

## INSURANCE SCHEDULE

### RISK DETAILS:

**1. TYPE:**

PORTS AND TERMINALS PACKAGE INSURANCE CONSORTIUM AT LLOYD'S

**2. POLICY PERIOD:**

{Missing}

**3. ASSURED NAME & ADDRESS:**

Including full post code or zip code:

{Missing}

**JOINT ASSURED / CO-ASSURED NAME & ADDRESS:**

Including full post code or zip code:

{Missing}

**LOSS PAYEE NAME & ADDRESS:**

Including full post code or zip code:

{Missing}

**4. INSURED LOCATIONS:**

Including full postal code/or zip code and latitude & longitude:

{Missing}

**5. INSURED OPERATIONS:**

See Schedule B attached.

**6. OVERALL SECTION LIMIT /SECTION SUB LIMIT/ SUM INSURED:**

See Schedule C attached

**7. DEDUCTIBLE:**

See Schedule C attached

## **8. CONDITIONS:**

Wavelength Ports & Terminals Consortium Policy wording. See Schedule C attached.

All claims are to be notified immediately to CTC Services. The Broker is to arrange claims reporting procedure between the Assured and CTC, within 14 days of attachment. Claims Control clause if reinsurance.

## **9. SEVERAL LIABILITY: (LSW1001)**

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

## **10. CHOICE OF LAW AND JURISDICTION:**

As per Wavelength Ports & Terminals Consortium Policy Wording.

## **INFORMATION:**

- As per attached provided by Assured, if applicable.

## **SCHEDULE A - PREMIUM TERMS**

**Note** The Assured should consult Premium Payment Warranty for settlement due dates, amounts and adjustment dates.

### **Section 1 Liabilities**

Annual Premium: {Missing} in full per annum

### **Section 2 Property Damage**

Annual Premium: {Missing} in full per annum

Adjustable at the following rate(s): {Missing}

### **Section 3 Handling Equipment**

Annual Premium: {Missing} in full per annum

Adjustable on at the following rate(s): {Missing}

### **Section 4 Business Interruption**

Annual Premium: {Missing} in full per annum.

**Section 5 Port Vessels**

Annual Premium: {Missing} in full per annum.

Adjustable at the following rate(s): {Missing}

**Sections 1, 2, 3, 4, and 5**

Package Premium: {Missing} in full per annum.

**Premium Payment Warranty**

It is a warranty of this Policy that the premium is required to be paid on or by the Settlement Due Date, in default of which Underwriters are entitled to cancel this policy from:

(a) date of default; or

(b) date of inception.

Settlement Due Date {Missing}

**SCHEDULE B - INSURED OPERATIONS**

[(Note to Broker) Delete B (ii) Terminal Operations if Assured is insured as a Port.  
Delete B (i) Port Operations if Assured is a Terminal Operator or other type of cargo Operator.]

## **PORT AUTHORITY**

**B. (i) Operations for which the Assured is insured as a **Port Authority**:**

**Port Authority** includes Port operator, harbour board, harbour authority and harbour operator.

(Delete those Operations the Assured is not insured for.)

**Cargo and Equipment Handling:**

- (a) Stevedoring Operations, on board vessels or ashore;
- (b) Terminal or Depot Operations;
- (c) Storage, including Warehousing of Cargo, Containers and Trailers;
- (d) Equipment Repair Operations;
- (e) Local Collection and Delivery of Cargo, Containers and Trailers, ancillary to any other services for which the Assured is insured under (a) to (d) above.

**Navigational Aids, Information and Control:**

- (a) Provision and Maintenance of Marine Navigational Aids;
- (b) Provision and Maintenance of Charted and Advertised Water Depths;
- (c) Provision and Maintenance of Buoyage and Lighting for Fairways, Wrecks and Obstructions;
- (d) Provision of Navigational Information and Warnings;
- (e) Provision of Pilots and Pilotage;
- (f) Control of the Movement, Berthing and Anchoring of Marine Traffic.

