

# Freight Forwarder Liability Policy Schedule & Wording

Company: Dynasty Shipping Ltd

Policy Period: From 12:01 A.M. 01 April 2021 to  
12:01 A.M. 01 April 2022 (both dates  
inclusive)

CHUBB®

# Contents

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## Policy Schedule

**Policy Number: FFLHK10003/21**

<b>Item 1</b>	<b>Class</b>	Freight forwarder liability insurance	
<b>Item 2</b>	<b>Broker</b>	Risk Management Insurance Brokerage Limited	
<b>Item 3</b>	<b>Name Insured</b>	Dynasty Shipping Ltd	
<b>Item 4</b>	<b>Address of Insured</b>	Room 905, 9/F, Grand City Plaza, 1-17 Sai Lau Kok Road, Tsuen Wan, Hong Kong	
<b>Item 5</b>	<b>Period of Insurance</b> (both dates inclusive)	From: 12:01 A.M. 01 April 2021	
		To: 12:01 A.M. 01 April 2022	
		Local Hong Kong Time	
<b>Item 6</b>	<b>Coverage Limits &amp; Deductible</b>	<b>Section A: Cargo Liability Coverage</b>	
		Limit:	USD250,000- <b>AOC</b>
		Deductible:	USD1,500- <b>AOC</b>
		<b>Section B: Errors, Omissions &amp; Financial Loss</b>	
		Aggregate Limit:	USD250,000- <b>AOC</b> and <b>AOP</b>
		Deductible:	USD2,500- <b>AOC</b>
		<b>Section B(II) (Fines, Penalties &amp; Other Costs Sub-Section):</b>	
		Sub-Aggregate Limit:	USD25,000- <b>AOC</b> and <b>AOP</b>
		Deductible:	USD2,500- <b>AOC</b>
		<b>Section C: Third Party Liability (NOT COVERED)</b>	
		Aggregate Limit:	- <b>AOC</b> and <b>AOP</b>
Deductible:	- <b>AOC</b>		
<b>Item 7</b>	<b>Insured Services and Operations:</b>	<ol style="list-style-type: none"> <li>1. Carriage by sea as principal and as agent</li> <li>2. Carriage by air as principal and as agent</li> </ol>	

Item 8	<b>Territorial Limit:</b>	Worldwide except sanctioned countries
Item 9	<b>Additional Insured Activities:</b>	<ol style="list-style-type: none"> <li>1. Warehousing, Insured's warehouse at the following locations: <b>NOT COVERED</b></li> <li>2. Ancillary Trucking Services using the following vehicles: <b>NOT COVERED</b></li> </ol>
Item 10	<b>Approved Contract Documents:</b>	<ol style="list-style-type: none"> <li>1. Combined Transport Bill of Lading as approved per email dated 26 April 2007</li> <li>2. Air Waybill as approved per email dated 16 August 2007</li> <li>3. Bill of Lading in name of Dynasty Shipping Limited as approved per email dated 5 June 2008</li> <li>4. Air waybill in name of Dynasty Shipping Limited</li> <li>5. Bill of Lading in name of Dynasty Shipping Limited</li> <li>6. Air Freight Standard Trading Conditions</li> <li>7. Sea Freight Standard Trading Conditions</li> </ol> <p>Document 4-7 are approved per email dated 10 May 2012.</p> <p>The approvals of the above documents are subject always to the policy terms and conditions.</p>
Item 11	<b>Special Conditions:</b>	<ol style="list-style-type: none"> <li>1. The <b>Insured</b> warrants that it shall incorporate its Standard Trading Conditions, which have been approved by <b>Chubb</b>, into all its business transactions with its <b>Customer(s)</b> and sub-contractor(s).</li> <li>2. Where the <b>Insured</b> acts as principal for carriage by sea, air or road, the <b>Insured</b> warrants that it shall issue all relevant and appropriate approved documents to its <b>Customer(s)</b>.</li> <li>3. The <b>Insured</b> shall disclose all material information to <b>Chubb</b> prior to the inception of this <b>Policy</b>; and shall not make any material misrepresentation prior to the inception of the <b>Policy</b>. Further the <b>Insured</b> shall be under a continuing duty throughout the <b>Period of Insurance</b> to disclose any change in material Information and/or circumstances. Failure to disclose any material information or any material change during the <b>Period of Insurance</b> or any material misrepresentation, whether deliberate or innocent, shall entitle <b>Chubb</b> to cancel the <b>Policy</b> from inception.</li> <li>4. For any contract not approved by the underwriters or not reviewed by the underwriters, the liability of the Insured under this policy will be subject to the following conditions: <ul style="list-style-type: none"> <li>(a) Clause 1.1.2 in Section A is deleted from this Policy. For clarity's sake, this Policy expressly excludes any legal liability of Insured for and in respect of any consequential loss, loss of market, loss of monies, loss of opportunity, loss of use and/or any form of economic loss howsoever caused.</li> </ul> </li> </ol>

