



**FREIGHT LIABILITY
INSURANCE POLICY**

CNA Insurance Company Limited (hereinafter referred to as "the Insurer") hereby agrees, in consideration of the payment to the Insurer by or on behalf of the Insured of the premium specified in the Schedule, to insure against loss damage liability or expense in the manner hereinafter provided.

INSURED

Motis Ireland Ltd and/or subsidiary companies and haulage contractors based in the UK and/or Ireland who are clients of a&b Insurance Brokers

ADDRESS

Motis House, 9 Downshire Place, Newry, Northern Ireland, BT34 1DZ

POLICY NUMBER

R00101406

DATE

13th July 2009

PLACED BY

a&b Insurance Brokers – 4427

In witness whereof signed
on behalf of CNA Insurance
Company Limited

CNA Insurance Company Limited Registered in England no 950
Registered Office: International House, 1 St Katharine's Way, London E1W 1UN
Member of the Association of British Insurers CNA Insurance Company Limited is authorised and regulated by the Financial Services Authority under registration number 202777



SCHEDULE

Attaching to and forming part of Freight Liability Policy Number: R00101406

THE INSURED Motis Ireland Ltd and/or subsidiary companies and haulage contractors based in the UK and/or Ireland who are clients of a&b Insurance Brokers

POLICY PERIOD Attaching on and after 13th July 2009 until 12th July 2010 (both dates inclusive) and for such further periods as may be mutually agreed.

BUSINESS ACTIVITIES Haulage Contractors

**CONTRACT
CONDITIONS** R.H.A.
I.R.H.A.
C.M.R.
Full Value

TERRITORIAL LIMITS  United Kingdom and offshore Islands and Ireland
Europe



POLICY LIMITS		
	Any One Vehicle Operated by the Insured (RHA):	GBP 100,000
	Any One Vehicle Operated by Subcontractors (RHA):	GBP 100,000
	Any One Vehicle Operated by the Insured (CMR):	GBP 250,000
	Any One Vehicle Operated by Subcontractors (CMR):	GBP 250,000
	Any One Vehicle Operated by the Insured (Full Value):	GBP 250,000
	Any One Vehicle Operated by Subcontractors (Full Value):	GBP 250,000
	Any One Loss:	GBP 250,000
	Any One Loss at Common Law: (cover as per Indemnity c. on page 5 of policy)	GBP 250,000
	Any One Loss Freight Forwarders' Liability (SE6):	Not Insured
	Any One Loss (Errors and Omissions SE3 or SE6): and in the aggregate any one period of insurance	GBP 100,000
	Any One Specified Storage Location:	Not Insured
	Any One Trailer (SE1 within):	Not Insured
	Total value all Trailers insured under SE1: (as per schedule of trailers attached)	Not Insured
	<u>Standard Limits in respect of :-</u>	
	Sheets, Ropes etc. :	GBP 5,000
	Clearance of Debris :	GBP 10,000
	Financial Loss :	GBP 250,000
	Personal Effects of Drivers :	GBP 500
	Containers, flats etc. :	GBP 25,000
	Thief-Attractive Property – Groupage Loads :	GBP 100,000
EXCESSES	Any One Loss (unless otherwise specified below):	GBP 250
	Any One Loss Freight Forwarders' Liability (SE6):	N/A
	Any One Loss Errors and Omissions (SE3 or SE6):	GBP 250
	Any One Trailer (Trailer Extension SE1):	N/A
	Any One Loss Frozen / Chilled Extension (SE2):	GBP 250
	Any One Loss (where separate storage contract applies):	N/A
	<u>Standard Excesses in respect of :-</u>	
	Sheets, Ropes etc. :	GBP 250
	Personal Effects of Drivers :	GBP 50
	Containers, flats etc. :	GBP 250



**SPECIFIC EXTENSIONS
APPLICABLE**

[No cover applies unless
indicated in relevant
section(s) of this schedule]

SE1 – Trailer Extension (Owned or Hired)	Not Insured
SE2 – Frozen and/or Chilled Produce	Insured
SE3 – Errors & Omissions (Road Hauliers)	Insured
SE4 – Loss of Earnings (Trailers)	Not Insured
SE5 – Full Value Extension	<i>Only Insured if noted on schedule</i>
SE6 – Freight Forwarders' Liability	Not Insured

PREMIUM

Payable on receipt of monthly declarations at agreed premiums above.