**Shoreside Facilities:**

- (a) Provision and Maintenance of Wharves, Quays, Docks, Slipways and Moorings;
- (b) Provision and Maintenance of Passenger Terminals;
- (c) Provision and Maintenance of Buildings, Structures and Equipment;
- (d) Provision and Maintenance of road and rail systems within the Port area;
- (e) Provision of Security Services;

**Additional Insurance:**

- (a) Provision and Maintenance of Port Emergency Services, including facilities for firefighting, rescue work, ambulance services and/or first aid;

- (b) Leasing to, or permitting the use by another person of any Port Facility or Equipment;
- (c) Provision of Advice and Information on the Management of Ports and Operations referred to above, to persons by whom the Assured is engaged to provide such advice and information, provided that such operations are of a type for which the Assured is otherwise insured;

## **SCHEDULE B - INSURED OPERATIONS**

### **TERMINAL OPERATIONS**

- B. (ii)** Operations for which the Assured is insured as a **Terminal Operator** or other type of cargo Operator:

(Delete those the Assured is not insured for.)

Provision of:

- (a) Marine Terminal Operations;
- (b) Warehousing Operations;
- (c) Depot or Air Freight Terminal Operations;
- (d) Container Freight Station Operations;
- (e) Container or Trailer Repair or Storage Depot Operations;
- (f) Inland Clearance Depot Operations;
- (g) Rail Freight Intermodal Transfer Depot Operations;
- (h) Stevedoring (on board Vessels or ashore);
- (i) Local Collection and Delivery of Cargo, Containers and Trailers, ancillary to any other services for which the Assured is insured under (a) to (h) above;
- (j) Handling Equipment (as an operator);

#### **Additional Insurance:**

- (a) Provision of Advice and Information on the Management of Terminals or other similar type of cargo Operations and the Operations referred to above, to persons by whom the Assured is engaged to provide such advice and information, provided that such operations are of a type for which the Assured is otherwise insured;

**SCHEDULE C - INSURANCE PROVIDED, OVERALL SECTION LIMIT(S), SECTION SUB LIMITS, SUMS INSURED AND DEDUCTIBLES:**

<b>Insured Y/N</b>	<b>Port &amp; Terminal Wording</b>	<b>Overall Section Limit/ Section Sub Limit USD</b>	<b>Deductible each accident USD/ Days</b>
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**SECTION 1 LIABILITY (LSW1510)**

Section 1

<b>C*</b>	<b>Liability</b>	<b>Overall Section 1 Limit</b> {Missing} each accident This is a Combined Single Limit for all Liability Insurance and Endorsements.  <b>Sub Limits</b> [All Section Sub Limits are inclusive and not additional to the Overall Section Limit as above.]	{Missing}
<b>C*</b>	Under Clause 4. Cross Liability	Sub Limit USD 1,000,000* in the aggregate	{Missing}
<b>C*</b>	Under Clause 6. Action Over	Sub Limit USD 1,000,000* in the aggregate * Maximum combined Sub Limit under both Clause 4&6 is USD 1,000,000 in the aggregate	{Missing}

Endorsements:

<b>C*</b>	Fire Extension (LSW1511)	Sub Limit USD 1,000,000 in the aggregate	{Missing}
<b>C*</b>	Infringement of Personal Rights (LSW1514)	Sub Limit USD 1,000,000 in the aggregate	{Missing}
<b>C*</b>	Advice and Information	Sub Limit USD 500,000	{Missing}

	(LSW1512)	in the aggregate	
C*	Fines (LSW1513)	Sub Limit USD 1,000,000 in the aggregate	{Missing}
C*	Wrongful Delivery (LSW1515)	Sub Limit USD 250,000 in the aggregate	{Missing}

**[NOTE**

1. **Section Sub Limits:** All Sub Limits are inclusive and **not** additional to the Overall Section Limit as above.]
2. The Overall Section Limit and all Section Sub Limits are inclusive of any costs and expenses incurred.]

<b>Insured Y/N</b>	<b>Port &amp; Terminal Wording</b>	<b>Overall Section Limit/ Section Sub Limit USD</b>	<b>Deductible each accident USD/ Days</b>
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**SECTION 2 PROPERTY (LSW1516)**

Section 2		<b>Overall Section 2 Sum Insured</b>	
<b>C*</b>	<b>Property Damage</b>	{Missing} C* if Full Value C* if First Loss	{Missing}
	Wind/ Flood Deductible (if applicable)		{Missing}
		Or % of TSV	{Missing}

Endorsements:

<b>C*</b>	Earthquake Extension (LSW1517)	{Missing}	{Missing}
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**SECTION 3 HANDLING EQUIPMENT (LSW1519)**