	<p><b>Special Conditions: (Con't)</b></p>	<p>(b) Notwithstanding whether there is any agreement signed and/or agreed between the Insured and its customers and/or principal, the Insurers' indemnity to the Insured under this Policy shall in no event be more than USD2 per kilogram or USD500 per package, whichever is the lesser, for the goods lost, damaged, delayed, misdirected, misdelivered and/or in respect of which a claim howsoever caused is made.</p> <p>However, if any of international convention e.g Hague Visby Rules, Hague Rules, Warsaw Convention, Montreal Convention or CMR Convention etc becomes compulsorily applicable for any of particular part of transit, the applicable liability limitation in that convention applies. The Insurers' liability to indemnify the <b>Insured</b> shall be subject to the terms and conditions of this <b>Policy</b> and where the <b>Insured</b> is proven to be legally liable for a claim.</p> <p>(c) This <b>Policy</b> shall not respond to any claims after 1 year counting from the date of incident alleged to happen and/or date of loss and/or the date the goods should have been delivered, whichever is the earlier.</p> <p>5. <b>Sanction Limitation and Exclusion Clause</b> 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.</p> <p>6. It is hereby noted and agreed that this <b>Policy</b> extends to cover the movement and handling of dye and the general merchandise, e.g. printing ink, batteries and paint (which are classified as dangerous goods under IMDG Code) by the <b>Insured</b>, subject to all of the following conditions:-</p> <p>(a) Compliance of requirements of current International Maritime Dangerous Goods (IMDG) code;</p> <p>(b) The Insured is licensed &amp; complied with all the conditions laid down by the relevant local authorities, if applicable;</p> <p>(c) All other terms and conditions remain unchanged as per the master Policy.</p> <p>7. Any person or entity who is not a party to this policy shall have no rights under the Contracts (Rights of Third Parties) Ordinance (Cap 623 of the Laws of Hong Kong) to enforce any terms of this policy.</p>
<p><b>Item 12</b></p>	<p><b>Underwriter:</b></p>	<p>John Yuen Assistant Underwriter, Marine O +852 3191 6311 E <a href="mailto:john.yuen@chubb.com">john.yuen@chubb.com</a></p>
<p><b>Item 13</b></p>	<p><b>Claims Services:</b></p>	<p>Brian Lee Senior Claims Executive - Marine O +852 3191 6577 F +852 2560 3565 E <a href="mailto:brianck.lee@chubb.com">brianck.lee@chubb.com</a></p>

<b>Item 14</b>	<b>Estimated Gross Freight Receipt:</b>	<b>USD530,000.00</b>
<b>Item 15</b>	<b>Flat Premium:</b>	<b>USD3,100 plus 0.1% IA Levy: USD3.1</b>
<b>Item 16</b>	<b>Total Amount:</b>	<b>USD3,103.1</b>

**SIGNED for and on behalf of the Insurer**



31 March 2021

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Authorised Signature(s)

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Date

## Policy Wording

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In consideration of the payment of premium, Chubb Insurance Hong Kong Limited (“**Chubb**”) agrees with the **Insured** to provide the cover described in this **Policy**, subject to all the **Policy's** terms and conditions. In agreeing to provide this cover, **Chubb** has relied upon the information provided as part of the **Insured's** application for cover under this **Policy**. That information forms part of, and is the basis of, this **Policy**.

### Section A: Cargo Liability

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#### 1. Risks covered

**Chubb** agrees to provide cover up to the limit stated in Section A of the Schedule for:

- 1.1. Legal liability incurred by the **Insured** in the normal course of the **Insured Services and Operations** and arising under a valid contract of carriage for : -
  - 1.1.1. Physical loss of or damage to **Cargo** occurring during the **Period of Insurance**;
  - 1.1.2. **Consequential Loss** which results from physical loss of or damage to **Cargo** which occurred during the **Period of Insurance**;
  - 1.1.3. The **Insured's** contribution to general average and/or salvage charges arising from an act of general average and/or salvage occurring during the **Period of Insurance**;
- 1.2. The provision of security in a reasonable amount for a legal liability incurred by the **Insured** during the **Period of Insurance** to contribute to general average and/or salvage charges.
- 1.3. **Claims Expenses** in relation to 1.1 and 1.2 above.

#### 2. Special Condition

Where **Chubb** has provided security in relation to 1.1.3 above, the **Insured** shall not release or agree to release the **Cargo** to which **Chubb 's** security relates without **Chubb 's** prior written approval. The giving of such approval is at the sole and absolute discretion of **Chubb** , but shall, in any event, be withheld until the **Insured** obtains counter-security acceptable to **Chubb**. The **Insured** shall immediately pay **Chubb** as counter-security an amount equivalent to the security provided by **Chubb** in case the **Cargo** is released without the approval of **Chubb** as aforesaid.

#### 3. Special Exclusions

No cover shall be available under this Section for:

- 3.1. Legal **liability** incurred by the **Insured** as a result of any act, error or omission on the part of the **Insured** or the **Insured's** servants or agents.
- 3.2. Theft of **Cargo** if the theft occurs during road transportation where the vehicle, or any part of the vehicle, used to transport the **Cargo** is unlocked or left without reasonable efforts having been made by the **Insured** or the **Insured's** servants or agents, to ensure its security.
- 3.3. Legal liability for **Cargo** held at the **Insured's Warehouse** except where the **Additional Insured Activity** “**Warehousing**” is shown on the **schedule**.
- 3.4. Legal liability for **Cargo** being transported by an **Ancillary Trucking Service** except where the **Additional Insured Activity** “**Ancillary Trucking Services**” is shown on the **schedule**.

### *Optional Extensions of Cover:*

Each Extension in the following Sections B and C is subject to all the terms and conditions of this **Policy**.