CLAIMS

In the event of any incident which may involve a claim under this policy,
please refer to the Claims Conditions on page 12 of the policy conditions.

**DOCUMENTATION
OF CLAIMS**

To enable claims to be dealt with promptly, the Insured or their Agents are
advised to submit all available supporting documents without delay to your
branch address as shown within.

Conditions, Exclusions, Extensions and Endorsements are attached and form part of this policy.



ADDRESS FOR CORRESPONDENCE	LONDON CNA Insurance Company 5th Floor, Minster Court Mincing Lane London EC3R 7BB Tel: No: +44 (0)20 7743 6812 Fax No: +44 (0)20 7743 6801	MANCHESTER CNA Insurance Company 9 th Floor, Alberton House St Mary's Parsonage Manchester, M3 2WJ Tel No: +44 (0)161 830 1018 Fax No: +44(0)161 835 2853
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CONTACT DETAILS FOR CLAIMS	LONDON CNA Insurance Company International House 1 St. Katharine's Way London, E1W 1UN Tel: No: +44 (0)20 7954 9414 Fax No: +44 (0)20 7954 9301	MANCHESTER CNA Insurance Company 9 th Floor, Alberton House St Mary's Parsonage Manchester, M3 2WJ Tel No: +44 (0)161 830 1009 Fax No: +44(0)161 835 2853
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CNA FREIGHT LIABILITY POLICY

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INTRODUCTION

Thank you for buying a CNA product. The Policy and schedule form a legally binding contract between CNA, the Insurer, and you, The Insured. Please read the documents carefully. The schedule shows which cover you have purchased and other details including limits and excesses. The "Specific Extensions" (pages 16 to 21) will only apply if referred to in the schedule. If the schedule and Policy do not provide you with the cover that you require, or should you require any changes, please contact your broker or CNA.

This contract is based upon the information that you provided to us. You must tell us of any changes to this information as soon as possible. You should not wait until renewal. Failure to do so could invalidate your Policy.

SERVICE

It is our intention to provide you with a first class service. However there may be occasions when you feel that this objective has not been achieved. If you are dissatisfied with any aspect of the service that you receive, please contact your usual insurance advisor or:

The Claim Manager
CNA Insurance Company Limited
International House, 1 St Katharine's Way, London E1W 1UN

Please provide the following information with your complaint:

1. Quote the policy and/or claim number
2. Identify the name of any claims handling organisation with whom you have been dealing and their reference number
3. State the nature of your complaint

You will receive an acknowledgement within 5 working days of receipt of your complaint together with a detailed timetable of the actions we will take to investigate/handle your complaint.

If after taking this action you are dissatisfied with our response please write to:

Chief Executive Officer
CNA Insurance Company Limited
International House, 1 St Katharine's Way, London E1W 1UN

If the matter is not resolved to your satisfaction you may request assistance from:

The Consumer Information Department
The Association of British Insurers
51 Gresham Street
London EC2V 7HQ

Telephone No. +44 (0)20 7600 3333

Facsimile No. +44 (0)20 7696 8999

Email address info@abi.org.uk

CNA Insurance Company Limited is a member of the ABI.

Alternatively you may seek assistance from:

The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR

Telephone No. 0845 080 1800

Email address enquiries@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

The Financial Ombudsman Service will become involved if you are an eligible complainant as defined by the rules of the Financial Services Authority.

The existence of this complaints procedure does not affect any right of legal action you may have against CNA Insurance Company Limited.

INDEMNITY

In consideration of the payment to CNA of the premium specified and subject to the terms and conditions contained herein and/or endorsed hereon CNA will indemnify The Insured against his/their liability as Carriers and/or as otherwise described under 'Trade or Business' in accordance with:

- a. The Insured 's published Contract Conditions (as provided for in the schedule);
- b. International laws, conventions or statutes;
- c. Common Law but only when The Insured 's published Contract Conditions have been set aside by a court of law;
- d. National laws in force within member countries of the EU (cabotage);

for loss destruction of or damage to goods and/or merchandise (hereinafter called 'The Property') whilst In Transit between any places within the Territorial Limits, or in storage as specified in the schedule, and occurring during the Period of Insurance.