Section 3		<b>Overall Section 3 Sum Insured</b>	
	<b>Handling Equipment</b>	{Missing} C* if Full Value C* if First Loss	{Missing}
	Wind/ Flood Deductible (if applicable)		{Missing}
		Or % of TSV	{Missing}

Endorsements:

<b>C*</b>	Earthquake Extension (LSW1520)	{Missing}	{Missing}
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**[NOTE**

- Section Sub Limits:** All Sub Limits are inclusive and **not** additional to the Overall Section Limit as above.]
- The Overall Section Limit and all Section Sub Limits are inclusive of any costs and expenses incurred.]



<b>Insured Y/N</b>	<b>Port &amp; Terminal Wording</b>	<b>Overall Section Limit/ Section Sub Limit USD</b>	<b>Deductible each accident USD/ Days</b>
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**SECTION 4 BUSINESS INTERRUPTION (LSW1522)**

Section 4

**Overall Section 4  
Limit/Loss Period**

☛	<b>Business Interruption</b>	Loss Period {Missing} days/months {Missing}	{Missing}
☛	Handling Equipment	{Missing}	{Missing} days
☛	Property	{Missing}	{Missing} days
☛	Clause 2.2 Blockage of Operations	{Missing}	{Missing} days
☛	Clause 2.2(a) Insured Berth*	{Missing}	{Missing} days
☛	Clause 2.2(b) Approach Channel	{Missing}	{Missing} days
☛	Clause 2.2(c) Land Access	{Missing}	{Missing} days

\* Insured Berths are set out in  
the property schedule

**SECTION 5 PORT VESSEL**

Section 5

**Port Vessel Wording**

**Overall Section 5  
Sum Insured**

Institute Time Clauses Hull Port Risks (20/07/87) Subject to the Institute Protection and Indemnity Amendment Clause (1/6/91)	{Missing}	{Missing}
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√ if in schedule  
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**[NOTE**

1. **Section Sub Limits:** All Sub Limits are inclusive and **not** additional to the Overall Section Limit as above.]
2. The Overall Section Limit and all Section Sub Limits are inclusive of any costs and expenses incurred.]



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## GENERAL POLICY PROVISIONS

**These General Policy Provisions apply to and form part of the Wavelength Ports and Terminals Consortium Policy, Insurance Schedule, Questionnaire and to all Sections of the Policy purchased by the Assured**

1. **All payments under this Policy will be made to the Assured, or any loss payee identified in the insurance schedule.**
2. **SECTION LIMIT(S) / SUB-LIMIT(S) / SUM INSURED**
  - 2.1 **Overall Section Limit(s)** - Underwriters maximum limit payable for any claim under each section of this Policy arising from any one Accident or series of Accidents arising out of any one event is set out in the overall section limit(s) of the Insurance Schedule. Such overall section limit(s) shall be inclusive of any costs and defence expenses.
  - 2.2 **Section Sub-Limit(s)** - In the case of section sub-limit(s) under this Policy, such section sub-limit(s) shall apply to any claim arising under that section, clause, extension or Operation in respect of any one Accident or series of Accidents arising out of any one event, and shall be inclusive and not in addition to the Overall Section Limit(s) as set out in the Insurance Schedule. Such section sub-limit(s) shall be inclusive of any costs and defence expenses arising from the claim(s) under that section, clause, extensions/or Operation. Where indicated in the Insurance Schedule all section sub-limit(s) apply in respect of any one Accident or series of Accidents arising out of any one event and in the aggregate for each 12 month period from the inception date of this Policy.
  - 2.3 **Sum Insured** - The sum insured shall mean the insured value of the Insured Property and/or Insured Handling Equipment or the limit of Liability or Loss Period as identified in the Insurance Schedule.
3. **JOINT ASSUREDS AND CO-ASSUREDS**
  - 3.1 Underwriters may accept an application from an Assured for another person or persons to become Joint Assureds in respect of that Assured's Policy. Each Joint Assured shall have an independent right of recovery from the Underwriters in respect of any liabilities, costs or expenses arising out of a particular casualty or event.
  - 3.2 Unless otherwise agreed in writing with the Underwriters, the Assured and all Joint Assureds shall be jointly and severally liable to pay all amounts due to the Underwriters in respect of this Policy.
  - 3.3 The Underwriters may accept an application from an Assured for another person or persons to become Co-assureds. The liability of Underwriters to all Co-assureds shall only extend insofar as the Co-Assured may be found liable to pay in the first instance for liabilities which are properly the responsibility of the Assured and are insured under this Policy. Once Underwriters have indemnified such Co-assureds, Underwriters shall not be under any further liability and shall not make

any further payment to any person or company whatsoever, including the Assured, in respect of that claim.