No cover is available under any Extension in Sections B and C unless and until the word “COVERED” appears against that specific Extension in the **Schedule**.

The availability of the cover provided by any Extension is at the sole and absolute discretion of **Chubb**, who reserves the right to charge an additional premium.

## Section B: Optional Extension – Errors, Omissions and Financial Loss

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### **B(I): Errors and Omissions**

#### **1. Risks Covered**

**Chubb** agrees to provide cover up to the limit stated in Section B of the **Schedule** for:

- 1.1. Legal liability incurred by the **Insured** solely as a result of a failure occurring during the **Period of Insurance**, on the part of the **Insured** or the **Insured's** servants or agents, to exercise reasonable care and skill in the normal course of the **Insured's Services and Operations**, resulting in:
  - 1.1.1. The incorrect or inaccurate completion of documentation relating to a contract of carriage;
  - 1.1.2. A failure to perform the obligations stated in a contract of carriage within a reasonable period of time; and
  - 1.1.3. Release or delivery of **Cargo** without presentation of an original bill of lading or other document of title, or to an unauthorized person.
- 1.2. Reasonable extra costs in redirecting the **Cargo** to its correct destination by the same or similar mode of transport as the original carriage resulting from the mis-delivery of the **Cargo** to a place other than the destination stated in the contract of carriage.

#### **2. Special Conditions**

- 2.1. In the event that **Cargo** is released or delivered without presentation of an original bill of lading or other document of title or to an unauthorized person, by the **Insured's** agent, it shall be a condition precedent to **Chubb's** liability under 1.1 above that:
  - 2.1.1. The agent's actions shall have been in breach of clear instructions given by the **Insured** to the agent that **Cargo** must not be released or delivered without presentation of an original bill of lading or other document of title; and
  - 2.1.2. The agent acted without the **Insured's** consent or knowledge; or
  - 2.1.3. The release or delivery of the **Cargo** without presentation of an original bill of lading or other document of title was not caused in whole or in part by the **Insured's** recklessness.
- 2.2. It is a condition precedent to **Chubb's** liability under 1.2 above that **Chubb's** prior written approval shall have been obtained by the **Insured** to the reasonable cost of redirecting **Cargo** being incurred.



## **B(II): Fines, Penalties and Other Costs**

### **1. Risks Covered**

Where the law allows, **Chubb** agrees to provide cover up to the limit stated in Section B(II) of the **Schedule** for:

- 1.1. Fines and/or penalties incurred by the **Insured** solely as a result of a failure occurring during the **Period of Insurance**, on the part of the **Insured** or the **Insured's** servants or agents, to exercise reasonable care and skill in the normal course of the **Insured Service and Operations** and in connection with:-
  - 1.1.1. Breach of customs regulations in relation to the import and/or export of **Cargo**;
  - 1.1.2. Breach of regulations in relation to immigration;
  - 1.1.3. Breach of regulations in relation to safety at work;
  - 1.1.4. Breach of regulations in relation to security/anti-terrorism measures including but not limited to ISPS.
- 1.2. Reasonable extra costs and expenses incurred by the **Insured** solely as a result of a failure occurring during the **Period of Insurance**, on the part of the consignee or the lawful holder of a bill of lading, to collect **Cargo** at the place of delivery stated in a contract of carriage.
- 1.3. Reasonable extra costs and expenses incurred by the **Insured** in completing obligations owed by the **Insured** to a **Customer** under a contract of carriage and in the normal course of the **Insured Service and Operations**, solely as a result of a failure occurring during the **Period of Insurance**, on the part of a **Sub-Contractor** or agent of the **Insured**, to perform their obligations to the **Insured** within a reasonable time.

### **2. Special Exclusions**

No cover shall be available under this Optional Extension for:

- 2.1. Legal liability and costs caused by the **Insured's** or its employees' intentional, reckless or deliberate acts;
- 2.2. Legal liability or costs in relation to death, injury or illness to any party; and
- 2.3. Legal liability resulting from or arising out of or connected in any way whatsoever with ante-dating or post-dating any contract of carriage.

## **Section C: Optional Extension - Third Party Liability**

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### **1. Risks covered**

**Chubb** agrees to provide cover up to the limit stated in Section C of the **Schedule** for loss arising from a legal liability incurred by the **Insured** solely as a result of a failure occurring during the **Period of Insurance**, on the part of the **Insured** or the **Insured's** servants or agents, to exercise reasonable care and skill in the normal course of the **Insured's Services and Operations**, resulting in:

- 1.1. Physical loss of, or damage to, the property of a third party occurring during the **Period of Insurance**;
- 1.2. Death of, or **Bodily Injury** to, a third party occurring during the **Period of Insurance**.

## 2. Special Exclusions

No cover shall be available under this Optional Extension for:

- 2.1. Legal liability for loss of or damage to any property owned by or leased to or licensed by the **Insured**;
- 2.2. Legal liability for loss of or damage to any property leased to or given to a third party by the **Insured**;
- 2.3. Legal liability in relation to death of or bodily injury to the **Insured's** employee, **Sub-contractor** or agent, who is acting in the course of employment at the time of accident; and
- 2.4. Legal liability for loss of or damage to **Cargo**.