Where the schedule shows that The Insured comprises more than one individual or entity, CNA's maximum liability in respect of all Insureds in total will not exceed the Policy Limit or sub-limit applicable.

Where the schedule shows Contract Conditions or conventions insured as cabotage, cover includes such transit, provided The Insured has contracted with his principal on conditions that are not more onerous than CMR.

DEFINITIONS

Any One Loss – any occurrence or all occurrences of a series consequent on or attributable to one source or original cause.

Business Activities – the commercial operations for which CNA provide cover, as shown in the schedule.

CMR – the Convention on the Contract for the International Carriage of Goods by Road set out in the Carriage of Goods by Road Act 1965 and subsequent legislation.

CNA – the trading name of CNA Insurance Company Limited.

Contract Conditions – the International Conventions to which The Insured's Business Activities are subject or under which The Insured operates and as are shown as covered in the schedule.

Earnings – the gross annual charges excluding duties and V.A.T.

Employee – any person under a contract of service with The Insured or any self employed individual providing The Insured with labour only or any individual hired or borrowed by The Insured.

Excess – the amount to be borne by The Insured in respect of Any One Loss.

High Risk Cargo – Precious metals and/or stones and/or articles made of or containing precious metals and/or stones, watches with a retail value in excess of £50 each, processed tobacco and/or tobacco products, portable computers including lap-tops, palm-tops and/or similar equipment, mobile telephones including cellular, WAP and/or similar equipment, Hi-tech electronic components including system boards, memory boards, microchips, integrated circuits, microcontrollers, hard disks, disk drives, memory SIMMS, memory DIMMS, memory, CPU's, CD ROM drives, DVD drives, PCMCIA cards and similar equipment

In Transit – whilst in the custody or control of The Insured including whilst being loaded upon and unloaded from the method of transport but only during the ordinary course of transit, including by sea or air between the Territorial Limits herein described.

Policy Limit – CNA's maximum liability for Any One Loss.

Policy Period – the period stated on the schedule or such other period agreed by CNA in writing and during which the cover applies, commencing 00.01 GMT or BST and ending midnight GMT or BST as applicable on the dates stated on the schedule.

Proposal – any completed proposal form signed by or on behalf of The Insured and/or any information pertaining to the risk supplied to CNA by or on behalf of The Insured for the purposes of arranging this insurance or the renewal thereof.

Subcontractor – any party other than an employee of The Insured to whom The Property is entrusted for reward by or on behalf of The Insured for performance of the whole or any part of the Contract of Carriage and/or Storage.

The Property – goods and/or merchandise carried and/or handled and/or warehoused for reward other than goods and/or merchandise owned or hired by or leased or loaned to The Insured.

Thief-Attractive Property – bottles perfumery, bottled spirits, clothing and/or footwear, televisions, digital cameras, audio equipment, video equipment and/or associated pre-recorded media, computer equipment, associated software, electrical and/or electronic accessories, non-ferrous metals in sheet, bar, tube, ingot, coil, scrap or similar form.

Unattended – where neither The Insured nor any employee or agent of The Insured are in a position to keep the Vehicle and/or The Property under constant surveillance nor at the same time have a reasonable prospect of preventing any unauthorised interference with the Vehicle and/or property.

However, the vehicle shall be deemed to be attended when the driver is on a 'comfort break', not exceeding one hour for the purposes of eating and/or toilet breaks, subject to all doors, windows and other points of access being locked and the keys removed from the vehicle and the driver having a reasonable prospect of preventing or interrupting any unauthorised interference with the Vehicle and/or property.

Vehicle – any motor vehicle, or any motor vehicle and trailer combined, or any detached trailer.

