under this policy has to be made to dispose of a claim, the Underwriters' liability for the costs and expenses incurred shall be proportional to the amount of indemnity available under this policy.

EXCLUDED GOODS

Bullion, precious stones, bank notes or coins, currency, cheques, treasury notes, bonds, negotiable instruments or securities of any kind, living creatures, dangerous drugs, computer chips, memory cards, mobile phones, spirits, cigarettes or tobacco products unless specifically covered by the policy wording.

EXCLUDING WEAPONS AND/OR ARMS AND/OR AMMUNITION AND/OR EXPLOSIVES AND/OR PARTS AND/OR ASSOCIATED ACCESSORIES AND/OR MATERIALS AND/OR INGREDIENTS OF ALL KINDS.

FINANCIAL CONDUCT AUTHORITY (FCA) REGULATIONS

This policy expressly excludes any liability relating to any breach of or failure to comply with FCA Regulations concerning but not limited to the sale of insurance or the administration thereof whether or not the Assured is regulated (in whatever capacity) or unregulated by the FCA.

FRAUDULENT CLAIMS

If the Assured submits any claim knowing the same to be fake or fraudulent in any way this insurance shall become void and all claims hereunder shall be forfeited.

GENERAL EXCLUSIONS

Underwriters shall not be liable for any claims:-

i) in respect of risks required to be insured in the UK or otherwise provided for by any vehicle owner under the Road Traffic legislation or equivalent or by any employer under the Workmen's Compensation or Employers Liability Compulsory Insurance Legislation;

ii) brought against the Assured for libel or slander;

iii) brought against the Assured resulting from the Assured's fraudulent, criminal, wilful or malicious acts or omissions;

iv) resulting from the insolvency of the Assured;

v) for breach of any duty of care where the claimants had no contract with the Assured (except as covered by the Legal Liability to Third Party wording where included in the policy);

vi) resulting from the Assured's inability to pay or collect monies due other than the carriage charges which they may be required to pay or collect on behalf of their principals;

vii) resulting from loss of life or personal injury to any person or living creature unless specifically covered by the policy wording;

viii) resulting from the chartering of any vessel or aircraft, whether totally or partially;

ix) resulting in any liability for customs fines or penalties imposed for a breach of law, regulation or order enforced by the Federal Maritime Commission, Department of Justice or the Federal Trade Commission and excluding any punitive or exemplary damage awards, in the USA;

x) resulting from any award of punitive, exemplary, multiple or liquidated damages;

xi) from or caused by:-

mildew, extremes of temperature or other atmospheric conditions, inherent vice, insufficiency of insulation, electrical and/or mechanical derangement unless caused by external means, loss or damage caused by wear, tear, rust or gradual deterioration, moth and/or vermin contamination, shortage in weight, evaporation, consequential loss, loss of market or delay unless specifically covered by the policy wording.

IMPORTANT INSTRUCTIONS IN EVENT OF LIABILITY CLAIM

In the event of an incident taking place that could give rise to a claim, the Assured should ensure that they hold all sub-contractors responsible in writing for the incident and report the matter to Underwriters.

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The Assured should also take all reasonable steps to mitigate the loss.

The Assured shall as a condition precedent to their right to be indemnified under this policy give to the Underwriters immediate notice in writing:-

(i) of any claims made against them or;

(ii) of the receipt of notice from any person of any intention to hold the Assured responsible for the results of any breach of **professional duty in connection with the Assured's business as defined and covered by this policy and shall in either case upon request** give to the Underwriters such information as the Underwriters may reasonably require. This duty continues after the expiry of the policy period;

(iii) the Assured shall not admit liability for, or settle any claim, or incur any costs or expenses in connection therewith, without the written consent of Underwriters, who shall be entitled to take over and conduct the defence or settlement of any claim in the name of the Assured;

(iv) the Assured should provide all documentation requested by Underwriters which is not limited to the following list:

- All transit documentation;
- Supplier's invoice;
- Packing list, where one is issued;
- Quantified statement of claim;
- Correspondence in which all subcontractors are held responsible and their response, if received;
- Completed claim form;
- Where applicable, photographs of the alleged damage;
- All correspondence exchanged with the claimant.

The effect of a breach of a condition precedent is that Underwriters are entitled to avoid the claim in its entirety.