- 3.4 Payment by Underwriters to the Assured or any one Joint Assured, or Co-assured in respect of any claim under this Policy shall fully discharge Underwriters of all liability arising out of that claim.
- 3.5 Any provision of this Policy by which an Assured or Joint Assured or Co-assured ceases to be insured or ceases to be entitled to recover from Underwriters in respect of any liability, loss or damage shall be deemed to apply to all Assureds, Joint Assureds and Co-assureds. Failure by the Assureds or any Joint Assured or Co-assureds to comply with any of the obligations under this Policy is deemed to be the failure of the Assured and all Joint Assureds and all Co-assureds. Conduct of an Assured or any Joint Assured or Co-assured which would have entitled the Underwriters to decline to indemnify it shall be deemed to be the conduct of all Assureds, Joint Assureds, and Co-assureds.
- 3.6 The contents of any communication between the Assured or any Joint Assured or Co-assured and the Underwriters, their servants or agents, shall be deemed to be within the knowledge of the Assured and all Joint Assureds or Co-assureds.
- 3.7 The Assured, Joint Assureds and Co-assureds agree that (subject to any express coverage in this Policy) no disputes arising amongst them shall be the subject of any insurance or recovery from the Underwriters and Joint Assured and Co-assureds shall only be insured on this basis.
- 3.8 Where there are Joint Assureds or Co-assureds, any reference to the Assured in this Policy will be deemed to include any Joint Assured or Co-assured, so far as applicable.

#### **4. UNDERLYING AMOUNT(S) / DEDUCTIBLE(S)**

This Policy shall only pay in excess of deductible(s) specified in the Insurance Schedule in respect of claim(s) resulting from any one Accident or series of Accidents arising out of one event. Costs and defence expenses shall also be subject to such deductible(s).

#### **5. RADIOACTIVE CONTAMINATION \ CHEMICAL \ BIOLOGICAL \ BIO CHEMICAL \ ELECTROMAGNETIC WEAPONS AND CYBER ATTACK EXCLUSION CLAUSE**

In no case shall this Policy cover loss, damage or expense directly or indirectly caused by or contributed to by or arising from:

- A. Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- B. The radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- C. Any weapon employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- D. Any chemical, biological, bio chemical or electromagnetic weapon;

- E. The use or operation as a means for inflicting harm, of any computer, computer system, computer software programme, computer virus or process or any other electronic system.

## **6. WAR, STRIKES AND TERRORISM EXCLUSION**

### **6.1 This Policy excludes:**

- A. loss damage, cost or expense directly or indirectly caused by, contributed to or arising from or in consequence of any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
- B. strike, lock-out, labour disturbance, riot, civil commotion, war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil strife, 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;
- C. any act of terrorism, which means an act, including but not limited to the use of force or violence or the threat of violence, of 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 and/ or to put the public or any section of the public in fear;
- D. this Policy also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way related to 6.1.

6.2 The burden of proving that this exclusion does not apply (if it is alleged to apply by Underwriters) shall be upon the Assured;

6.3 If any part of this exclusion is found to be invalid or unenforceable, the remainder will remain in full force and effect.

## **7. DANGEROUS CARGOES**

It is a condition precedent of liability under this Policy that the Assured shall take all reasonable and proper steps to ensure compliance with all relevant and applicable regulations and/or statutory provisions relating to the carriage, handling and storage of dangerous cargoes. Underwriters will not be liable for any claims arising out of the Assured's breach of this condition.

## **8. DUE DILIGENCE/ PRECAUTIONARY MEASURES (ASSURED'S DUTY TO MINIMISE LOSS)**

8.1 It is a condition of this Policy that the Assured shall act as if a prudent uninsured at all times and at their own expense take such measures as may be reasonable for the purpose of averting or minimising a loss. The Assured shall not admit liability or assume any obligation without prior agreement by Underwriters. In the event of a breach of this condition, Underwriters shall be entitled to cancel this Policy from inception, and shall not be liable for any claims arising under the Policy.