## Section D: General Exclusions

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**Chubb** is not liable to make any payment under this **Policy** for the following:-

### 1. Excluded Cargo

- 1.1. Gold, silver or platinum, bullion or other precious metals or alloys;
- 1.2. Jewellery, watches with an individual value of more than USD250 or precious stones, known by the Insured to be in its care, custody and control;
- 1.3. Currency, coins, bank notes, cheques, securities or credit cards;
- 1.4. Accounts, bills, deeds, bonds, negotiable documents or other evidence of debt;
- 1.5. Antique, works of art, fine arts, paintings, sculptures and similar interests;
- 1.6. Live animals, livestock, birds, reptiles or fish; and
- 1.7. **Dangerous Goods** or hazardous commodities.

### 2. Radioactive Contamination, Chemical Biological, Bio-Chemical and Electromagnetic Weapons Exclusion

- 2.1. Ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- 2.2. The radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- 2.3. Any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- 2.4. 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;
- 2.5. Any chemical, biological, bio-chemical, or electromagnetic weapon;

### 3. Pollution

- 3.1 Any environmental damage, seepage, pollution, or contamination and the dredging or dumping of any spoil except where such environmental damage, seepage, pollution, or contamination:
  - 3.1.1 is caused by an event which is sudden and accidental and is neither expected nor intended by the **Insured**; and

- 3.1.2 first commences on an identified specific date during the **Period of Insurance**; and
- 3.1.3 became known to the **Insured** within 7 days after its occurrence and is reported to **Chubb** within 30 days thereafter; and
- 3.2 Should the **Insured** be found legally liable for pollution so caused and reported, the maximum compensation payable by **Chubb** in relation to liability for pollution under this **Policy** shall not exceed USD 50,000 in the aggregate regardless of the limits expressed in the **Schedule**.

#### **4. Restricted Trade Area**

**Cargo** and/or containers carried to, from and/or via countries against which the United States of America or the United Nations applies economic and trade sanctions.

#### **5. United States Related Fines or Penalties**

Any fine or penalty resulting from or in relation to a breach of any law, regulation or order enforced by the United States government or public authority or governmental subdivisions in United States of America.

#### **6. Unexplained Loss Upon Taking Inventory**

Unexplained loss or mysterious disappearance of **Cargo** or containers discovered only upon taking inventory or during stock control procedures.

#### **7. Inherent Vice**

Any inherent vice, deterioration, decay, rotting, fault or weakness in relation to **Cargo** or any property.

#### **8. Lien**

The exercise of a lien, whether or not wrongful, against any property by any party.

#### **9. Pure Commercial Disputes**

- 9.1. The inability or intentional failure of the **Insured** or any other party to pay or collect payments, including but not limited to service, freight charges, demurrage, storage charges, tariff or debts;
- 9.2. Any disputes involving any fee, charges, tariff, debt of the **Insured**, its parent, sister or subsidiary company;
- 9.3. Any disputes involving funds or monies held by the **Insured** in its fiduciary capacity;
- 9.4. Any commercial fines or penalties in respect of tariff or freight competition or structure of operation of the **Insured**'s business; and
- 9.5. Any loss of profit suffered by the **Insured**, its agent, servant, **Sub-contractors** or **Customers**.

#### **10. Agreed transit time, declared value and increased limitation terms**

Increased liability resulting from the **Insured**:

- 10.1. Agreeing or guaranteeing a deadline for the delivery of **Cargo**;
- 10.2. Accepting a special declaration of value for **Cargo** or any special interest in the delivery of **Cargo**;
- 10.3. Agreeing with its **Customer** an exclusion or limit of liability which is higher than the limit of liability pre-approved by **Chubb** (see General Condition 9) or otherwise available to the **Insured** under its contract of carriage or standard trading conditions.

## **11. Waiver of rights or defence**

Any additional liability resulting from the **Insured** waiving its right of recourse or waiving any defence, which the **Insured** would otherwise be entitled to rely on against any third party.

## **12. Electronic Systems**

- 12.1. Defect in or malfunction of computers hardware, software, peripheral or electronic device or the corruption or loss of data; and
- 12.2. Loss and/or damage and/or any liability and/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 or process or any other electronic system.

## **13. Employer's liability**

- 13.1. Any dispute relating to anything to which an **Employee, Sub-Contractor** or agent claims to be entitled in connection with their employment, contract for services or appointment.
- 13.2. **Bodily Injury** or death of any person arising out of, or in the course of, their employment by the **Insured**;
- 13.3. Any liability incurred by the **Insured** in its capacity as employer, including, but not limited to, workers' compensation or its equivalent.

## **14. Uncontrolled and special circumstances**

- 14.1. Act of foreign enemy or power, military hostilities, usurped power, war, civil war, riot, revolution, rebellion, insurrection, terrorism, strike or civil strife;
- 14.2. Labour disputes, strikers, locked-out workmen, labour disturbance, civil commotions;
- 14.3. Piracy, capture, seizure, restraint or detainment; or
- 14.4. Arrest, confiscation, seizure, expropriation, nationalization, requisition, detainment; destruction of or damage to property under the order of any government, public or local authority including customs authority for whatever reason.

## **15. Fraud, Criminality and Illegality**

- 15.1. Illegal trade or trade of contraband **Cargo**;
- 15.2. Criminal liability resulting from breach of any law or regulation by the **Insured** or its **Employee**;
- 15.3. Fraudulent conduct by the **Insured** in its trade practice or business transactions;
- 15.4. False or fraudulent claims made by the **Insured**, its **Employee** or its authorized representative to any party; or
- 15.5. Deliberate, reckless, or willful misconduct or omission of the **Insured** or its **Employee**.