Conditions shown in the schedule :-

R.H.A. - Road Haulage Association

I.R.H.A – Irish Road Haulage Association

F.T.A. - Freight Transport Association

B.I.F.A. - British International Freight Association

U.K.W.A. - United Kingdom Warehousekeepers Association

EXCLUSIONS

No cover is provided under this Policy for any of the following: -

1. **War and associated risks** – loss, destruction or damage consequent upon war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, terrorism and/or persons acting from a political, religious, ideological or similar motive.
2. **Excluded perils** – loss, destruction or damage due to insect, vermin, or changes brought about by natural cause, inherent vice or nature of The Property, insufficiency of insulation or packing of The Property by your customer, or atmospheric conditions.
3. **Financial loss** – loss, destruction or damage caused by delay or loss of market or other consequential loss, except as herein provided.
4. **Radioactivity, Chemical, Bio, Cyber risks - THIS CLAUSE SHALL BE PARAMOUNT AND SHALL OVERRIDE ANYTHING CONTAINED IN THIS INSURANCE INCONSISTENT THEREWITH.**

In no case shall this insurance cover loss damage liability 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 of war 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,
 - f) 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.
5. **Sonic bangs** – loss, destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.
 6. **Depreciation or deterioration** – of The Property unless directly due to fire, lightning, explosion, storm or other natural peril or collision or overturning of the conveying vehicle unless otherwise agreed by CNA in writing or by endorsement to this Policy.
 7. **Excluded goods** – living creatures, bank notes, treasury notes, cash, bullion, currency, cheques, bearer securities, fine arts, unless otherwise agreed by CNA in writing or by endorsement to this Policy.
 8. **Special declarations of value or interest** – any special declaration of value of The Property or any declaration of special interest in delivery in the case of loss or damage or of an agreed time limit being exceeded without the prior agreement of CNA.
 9. **Removals** – any household, office or factory removal or any subsequent storage.

10. **Processing** – loss or destruction of or damage to The Property during processing.
11. **Fraudulent claims** – if any claim is in any respect fraudulent or if any fraudulent means or devices are used by The Insured or anyone acting on their behalf to obtain any benefit under this Policy or if any loss, destruction or damage is occasioned by the wilful act or with the connivance of The Insured or any relative of The Insured, all benefit under this Policy shall be forfeited.
12. **Death or Bodily Injury**
13. **Date Recognition Failure** – damage, liability or any loss or expense whatsoever caused or contributed to by or arising from the failure of any computer or similar equipment, programme or system to identify, enter or otherwise correctly deal with any changes in date.

GENERAL CONDITIONS

The following General Conditions and Claim Conditions contained within this Policy must be complied with.

1. **Duty of Disclosure**
Any liability of CNA to make any payment under this Policy shall be dependent upon the due observance and fulfilment of its terms so far as they relate to anything to be done or complied with by The Insured, and upon the truth of the statements and answers in the Proposal (see definition on page 4).
2. **Misrepresentation**
This Policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure in any material particular, or failure to advise CNA immediately of any changes to the information in the Proposal.
3. **Change of conditions**
In the event of The Insured amending their Contract Conditions after the inception date of this Policy to assume a wider liability than that described in the schedule of this Policy, this Policy will not extend to indemnify such wider liability unless and until CNA shall have agreed thereto in writing. In the event of The Insured entering into a special contract of carriage after the inception date of this Policy the same will not extend to indemnify any liability under such special contract unless CNA shall have agreed thereto in writing.
4. **Reasonable precautions**
The Insured shall take all reasonable precautions for the safety of The Property.
5. **Vehicle maintenance** (own vehicles or vehicles under the custody and control of The Insured)
All vehicles and equipment used for the conveyance or handling of The Property within the terms of this insurance shall be maintained in a roadworthy condition and in a condition suitable for the safe carriage of The Property.
6. **Employment of drivers**
For all drivers engaged after inception of this Policy, other than those hired to The Insured by an employment agency, at least two satisfactory references from reliable sources must be obtained and retained by The Insured. These references may be verbal but if so must be recorded in writing at the time they are taken.
7. **Subcontractors**
If the Policy schedule includes transits by vehicles owned by or under the control of subcontractors it is a condition of the Policy that:
 - a) The subcontractor assumes the same liability as The Insured,
and
 - b) The Insured takes reasonable precautions to ensure that the subcontractor is fully insured or is financially able to meet any liability in full unless otherwise agreed by CNA.