LEGAL EXPENSES

Underwriters will in addition to any claim payments made under this policy also pay all reasonable costs and expenses including solicitors' fees for the defence in a Court of competent Jurisdiction of proceedings arising out of an alleged breach of statutory duty incurred with their written consent and relating to any claim which may be the subject of indemnity under this policy.

LSW 1001 SEVERAL LIABILITY NOTICE

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

NON-CONTRIBUTION CLAUSE

This insurance does not cover any loss or damage which at the time of the happening of such loss or damage is insured by or would, but for the existence of this policy, be insured by any other existing policy or policies had this insurance not been effected.

POLICY JURISDICTION CLAUSE

This policy shall be construed according to and governed by English law and any dispute hereunder shall be submitted to the exclusive jurisdiction of the High Court of Justice, England.

PREMIUM CLAUSE

The Deposit Premium is payable to Underwriters at inception of the policy and is adjustable on expiry at the agreed rate on the certified gross annual turnover, subject to a minimum premium of 100% of the deposit unless specifically agreed by Underwriters.

PREMIUM PAYMENT CLAUSE

It is hereby agreed between the Underwriters and the Assured that in the event of the Assured, or their agents on whose instructions insurance may have been effected, failing to pay Underwriters (or their authorized agents "Representatives") the premium or any instalment thereof on the due date, or failing to submit the necessary documentation for an invoice to be

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raised:

a) this policy may be forthwith cancelled by Underwriters (or on their behalf by their Representatives). The foregoing is subject to Underwriters or their Representatives giving 10 calendar days' notice in writing to the Assured, or their agents on whose instructions insurance may have been effected or in accordance with the terms and conditions of any letter of undertaking that may be issued in favour of any assignee or mortgagee of this insurance. Where cancellation occurs due to failure by the Assured (or its agent) to make any payment at all, the insurance shall be void ab initio once the cancellation notice has become effective.

If part payment has been made, the insurance may be cancelled on a pro rata basis and the Underwriters shall only accept time on risk for the period in respect of which payment has been made.

b) will delay the payment of any claim presented and agreed for settlement under the policy. If cancellation occurs due to failure by the Assured (or its agent) to make any payment at all, claims which would otherwise have been covered by the insurance will be rejected entirely.

RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

This policy excludes any legal liability of whatsoever nature directly or indirectly caused by or contributed to or arising from:-

a) ionising, radiations or contamination by radioactivity from any nuclear fuel or nuclear waste or from the combustion of nuclear fuel.

b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any 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.

e) any chemical, biological, bio-chemical or electromagnetic weapon

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 that (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.

SONIC BANGS EXCLUSION

Loss, destruction or damage directly caused by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

SUB-CONTRACTORS AND/OR SUCCESSIVE CARRIERS

(i) The Assured shall take all reasonable steps to ascertain that all parties with whom they contract maintain sufficient and reasonable levels of insurance and where appropriate shall request proof of insurance;

(ii) The benefit of this policy shall in no circumstances whatsoever pass to sub-contractors and/or Successive Carriers.

TERRORISM EXCLUSION CLAUSE

This policy excludes all acts of Terrorism and persons acting from a political motive.

UK EXPORT CONTROL ORDER 2008 – REVOCATION OF LICENCES CLAUSE

In no case shall this insurance provide cover or shall any insurer(s) be liable to pay any claim or provide any benefit hereunder in respect of any movement(s) of goods authorised by an export control licence issued under the UK Export Control Order 2008 if the licence has expired or been revoked or for the period of suspension if the licence has been suspended.

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This clause shall not apply to a claim that arises prior to expiry revocation or suspension of such licence. In the event of the subsequent reinstatement of the licence, cover will re-attach subject always to the terms and conditions of this insurance.

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

UNLAWFUL TRADING

No provision of this policy shall extend to cover any liability of whatsoever nature directly or indirectly caused by or contributed to or arising from any unlawful trade or any service provided in respect of unlawful goods where such liability shall have arisen as a result of the knowing or reckless involvement of the Assured or any associated or connected company or individual or their employees. Cover shall only be available in respect of any such liability where the Assured can show that the liability has arisen through the unwitting involvement of the Assured in any such trade or service and where the Assured has established and maintained proper systems or precautions to prevent such involvement. The burden of proving that such liabilities are covered shall be upon the Assured.