8.2 The Assured shall maintain all precautionary measures given as information to Underwriters with regard to loss prevention and risk management. The Assured shall, in addition, implement any measures required by Underwriters and notify Underwriters of any material change in or affecting the Assured's Operation(s). In the event of any material change, Underwriters will be entitled to amend the terms

and conditions of this Policy, or cancel this Policy with effect from the date of the material change.

#### **9. SURVEY / ISPS**

It is a condition of this Policy that in the event Underwriters require a survey to be carried out, the Assured shall comply with any recommendations, requirements or restrictions imposed as a consequence of the survey by the date required by the survey or by the date set by Underwriters. The Assured must comply with the International Ship and Port Facility Security Code (ISPS).

In the event of a breach of this condition, Underwriters shall be entitled to cancel this Policy, with from inception, and shall not be liable for any claims arising under the Policy.

#### **10. ELECTRONIC EXCLUSION CLAUSE**

10.1 Notwithstanding anything to the contrary contained within this Policy, it shall not provide cover in respect of claims, losses, expenses or costs arising by reason of any defect in the operation of any Computer Equipment, the operation or any function of such Computer Equipment, or the sending, receipt, processing or manipulation of data (including e-mails and data accessible via the internet). For this purpose, "Computer Equipment" includes any combination of software and hardware.

10.2 This clause applies regardless of any other cause and/or event that contributes concurrently or in any sequence to any loss, damage, cost, claim, and/or expense.

#### **11. NOTICE OF POTENTIAL CLAIMS**

The Assured shall give to Underwriters, directly or via Underwriters representatives (as identified in the Insurance Schedule), immediate notice of an Accident which may give rise to a loss which could result in a claim under this Policy. The Assured shall then promptly deliver by mail or facsimile or e-mail to Underwriters, directly or via Underwriters' representatives, a written account of the nature of the Accident stating the cause, if known, the extent of any damage, liability or expense and the nature of the interest of the Assured. Should notice not be given within 30 days of the Assured becoming aware of the Accident, Underwriters will have the option to decide whether they have been prejudiced by the delay, and if so, to reduce the amount paid in respect of the claim, or not pay the claim at all.

#### **12. ASSISTANCE OF THE ASSURED**

12.1 The Assured shall assist Underwriters in all matters relating to claim(s) and provide Underwriters with all information Underwriters or their agents may reasonably request in respect of a claim. The Assured will also allow Underwriters or their agents to interview witnesses and access to evidence supporting the claim(s).

12.2 The Assured is obliged under the due diligence obligation in clause 8.1 to take all reasonable steps to defend claim(s) made against the Assured which could become a claim under this Policy. Underwriters shall have the right, but not the duty, to



participate with the Assured in the defence, settlement or litigation of any claim(s) made against the Assured, or to appeal against any judgement or award.

Underwriters agree, provided prior written consent is obtained from Underwriters, subject to any terms imposed by Underwriters such as selection of lawyers, and subject to any deductible/underlying amount, to indemnify the legal costs and expenses in relation to any claim(s) against the Assured arising out of an insured Accident. However, Underwriter's liability including such legal costs and expenses shall in no event exceed the relevant Overall Section Limit(s) and/or Section Sub-Limit(s) as identified in the Insurance Schedule.

- 12.3 Underwriters shall have the right to elect at any time to take over the conduct of the defence, settlement or litigation of any claim(s) from the Assured upon giving notice to the Assured or the Assured's Broker by mail, facsimile or e-mail. Should Underwriters make such an election, the Assured agrees to continue to provide Underwriters with all reasonable assistance in handling the claim(s).
- 12.4 Underwriters shall be entitled at any time to elect not to continue to support the defence, settlement or litigation of any proceedings and any liability for legal costs and expenses shall cease at the time of their election.

### **13. SUBROGATION**

The Assured is not authorised to waive any rights of recovery in relation to any other party without prior written agreement from Underwriters. Where an amount is paid by Underwriters under this Policy, the Assured's rights of recovery against any other party in respect of such amount shall be exclusively subrogated to Underwriters. At Underwriters' request the Assured will assist (including attendance at hearings and ensuring attendance of witnesses), co-operate and lend its name to the exercise of Underwriters' rights of subrogation. In the event that any subrogated recovery is made, Underwriters will be entitled to reimbursement of all sums they have paid under the Policy before the Assured is entitled to receive any uninsured losses or deductible that has been applied.