8. **Contract Conditions**

During the Policy Period, The Insured must continuously carry on business subject to the Contract Conditions notified to CNA and must both advise and have in place an effective procedure to advise each customer of Contract Conditions applicable (not including international conventions) prior to undertaking work for them.

The Insured must not by agreement accept:

- a) any special declaration of value,
- b) any declaration of special interest in delivery or agreed delivery dates,
- c) any liability in excess of the Contract Conditions.

9. **Own Vehicle Locking and Anti-Hitching Clause**

THIS CLAUSE OPERATES ONLY IN THE EVENT OF DAMAGE BY THEFT OR ATTEMPTED THEFT.

Whenever the vehicle is left Unattended, it is warranted that:

- a) all doors, windows and other access points shall be securely shut and locked; and
- b) all manufacturer's security devices shall be put into effect; and
- c) the keys shall be removed from the vehicle; and
- d) Unattended or detached trailers shall have an anti-hitching device attached and in effect;

10. **Cancellation**

The Policy may be terminated at any time at the option of CNA provided that 14 days' notice to that effect be given in writing by prepaid letter post to the last known address of The Insured's Brokers in which case CNA shall be liable to repay on demand a rateable proportion of the premium for the unexpired time from the date of termination.

11. **Limits and conditions of average**

The liability of CNA shall not exceed the Limits of Indemnity indicated in the schedule or elsewhere in the Policy. Furthermore, if at the date of any occurrence giving rise to a claim hereunder, the liability of The Insured shall be in excess of the Limit or Limits of Indemnity The Insured shall be considered as being his/their own insurer for the difference and shall bear a rateable share of the actual amount of the liability.

12. **Jurisdiction**

It is hereby understood and agreed that this insurance shall be governed by United Kingdom law and practice. United Kingdom courts alone shall have exclusive jurisdiction in any dispute arising hereunder, in the absence of any rule or law to the contrary.

13. **Contracts (Rights of Third Parties) Act 1999**

The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to this insurance or to any indemnity given under this insurance. This insurance is an indemnity policy and only indemnifies the named Insured in respect of legal liability incurred by The Insured. This clause does not affect the rights of any third party under the Third Parties (Rights Against Insurers) Act 1930.

14. **Insurance Premium Tax**

The Insurance Premium Tax (Taxable Insurance Contracts) Order 1994(SI 1994/1698) – Schedule 7A Finance Act 1994 makes Underwriters responsible for Insurance Premium Tax which will be collected at the applicable rate on taxable gross premium paid by the Assured.

Underwriters will calculate the tax liability of the Assured who agree to pay all amounts due to Underwriters. Late notification by Underwriters of tax due as a result of de-minimis rules being exceeded or any other reason will not reduce or negate the liability of the Assured to pay the tax.

CLAIM CONDITIONS

1. **Notification to Company, Police and Receipt of Legal Documentation etc.**

The Insured shall, on becoming aware of any event giving rise or likely to give rise to a claim under this Policy;

 - a) immediately give notice to CNA and shall without delay provide in writing such particulars and information as CNA may require.
 - b) in the case of theft or malicious damage take all practicable steps to minimise any damage or recover any missing property and give immediate notice to the Police and render to them all reasonable assistance.
 - c) immediately upon receipt forward every letter, writ, summons, claim form or other legal document to CNA.

2. **Non-contribution**

This Policy does not cover any liability which at the time of the happening of such loss, destruction and/or damage is insured by any other policy or policies except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this Policy not been in existence.

3. **Subrogation**

CNA shall retain the rights of subrogation in respect of all claims paid or admitted under the Policy.

4. **Arbitration**

If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with applicable statutory provisions.

5. **Admission of liability**

No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of The Insured without the consent of CNA.