## 16. Civil wrong

- 16.1. Racial, sexual or any form of discrimination;
- 16.2. Infringement of personal rights, human rights, civil liberty, wrongful or false imprisonment;
- 16.3. Defamation, libel, slander or malicious falsehood;
- 16.4. Nuisance;
- 16.5. Breach of confidence, infringement of trade marks, copyright, passing off or patent;
- 16.6. **Bodily Injury** or death of any person other than as provided under Section C where this extension is purchased and noted to be covered in **Schedule**;
- 16.7. Any liability arising from loss of, or damage to, any property owned by, leased to, or licensed by, the **Insured**;
- 16.8. Any liability arising from loss of, or damage to, any property leased to, or given to, a third party by the **Insured**.

## 17. Damages

Punitive, exemplary aggravated, compound or multiplied damages against the **Insured**.

## 18. Asbestos & toxic mould

Asbestos or materials containing asbestos or toxic mould.

## 19. Chartering activities

The **Insured's involvement** in the operation, management or chartering (including slot charters) of vessel or aircraft.

## 20. Exclusions Applicable to Additional Insured Activities

Where **Additional Insured Activities** is/are shown on the **Schedule**, **Chubb** shall not be liable to make any payment under this **Policy** in respect of such **Additional Insured Activities** for:

- 20.1. Legal liability arising out of any defect or lack of proper maintenance or structural or mechanical problem of the premises or vehicle;
- 20.2. Legal liability arising out of any lease or license agreement or contract in relation to any premises or vehicle;
- 20.3. Legal liability which falls under the scope of coverage of any motor insurance policy; and
- 20.4. Legal liability arising from the registered carrying capacity of any vehicle or equipment being exceeded.

## 21. Miscellaneous

- 21.1. Liability under any contract or agreement between the **Insured** and its **Customer** which has not been pre-approved by **Chubb** (see General Condition 9);
- 21.2. Additional liability of the **Insured** where the **Insured's** position in relation to a **Claim** is jeopardized or prejudiced by the **Insured** or by the **Insured's** breach of the terms or conditions of this **Policy**.
- 21.3. Any **Claim** against the **Insured** (whether made in contract, tort or otherwise howsoever) arising out of, caused or contributed by, or connected with (directly or indirectly) insolvency (whether or not officially declared) and/or financial default of the **Insured** or a party with whom the **Insured** has contracted.

## 22. Marine Cyber Exclusion LMA5403

- 22.1 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.
- 22.2 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.
- 22.3 To the extent that this **Policy** covers 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.

## 23. Communicable Disease

- 23.1 Notwithstanding and superseding any other provision of this **Policy** to the contrary, this **Policy** does not insure any loss, damage, claim, cost, expense or other sum whatsoever, directly or indirectly arising out of, or in any way attributable or related to, connected with or contributing concurrently or in any sequence with:
- i. a **Communicable Disease**; or
  - ii. the fear or threat (whether actual or perceived) of a **Communicable Disease**.
- 23.2 For the purposes of this exclusion, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
- i. for a **Communicable Disease**, or
  - ii. any **Insured's Warehouse** or **Cargo** that is or may be affected either directly or indirectly by a **Communicable Disease**.
- 23.3 As used in this **Policy**, a **Communicable Disease** means any:
- i. physical distress, illness, or disease caused or transmitted directly or indirectly by any virus, bacterium, parasite, fungus or other organism or any variation thereof, whether deemed living or not, and regardless of the means of transmission or whether it was discovered at the **Insured's Warehouse**, or whether it was, or is, occurring at the **Insured's Warehouse**, or in respect of which there is an occurrence or an outbreak elsewhere; or
  - ii. any virus, bacterium, parasite, or other organism or any variation thereof, whether deemed living or not which causes, or is likely and/or expected to cause, physical distress, illness or disease; or
  - iii. any disease which is a quarantinable disease or a scheduled infectious disease under the Prevention and Control of Disease Ordinance (Cap. 522 of the Laws of Hong Kong SAR) or any regulation thereunder, as may be amended from time to time and any replacement, successor or functionally similar legislation of Hong Kong Special Administrative Region of the People's Republic of China, including delegated legislation irrespective of whether it was discovered at the **Insured's Warehouse**, or was, or is, occurring at the **Insured's Warehouse** or in respect of which there is an occurrence or outbreak elsewhere; or
  - iv. any mutation of the illnesses, diseases or organisms described in clauses 23.3(i), (ii) and (iii).

This exclusion applies to all coverage extensions, additional coverages, exceptions.