### **14. AUDIT**

Underwriters may on reasonable notice examine and audit the Assured's books and records at any time relating to the subject matter of this Policy.

### **15. PRIOR KNOWLEDGE / OTHER INSURANCES**

- 15.1 Underwriters will have no liability under this Policy arising from any Accident, of which the Assured had knowledge, prior to the inception date of this Policy.
- 15.2 Where the Assured has given notice to insurers under any other insurance or is, irrespective of this Policy, entitled to be indemnified in whole or in part by any other insurance in respect of any damages or loss which would otherwise be indemnifiable in whole or in part by the Underwriters of this Policy, there shall be no contribution or participation by the Underwriters of this Policy on the basis of any deficiency, concurrent or double insurance for such loss or damage for which the Assured is entitled to be indemnified by such other insurance. This condition will apply whether or not the Assured is actually indemnified by such other insurance.

## **16. INSOLVENCY OR BANKRUPTCY**

- 16.1 The insolvency, liquidation, bankruptcy, receivership, administration or the like, or any refusal or inability to pay of the Assured or any Underwriter shall not operate to:
- A. Increase Underwriter's liability under this Policy, or;
  - B. To increase any Underwriter's share of liability under this Policy, or;
  - C. To deplete any underlying amount(s).
- 16.2 Upon any of the circumstances described in 16.1 occurring to the Assured, then this Policy shall immediately terminate. The Assured will not be entitled to any return of premium, and will remain liable for premium due up to the date of cancellation.
- 16.3 In no event shall any Underwriter of this Policy assume the responsibilities or obligations of the Assured or any insurer or any Underwriter upon any of the circumstances described in 16.1 occurring to the Assured

## **17. CANCELLATION**

- 17.1 Cancellation of this Policy may be effected by the Assured, or by Underwriters or their representatives (as identified in the Insurance Schedule) sending notice by mail or facsimile, or e-mail to the other party(s) stating when, not less than 30 days thereafter, cancellation shall be effective.
- 17.2 If this policy is cancelled by the Assured, Underwriters will retain the short rate proportion of the premium for the period this Policy has been in force calculated in accordance with the standard London Market Short Rate Cancellation Table. If Underwriters cancel this Policy, they shall retain the pro rata proportion of the premium for the period this policy has been in force until the effective date of cancellation.
- 17.3 Notice of cancellation by the Underwriters shall be effective whether or not Underwriters have returned or tendered the return of any premium with such notice.

## **18. PREMIUM PAYMENT CLAUSE**

The Assured warrants that premium will be paid in full to Underwriters by the settlement due date set out in the Slip and Insurance Schedule (or in respect of instalment premiums, when due), or any longer period set by the applicable law of this Policy.

If the premium has not been paid in accordance with this warranty, Underwriters shall have the right to cancel this Policy by notifying the Assured either direct or via the broker in writing. Cancellation shall take effect either from the date of default, or date of inception as elected by the Underwriters in the slip and Insurance Schedule. In the event of cancellation as at the date of default, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk but the full policy premium shall be

payable to Underwriters in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this Policy.

Unless otherwise agreed, the Leading Underwriters are authorised to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating on this Policy.

If any part of this clause is found by a Court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

Where the premium is to be paid through a London Market Bureau, payment to Underwriters will be deemed to occur on the day of delivery of a premium advice note to the Bureau.

#### **19. ASSIGNMENT**

No assignment of any interest under this Policy shall be valid except with the written consent of Underwriters.

#### **20. SEVERAL LIABILITY NOTICE**

The subscribing Underwriters' obligations under this Policy are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing Underwriters are not responsible for the subscription of any co-subscribing Underwriter who for any reason does not satisfy all or part of its obligations.

#### **21. GOVERNING LAW**

This Policy shall be subject to and governed by English Law.

#### **22. ARBITRATION**

All matters in difference between the parties arising under, out of or in connection with this Policy, including formation and validity, and whether arising during or after the period of this Policy, shall be referred to an arbitration tribunal as set out below.