6. **Co operation with CNA**

- a) CNA shall be entitled but not obligated to take over for its own benefit any claim for indemnity or damages or otherwise, whether or not CNA have made any payment to or on behalf of The Insured, and to conduct in the name of The Insured the defence or settlement of any claim, or to prosecute in the name of The Insured, and shall have full discretion in the conduct of any proceedings or in the settlement of any claim.
- b) The Insured shall, at the expense of CNA, do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by CNA for the purposes of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which CNA shall be or would become entitled.
- c) The Insured shall, at the cost of CNA, provide such documentation and such witnesses and such evidence as CNA might request, to CNA or to whom CNA should direct, and shall make available witnesses for giving evidence in Court.
- d) The Insured shall sign or constructively comment on any statement of truth provided to The Insured by or on behalf of CNA within 24 hours of such provision.
- e) The Insured shall at the request of CNA search for and provide to CNA all documentation that CNA may request and shall sign all appropriate statements required in relation to disclosure in proceedings.

STANDARD EXTENSIONS

(subject to the Policy terms, exclusions and conditions)

1. **Sheets, ropes, chains, toggles and dunnage**

CNA will indemnify The Insured against loss, destruction of or damage to sheets, ropes, chains, toggles, dunnage and any other cargo handling equipment customarily carried on or in the vehicle/trailer subject to:

(A) CNA not being liable for:

- a) loss, destruction or damage caused by or arising from wear, tear or gradual deterioration;
- b) loss, destruction or damage unless the cause is:
 - i. stated,
 - ii. supported by direct evidence to the satisfaction of CNA,
 - iii. a peril insured by the Policy.
- c) the first GBP 250 of each and every claim.
- d) more than GBP 5,000 Any One Loss

(B) Basis of valuation - current market value.

2. **Clearance of debris, transshipment and recovery charges**

CNA will indemnify The Insured for transshipment, recovery, or debris removal costs of The Property following loss or destruction of or damage to The Property, carrying vehicle, container, vessel, aircraft, or the warehouse in which The Property is stored, providing the transshipment, recovery or other charges are reasonably incurred by the Insured and to reduce or prevent a claim which would be covered under this section.

This extension is subject to a sub-limit of GBP 10,000 Any One Loss.

3. **Temporary storage**

CNA will indemnify The Insured against their liability for loss, destruction of or damage to The Property (not being excluded by the terms contained herein) during temporary storage in the normal course of transit irrespective of whether the Property is left loaded upon vehicles or off-loaded therefrom.

Nevertheless, CNA shall not be liable in respect of Property stored:

- a) at a rental,
- b) for a predetermined period,
- c) under a contract for storage and distribution,
- d) at the specific request of The Insured 's customer,

nor where the vehicle/trailer is used for storage purposes other than whilst in the normal course of transit unless agreed in writing by CNA or by endorsement to this Policy.

4. **Financial loss**

CNA will indemnify The Insured against their legal liability for financial loss consequent upon:

- i. loss, destruction of or damage to The Property or
- ii. accidental delay or
- iii. accidental misdelivery

provided that The Insured contracts for the carriage of The Property under the terms which either limit such liability to an amount which does not exceed the carriage charges for the consignment or which specifically excludes such liability.

Provided also that:-

- a) the cover granted by this extension shall not include any liability resulting from late delivery or delay in respect of transits for which delivery time and/or date is agreed by The Insured unless prior consent in writing of CNA is obtained and any required additional premium agreed;
and
- b) the cover granted by this extension shall not include any loss or damage to any property owned by or in the custody or control of The Insured other than in transit for hire or reward;
and
- c) the cover granted by this extension shall not include any third party liability or liability for death of or bodily injury to any person;
and
- d) any claim under this section of the Policy shall be subject to a Limit of twice the carriage charges for the consignment or GBP 250,000 whichever is the lesser.

5. **Personal effects of drivers**

This Policy extends to cover the clothing and personal effects of drivers of vehicles (owned by or under the custody and control of The Insured) against physical loss, destruction or damage in consequence of any accident involving the vehicle being driven by the claimant, the vehicle catching fire, or theft of or from the vehicle whilst under the driver's control subject to an excess of GBP50 each and every claim and excluding absolutely cash, currency, valuables, portable audio/visual equipment, mobile telecommunication equipment, jewellery, articles made of or containing precious stones or metals, and any substitute for a physical defect (e.g. dentures, hair pieces, false limbs and the like).

Basis of valuation - current market value.

Limit any one loss, any one driver – any one period of 12 months: GBP 500.00.