## Section E: General Conditions

All the following conditions shall apply to this **Policy**, including any Optional Extension purchased:

### 1. Aggregate and Sub-Aggregate Limits (Sections B & C)

- 1.1 The overall limit of **Chubb 's** liability for all **Claims Settlements** and/or **Claims Expenses** paid under Sections B and C of this **Policy** shall be the amount stated against the heading "Aggregate Limit" in Sections B and C of the **Schedule**.
- 1.2 The overall limit of **Chubb 's** liability for all **Claims Settlements** and/or **Claims Expenses** paid under Section B(II) of this **Policy** shall be the amount stated against the heading "Sub-Aggregate Limit" in Section B(II) of the **Schedule**.
- 1.3 All **Claims Settlements** and/or **Claims Expenses** paid by **Chubb** under:
  - 1.3.1 Sections B and C of this **Policy** shall be deducted from the amount stated against the respective heading "Aggregate Limit" in Sections B and C of the **Schedule**.
  - 1.3.2 Section B(II) of this **Policy** shall be deducted from the amount stated against the heading "Sub-Aggregate Limit" in Section B(II) of the **Schedule** and, for the avoidance of doubt, shall also be deducted from the amount stated against the heading "Aggregate Limit" in Section B(I) of the **Schedule**.
- 1.4 **Chubb's** liability under Sections B and C of this **Policy** shall cease once the respective amount stated against the heading "Aggregate Limit" in Sections B and C of the **Schedule** has been exhausted by the payment of **Claims Settlements** and/or **Claims Expenses**.

### 2. Deductibles

- 2.1 Each and every **Claim** made against the **Insured** shall attract a **Deductible**. The amount of that **Deductible** shall be determined according to which section of this **Policy** covers the **Claim** in question and the corresponding amount stated in the **Schedule** against that section.
- 2.2 The **Insured** shall be responsible for **Claims Settlement** and/or **Claims Expenses** up to the amount of the specified **Deductible**. **Chubb** shall only be liable for that part of any **Claims Settlement** and/or **Claims Expenses** which exceeds the specified **Deductible**.
- 2.3 Where two or more **Claims** are attributable to, or arise out of, the same cause or event, those **Claims** shall be deemed to constitute a single **Claim** under this **Policy** and shall attract a single **Deductible**.
- 2.4 Where a **Claim** (including a **Claim** deemed to constitute a single **Claim** under 2.3 above) is covered by more than one section of this **Policy**, the highest specified **Deductible** shall apply to that **Claim**.

### 3. Obligations of the Insured

If, during the **Period of Insurance**, the **Insured** becomes aware of any fact or circumstance that may give rise to a **Claim** under this **Policy**, the **Insured** shall comply with the following obligations as a condition precedent to any liability under this **Policy**:

- 3.1 Without prior consent from **Chubb**, the **Insured** shall not, either expressly or implicitly:
  - 3.1.1 admit liability;
  - 3.1.2 agree to a compromise;
  - 3.1.3 agree to effect any claim settlement or claim related payment;
  - 3.1.4 agree to grant an extension in respect of any statutory or contractual time limit;
  - 3.1.5 submit to any law or jurisdiction; or

- 3.1.6 make any statement or commit to anything which may prejudice or jeopardize the Insured's position in relation to the **Claim** or **Chubb's** position under this Policy.
- 3.2 The **Insured** shall take all reasonable steps to minimize or mitigate its liability, including but not limited to giving proper and timely notice to any other relevant party and ensuring that any time limit is observed or protected in order to preserve the Insured's and **Chubb's** legal rights.
- 3.3 The **Insured** shall provide **Chubb** with all information and documents requested by **Chubb** or its representatives in the course of handling a **Claim**.
- 3.4 The **Insured** shall take all actions at the request of **Chubb** to defend a **Claim**, to enforce any rights or remedies and to claim an indemnity from other parties.
- 3.5 The **Insured** shall not waive any defence or right of recourse against any party without prior written consent from **Chubb**.
- 3.6 The **Insured** shall act as if uninsured and in good faith at all times.
- 3.7 Upon **Chubb's** request, the **Insured** shall allow **Chubb** to inspect the books and records relating to this **Policy** and in respect of any **Claim** covered by this **Policy** within thirty (30) days from the date the written notice is issued.

#### **4. Claims Notification Period**

- 4.1 As a condition precedent to any liability under this **Policy**, the **Insured** must give to **Chubb** written notice as soon as practicable of any **Claim**. This obligation applies even if, after applying the limitation provisions under a contract of carriage or standard trading conditions, the **Claim** may appear to fall within the specified **Deductible**.
- 4.2 If, during the **Period of Insurance**, an **Insured** becomes aware of any fact or circumstance that may give rise to a **Claim** under this **Policy**, the **Insured** shall give notice of that fact or circumstance in writing to **Chubb** as soon as reasonably practicable and in any event within sixty (60) days.
- 4.3 In any event where the **Insured** reasonably expects that **Chubb** may wish to conduct a survey or an investigation into any fact or circumstance that may give rise to a **Claim** under this **Policy**, the **Insured** shall give shall give notice of that fact or circumstance as soon as practicable.

#### **5. Investigation, Defence, Right to Settle and Indemnity**

- 5.1 The **Insured** shall not, without **Chubb's** prior written approval instruct a lawyer, surveyor, consultant or expert or incur any **Claims Expenses**.
- 5.2 **Chubb** shall have full control of and final decision over any investigation, defence, **Claim Settlement** or recovery of any **Claim**.
- 5.3 The **Insured** shall comply with **Chubb's** instructions in respect of the investigation, defence, settlement of any claims or any recovery.

#### **6. Subrogation**

In the event that **Chubb** makes a payment under this **Policy**, **Chubb** shall be subrogated to the extent of such payment to all the **Insured's** rights of recovery. The **Insured** agrees to execute all papers required and do everything necessary to secure and preserve **Chubb's** rights, including the execution of documents necessary to enable **Chubb** effectively to bring suit in the name of the **Insured**.