WAR EXCLUSION

This policy excludes loss of or damage to cargo occasioned by or happening through or in consequence of war, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

CONTACTS AND COMPLAINTS PROCEDURE

Lonham Group Ltd acts for Chaucer Insurance Company DAC in performing its duties under this policy.

We aim to provide a first class service. If we have not delivered the service that you expected or have any concerns relating to the policy, we would like the opportunity to offer additional support to put things right. We ask you initially raise your concern with the relevant department at Lonham Group Ltd, The Maltings, Princes Street, Ipswich, Suffolk, IP1 1SB, UK, Tel: +44(0)1473216116, E-Mail: lonham@lonham.co.uk

If you are still not happy with our response or the course of action proposed, a complaint can be referred to our Complaints Officer, as shown below.

Complaints Procedure

ALL COMPLAINTS BY THE ASSURED MUST BE REFERRED IN THE FIRST INSTANCE TO LONHAM GROUP LTD: Complaints Officer, Lonham Group Ltd, The Maltings, Princes Street, Ipswich, Suffolk, IP1 1SB, UK, Tel: +44(0)1473216116, E-Mail: lonham@lonham.co.uk

IF NO SATISFACTION IS OBTAINED COMPLAINTS SHOULD THEN BE REFERRED TO:

Chaucer Insurance Company DAC - Complaints
38 & 39 Baggot Street Lower, Dublin 2, D02 T938, Ireland
E-Mail: complianceenquiries@chaucergroup.com
Tel: +353 1567 5580

In the event that the Complaints Department is unable to resolve your complaint, it may be possible to refer it to the Financial Ombudsman Service. Further details will be provided at the appropriate time.

Chaucer Insurance Company DAC is regulated by the Central Bank of Ireland

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INSURANCE ACT 2015 - APPLICATION CLAUSE ("WRAPAROUND CLAUSE")

General

1. Unless otherwise indicated, no term of this insurance contract is intended to limit or affect the statutory rights or obligations of any of the parties to this contract under, and/or the effect of, Parts 2, 3, 4 or 5 of the Insurance Act 2015 (the "2015 Act").
2. Any term of this insurance contract which would, but for this clause, put the Insured in a worse position as respects any of the matters provided for in Parts 2, 3 or 4 of the 2015 Act than it would be in by virtue of the provisions of those Parts is, to that extent, of no effect, unless the Insurer has complied with the transparency requirements in Section 17 of the 2015 Act.
3. The Insured should ask the Insurer or its broker for clarification of any matters which are not clear to it regarding the scope of disclosure required or the provisions of this insurance contract.

The duty of fair presentation

4. Before this insurance contract is entered into, the Insured must make a fair presentation of the risk to the Insurer, in accordance with Section 3 of the Insurance Act 2015. In summary, the Insured must:
 - a) Disclose to the Insurer every material circumstance which the Insured knows or ought to know. Failing that, the Insured must give the Insurer sufficient information to put a prudent insurer on notice that it needs to make further enquiries in order to reveal material circumstances. A matter is material if it would influence the judgement of a prudent insurer as to whether to accept the risk, or the terms of the insurance (including premium); and
 - b) Make the disclosure in clause (4)(a) above in a reasonably clear and accessible way; and
 - c) Ensure that every material representation of fact is substantially correct, and that every material representation of expectation or belief is made in good faith.
5. For the purposes of clause (4)(a) above, the Insured is expected to know the following:
 - a) If the Insured is an individual, what is known to the individual and anybody who is responsible for arranging his or her insurance.
 - b) If the Insured is not an individual, what is known to anybody who is part of the Insured's senior management; or anybody who is responsible for arranging the Insured's insurance.
 - c) Whether the Insured is an individual or not, what should reasonably have been revealed by a reasonable search of **information available to the Insured. The information may be held within the Insured's organisation, or by any third party** (including but not limited to the broker, subsidiaries, affiliates or any other person who will be covered under the insurance). If the Insured is insuring subsidiaries, affiliates or other parties, the Insurer expects that the Insured will have included them in its enquiries, and that the Insured will inform the Insurer if it has not done so. The reasonable search may be conducted by making enquiries or by any other means.