22.1 Unless the parties appoint a sole arbitrator within 14 days of one receiving a written request from the other for arbitration, the party requesting arbitration (the Claimant) shall appoint an arbitrator and give written notice to the other party (the Respondent). Within 30 days of receiving such notice the Respondent shall appoint his arbitrator and give written notice to the Claimant, failing which the arbitrator appointed by the Claimant shall act as sole arbitrator, in which case paragraph 22.2 shall not apply.

22.2 Before they enter upon a reference the two arbitrators shall appoint a third arbitrator. Should they fail to appoint such a third arbitrator within 30 days of the appointment of the Respondent's arbitrator then either of them or either of the parties may apply to the appointor for the appointment of the third arbitrator. The three arbitrators shall decide by majority. If no majority can be reached the verdict of the third arbitrator shall prevail. He shall also act as chairman of the tribunal.

The appointor shall be the Chairman of the London Court of International Arbitration.

- 22.3 Unless the parties otherwise agree the arbitration tribunal shall consist of persons (including those who have retired) with not less than ten years' experience of insurance or reinsurance as persons engaged in the industry itself or as lawyers or other professional advisors.
- 22.4 The arbitration tribunal shall have power to fix all procedural rules for the holding of the arbitration.
- 22.5 The place of arbitration shall be London unless an alternative place is agreed between the parties.

### **23. THIRD PARTY RIGHTS**

No party other than the Underwriters and the Assured specified in the Insurance Schedule shall have any right to enforce any part of this Policy.

### **24. DEFINITIONS**

- 24.1 ACCIDENT - wherever used means a sudden event which was neither expected nor intended by the Assured and which first occurred or commenced on an identifiable specific date during the Policy period.
- 24.2 ASSURED - wherever used shall mean the Assured (as identified in the Insurance Schedule) and any, executive officer, managing employee, director or trustee thereof while acting within the scope of the duties bestowed on that person by the Assured.
- 24.3 BODILY INJURY - wherever used shall mean all physical injury to a third party including death, sickness, disease, mental injury, anguish or shock resulting from such physical injury.
- 24.4 CO-ASSURED – wherever used shall mean any party defined in the Insurance Schedule as a Co-assured.
- 24.5 COMPUTER EQUIPMENT - wherever used shall mean computer hardware and/or software.
- 24.6 CONFINES OF THE PORT AND/OR CONFINES OF THE TERMINAL AND/OR CONFINES OF THE INSURED LOCATION wherever used shall mean those areas within the limits of the Port as set out in the Insured Operations Clause of the Insurance Schedule, and in the case of local collection and delivery within a 10 kilometre radius of the Confines of the Port or Terminal or Insured Location.

A Port includes ports, marine terminals, warehouses, container freight stations, container or trailer repair or storage depots, inland clearance depots and rail freight intermodal transfer depots.

- 24.7 INSURANCE SCHEDULE - wherever used shall mean the schedule to the Insurance Policy.
- 24.8 INSURED HANDLING EQUIPMENT - wherever used shall mean the handling equipment specified in the Handling Equipment Schedule of the Insurance Schedule.
- 24.9 INSURED LOCATION - shall mean those locations specified in the Insurance Schedule.
- 24.10 INSURED PROPERTY - shall mean the insured property set out in the Property Schedule of the Insurance Schedule.
- 24.11 JOINT ASSURED - wherever used shall mean any party defined in the Insurance Schedule as a Joint Assured
- 24.12 INSURED OPERATIONS - wherever used shall mean the insured operations which the Assured has requested to be insured for and has been granted coverage for by Underwriters as identified in the Insurance Schedule.
- 24.13 OVERLOADED - wherever used shall mean when the safe working load specified for the equipment by the manufacturer or by any other similarly qualified party is exceeded.
- 24.14 POLICY - wherever used shall mean all Sections, including extensions to those Sections, General Policy Provisions, Insurance Schedule, and Questionnaire.
- 24.15 PORT AUTHORITY - wherever used shall mean the party stipulated in the Port Authority Questionnaire and the operator or owner of the port specified in the Insurance Schedule.
- 24.16 TERMINAL OPERATOR - wherever used shall mean the party(s) stipulated in the Terminal Operator Questionnaire and the operator of any terminal operations specified in the Insurance Schedule.