#### **7. Recovery**

Any amount recovered against a third party shall be credited to **Chubb** to the full extent of any **Claims Expenses** and **Claim Settlement** paid by **Chubb** and any balance thereafter will be credited to the **Insured**.



## 8. Fraudulent Claims

If any **Claim** under this **Policy** is in any respect fraudulent or if any fraudulent means or devices are used by the **Insured** or anyone acting on the **Insured's** behalf to obtain a benefit under this **Policy**, all benefit under this **Policy** will be forfeited.

## 9. Provision of Contract Documents

If, during the **Period of Insurance**, the **Insured** intends to adopt for use in the course of the **Insured Services and Operations** and/or **Additional Insured Activities** (if applicable) any contract document which has not previously received **Chubb's** approval, it shall be a condition precedent to **Chubb E's** liability under this **Policy** that the **Insured** must first obtain **Chubb's** approval to the use of that document. For the avoidance of doubt, contract documents may include, but shall not be limited to:

- 9.1 Bill of Lading, Air and/or Sea Waybill;
- 9.2 Standard Trading Conditions;
- 9.3 Connecting Carrier Agreements;
- 9.4 Any other contract and/or services/agency agreement.

## 10. Premium

Failure to pay the premium by the due date shall entitle **Chubb** to treat this **Policy** as cancelled from its inception. No cover will be provided for any losses occurred between the inception of the **Policy** and the date of cancellation.

## 11. Policy Cancellation

The **Insured** or **Chubb** may cancel this **Policy** by giving 30 days notice in writing to the other party. If the **Policy** is so cancelled **Chubb E** will refund the premium to the **Insured** on a pro-rata basis after deduction of administration costs of 15% of the annual premium.

## 12. Double Insurance or other Insurance

Where the law allows, the cover this **Policy** provides shall only apply over and above the valid and collectible or otherwise limit of liability available to the **Insured** under any other liability insurance policy.

## 13. Severability

If any part of this **Policy** is held to be unenforceable or invalid, the remainder of the other parts of this **Policy** shall remain in force.

## 14. Assignment

This **Policy** cannot be assigned and/or transferred without **Chubb** 's prior written approval.

## 15. Changes

No change in, or modification of, or assignment of any interest under, this **Policy** will take effect unless it is by written endorsement to this **Policy** and signed by one of **Chubb** 's authorized representatives.

## 16. Law and Jurisdiction

The governing law of this **Policy** is the law of Hong Kong SAR. This **Policy** shall be construed in accordance with the law of Hong Kong SAR. Any dispute arising out of or in connection with this **Policy** shall be determined exclusively by the courts of Hong Kong SAR.

## 17. Interpretation of Policy

In this Policy, the singular includes plural and vice versa. Headings and sub-headings are for identification purposes only and do not form part of this Policy for the purpose of its construction or interpretation.

### Section F: Definitions

The following definitions shall be an integral part of this **Policy**. The words below should be construed in accordance with the specified meanings set out herein.

<b>Additional Insured Activities</b>	<b>Ancillary Trucking Service</b> and/or <b>Warehousing</b> .
<b>Ancillary Trucking Service</b>	Road haulage or trucking service ancillary to sea and/or air carriage directly operated by the <b>Insured</b> .
<b>AOC</b>	The maximum amount of <b>Chubb</b> 's liability under this <b>Policy</b> for any one <b>Claim</b> .
<b>AOP</b>	Any one period of insurance
<b>Bodily Injury</b>	Any physical injury or condition, or mental anguish or emotional distress, or disease or death suffered by a third party resulting from physical injury.
<b>Cargo</b>	Goods or merchandise including anything attached thereto for the purpose of packing or labeling or protection, which is lawfully carried or handled by the <b>Insured</b> , its servants or agents under a valid contract of carriage.
<b>Chubb</b>	Chubb Insurance Hong Kong Limited.
<b>Claim</b>	A written or verbal demand for compensation made by a third party against an <b>Insured</b> or a writ, statement of claim, summons, application or other originating legal or arbitral process, cross-claim, counter-claim or third or similar party notice received by an <b>Insured</b> .
<b>Claims Settlement</b>	The payment by <b>Chubb</b> to or on behalf of the <b>Insured</b> in settlement of a <b>Claim</b> .
<b>Claims Expenses</b>	The expenses, including legal costs and disbursements, incurred either by <b>Chubb</b> or, with <b>Chubb</b> 's prior written agreement, by the <b>Insured</b> in the investigation, defence or settlement of any <b>Claim</b> . The cost of instructing a surveyor or loss adjuster shall be treated as <b>Claims Expenses</b> and shall not attract a <b>Deductible</b> .
<b>Consequential Loss</b>	Quantifiable indirect loss caused by or arising from a risk covered under this <b>Policy</b> including but not limited to loss of profit, loss of use and loss of opportunity.
<b>Customer</b>	Any person or company with whom the <b>Insured</b> has entered into a contract to provide <b>Insured Services and Operations</b> .
<b>Dangerous Goods</b>	Goods or merchandise listed or defined as dangerous goods by IATA or which are listed in the current edition of the International Maritime Dangerous Goods Code or any <b>Cargo</b> list in other IMO publication as dangerous for carriage by sea or any other substance or goods which have properties which may be dangerous if carried by sea.
<b>Employee</b>	Any person employed by the <b>Insured</b> under a contract of employment.