Critical information

6. It is a condition precedent to the Insurer's liability under this insurance contract that the material facts detailed under the "Critical Information" section of the policy are true and accurate at the time of inception of the contract.

Breach of warranty: suspensory

7. If the Insured breaches a warranty in this insurance contract, the Insurer's liability under the contract shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). The Insurer will have no liability to the Insured for any loss which occurs, or which is attributable to something happening, during the period when the Insurer's liability is suspended.

Terms not relevant to the actual loss

8. Where: (i) there has been a failure to comply with a term (express or implied) of this insurance contract, other than a term that defines the risk as a whole; and (ii) compliance with such term would tend to reduce the risk of loss of a particular kind and/or loss at a particular location and/or loss at a particular time, the Insurer cannot rely on the breach of such term to exclude, limit or discharge its liability if the Insured shows that the failure to comply with such term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

Fraudulent claims clause

9. If the Insured makes a fraudulent claim under this insurance contract, the Insurer:
 - a) Is not liable to pay the claim; and
 - b) May recover from the Insured any sums paid by the Insurer to the Insured in respect of the claim; and
 - c) May by notice to the Insured treat the contract as having been terminated with effect from the time of the fraudulent act.
10. If the Insurer exercises its right under clause (9)(c) above:
 - a) The Insurer shall not be liable to the Insured in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to the Insurer's liability under the insurance contract (such as the occurrence of a loss,

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the making of a claim, or the notification of a potential claim); and,
b) The Insurer need not return any of the premiums paid.

Fraudulent claims - group insurance

11. If this insurance contract provides cover for any person who is not a party to the contract (“a covered person”), and a fraudulent claim is made under the contract by or on behalf of a covered person, the Insurer may exercise the rights set out in clause (9) above as if there were an individual insurance contract between the Insurer and the covered person. However, the exercise of any of those rights shall not affect the cover provided under the contract for any other person.

Remedies for breach of the duty of fair presentation

12. If, prior to entering into this insurance contract, the Insured shall breach the duty of fair presentation, the remedies available to the Insurer are set out below.

a) If the Insured’s breach of the duty of fair presentation is deliberate or reckless:

- i) The Insurer may avoid the contract, and refuse to pay all claims; and,
- ii) The Insurer need not return any of the premiums paid.

b) If the Insured’s breach of the duty of fair presentation is not deliberate or reckless, the Insurer’s remedy shall depend upon what the Insurer would have done if the Insured had complied with the duty of fair presentation:

- i) If the Insurer would not have entered into the contract at all, the Insurer may avoid the contract and refuse all claims, but must return the premiums paid.
- ii) If the Insurer would have entered into the contract, but on different terms (other than terms relating to the premium), the contract is to be treated as if it had been entered into on those different terms from the outset, if the Insurer so requires.
- iii) In addition, if the Insurer would have entered into the contract, but would have charged a higher premium, the Insurer may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims). In those circumstances, the Insurer shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged/higher premium}) \times 100$.

13. If, prior to entering into a variation to this insurance contract, the Insured shall breach the duty of fair presentation, the remedies available to the Insurer are set out below.

a) If the Insured’s breach of the duty of fair presentation is deliberate or reckless:

- i) The Insurer may by notice to the Insured treat the contract as having been terminated from the time when the variation was concluded; and,
- ii) The Insurer need not return any of the premiums paid.

b) If the Insured’s breach of the duty of fair presentation is not deliberate or reckless, the Insurer’s remedy shall depend upon what the Insurer would have done if the Insured had complied with the duty of fair presentation:

- i) If the Insurer would not have agreed to the variation at all, the Insurer may treat the contract as if the variation was never made, but must in that event return any extra premium paid.
- ii) If the Insurer would have agreed to the variation to the contract, but on different terms (other than terms relating to the premium), the variation is to be treated as if it had been entered into on those different terms, if the Insurer so requires.
- iii) If the Insurer would have increased the premium by more than it did or at all, then the Insurer may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the Insurer shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged/higher premium}) \times 100$.
- iv) If the Insurer would not have reduced the premium as much as it did or at all, then the Insurer may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the Insurer shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged/reduced total premium}) \times 100$.

LMA5264 (Amended) 16 March 2016 [These clauses may also be used in reinsurance contracts.]