<b>Endorsement</b>	Formal document named "Endorsement", which shall be read together with the <b>Schedule</b> and <b>Policy</b> as a single contract.
<b>Extension</b>	Any optional insurance cover purchased by the <b>Insured</b> as specified in the <b>Schedule</b> .
<b>Insured</b>	The party or parties identified in the <b>Schedule</b> under the heading "Named Insured".
<b>Insured Services and Operations</b>	The activity or activities described in the <b>Schedule</b> against the heading "Insured Services and Operations"
<b>Insured's Warehouse</b>	Any warehouse directly operated by the <b>Insured</b> whose address is stated in the <b>Schedule</b> .
<b>Policy</b>	Collectively, the <b>Schedule</b> , all terms and conditions of <b>Cargo</b> Liability Coverage, all terms and conditions of any optional Extensions purchased, General Conditions, General Exclusions and the Definitions.
<b>Schedule</b>	The formal document named "Schedule", which shall be read together with the Policy as a single contract.
<b>Sub-contractor</b>	The service provider to whom the <b>Insured</b> sub-contracts any part of the <b>Insured Services and Operations</b> .
<b>Warehousing</b>	The storage of <b>Cargo</b> by the <b>Insured</b> at the <b>Insured's Warehouse</b> .

# Personal Information Collection Statement

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**The Company** (“**We/Us**”) want to ensure that Our **Insured Persons** (“**You**”) are confident that any personal data collected by **Us** is treated with the appropriate degree of confidentiality and privacy.

This Personal Information Collection Statement sets out the purposes for which **We** collect and use personally identifiable information provided by **You** (“**Personal Data**”), the circumstances when **Personal Data** may be disclosed and information regarding Your rights to request access to and correction of **Personal Data**.

## (a) Purposes of Collection of Personal Data

**We** will collect and use **Personal Data** for the purposes of providing competitive insurance products and services to **You**, including considering Your application(s) for any new insurance policies and administering policies to be taken out with **Us**, arranging the cover and administering and managing Your and Our rights and obligations in relation to such cover. **We** also collect the **Personal Data** to be able to develop and identify products and services that may interest **You**, to conduct market or customer satisfaction research, and to develop, establish and administer alliances and other arrangements with other organisations in relation to the promotion, administration and use of Our respective products and services. **We** may also use your **Personal Data** in other ways with your consent.

## (b) Direct marketing

Only with your consent, **We** may also use your contact, demographic, policy and payment details to contact **You** with marketing information regarding our insurance products by mail, email, phone or SMS.

## (c) Transfer of Personal Data

Personal Data will be kept confidential and **We** will not sell Your **Personal Data** to any third party. **We** limit the disclosure of Your **Personal Data** but, subject to the provisions of any applicable law, Your **Personal Data** may be disclosed to:

- (i) third parties who assist **Us** to achieve the purposes set out in paragraphs a and b above. For example, **We** provide it to Our relevant staff and contractors, agents and others involved in the above purposes such as data processors, professional advisers, loss adjudicators and claims investigators, doctors and other medical service providers, emergency assistance providers, insurance reference bureaus or credit reference bureaus, government agencies, reinsurers and reinsurance brokers (which may include third parties located outside Hong Kong SAR);
- (ii) Our parent and affiliated companies, or any company within Chubb local and outside Hong Kong SAR;
- (iii) the insurance intermediary through which **You** accessed the system;
- (iv) provided to others for the purposes of public safety and law enforcement; and
- (v) other third parties with your consent.

With regard to the above transfers of **Personal Data**, where applicable, **You** consent to the transfer of Your **Personal Data** outside of Hong Kong SAR.

## (d) Access and correction of Personal Data

Under the **Personal Data** (Privacy) Ordinance (“PDPO”), **You** have the right to request access to and correction of **Personal Data** held by **Us** about **You** and **We** will grant **You** access to and correct Your **Personal Data** as requested by **You** unless there is an applicable exemption under the PDPO under which **We** may refuse to do so. **You** may also request **Us** to inform **You** of the type of **Personal Data** held by **Us** about **You**.

Requests for access or correction of **Personal Data** should be addressed in writing to:

Chubb Data Privacy Officer  
39/F, One Taikoo Place,  
979 King's Road,  
Quarry Bay, Hong Kong SAR  
O +852 3191 6222  
F +852 2519 3233  
E Privacy.HK@chubb.com

Your request to obtain access or correction will be considered within forty (40) days of Our receipt of Your request. **We** will not charge **You** for lodging a request for access to Your **Personal Data** and if **We** levy any charges for providing information, such charges will not be excessive. No fee is charged for data correction requests.

## About Chubb in Hong Kong SAR

Chubb is the world's largest publicly traded property and casualty insurer. With both general and life insurance operations, Chubb has been present in Hong Kong for more than 90 years via acquisitions by its predecessor companies. Its general insurance operation in Hong Kong SAR (Chubb Insurance Hong Kong Limited) is a niche and specialist general insurer. The company's product offerings include Property, Casualty, Marine, as well as Accident & Health programs for large corporates, midsized commercial and small business customers. Over the years, it has established strong client relationships by offering responsive service, developing innovative products and providing market leadership built on financial strength.

More information can be found at [www.chubb.com/hk](http://www.chubb.com/hk).

## Contact Us

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**Chubb. Insured.<sup>SM</sup>**

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