6. **Costs and expenses**

CNA will pay costs, expenses and survey fees incurred with their knowledge and consent in the defence or settlement of any claim, in addition to the Policy Limits shown herein.

7. **Containers, flats and/or trailers (not owned, leased, hired or loaned)**

CNA will indemnify The Insured against their liability for loss, destruction of or damage to containers, flats and/or trailers not being the property of The Insured, nor leased nor hired to The Insured or loaned to them but for which they are responsible. Nevertheless CNA shall not be liable in respect of:

- a) the first GBP 250.00 of each and every claim,
- b) loss, destruction or damage caused by or arising from wear, tear or gradual deterioration, scratching, bruising, denting and claims for the cost of repainting,
- c) mechanical and/or electrical breakdown or derangement
- d) road punctures, cuts, bursts or damage to tyres, unless caused by a road traffic accident,
- e) loss of use or hire charges,
- f) loss or damage which is covered by any motor policy.

Basis of Valuation – the cost of repair, replacement or reinstatement at market value.

This extension is subject to a limit of GBP 25,000 any one container, flat or trailer, Any One Loss.

8. **Unwitting CMR liability**

CNA will indemnify The Insured against their liability under the provision of the Convention on the Contract for the International Carriage of Goods by Road (hereafter called CMR), and subsequent legislation in those circumstances where The Insured accepts goods for transportation without prior knowledge that the transit was part of an overall transit to which CMR conditions apply.

9. **Thief-Attractive Property**

CNA will indemnify The Insured in respect of transportation of Thief-Attractive Property subject to:

- a) the terms of the Own Vehicle Locking and Anti-Hitching Clause (General Condition 9);
and
- b. Limit any one claim due to theft and or attempted theft of GBP 100,000.

Specific Extensions

(Subject to the Policy Terms, Conditions and Exclusions but only applying if specified in the schedule or by subsequent endorsement)

SE1. TRAILER EXTENSION (owned, hired, leased or loaned to The Insured)

CNA will indemnify The Insured against all risks of physical loss of or damage to trailers and equipment owned by, leased, hired or loaned to The Insured whilst anywhere within the territorial limits.

In addition CNA will indemnify The Insured in respect of:

- a) Recovery and/or removal costs and/or expenses necessarily and reasonably incurred by The Insured in consequence of or in order to minimise a loss or losses which would be recoverable hereunder. Limit any one event – GBP 5,000,
- b) Jettison and washing overboard whilst waterborne,
- c) General average and/or salvage charges.

In addition to the exclusions contained elsewhere in the Policy CNA shall not be liable for:

1. wear, tear or gradual deterioration, scratching, bruising, denting and claims for the cost of repainting,
2. mechanical and/or electrical breakdown or derangement,
3. road punctures, cuts, bursts or damage to tyres, unless caused by a road traffic accident,
4. loss of use or hire charges,
5. loss or damage which is covered by any motor policy.

Basis of settlement of claims

All claims for total and/or constructive total loss will be paid on the basis of the actual or book value of the trailers/equipment, but limited to the insured value specified in the schedule of Trailers.

In the event of damage not involving total and/or constructive total loss, the basis of settlement shall be the cost of repair, replacement or reinstatement at market value but not exceeding the insured value specified in the schedule of Trailers.

In respect of equipment hired or leased, the basis of settlement shall be The Insured's liability for loss or destruction of or damage to equipment under the terms of the lease.

In the event of the actual value of the trailers/equipment exceeding the insured value, CNA shall deduct from any claim settlement such proportion as the insured value bears to the actual value.

The Excess (as specified in the schedule of Trailers) will be deducted from any claim recoverable in respect of Any One Loss.

SE2. FROZEN AND/OR CHILLED PRODUCE

Notwithstanding any exclusions contained within the Policy this extension provides cover against deterioration in consequence of temperature variations but subject to the following:

- a) every driver involved in the transportation of goods in a refrigerated or chilled or insulated condition shall have had tuition in the handling of such traffic from the Manufacturers of such equipment or the duly authorised agent of the manufacturers or a similarly qualified party;

and

- b. the temperature within the unit shall be recorded in writing by The Insured at the time of loading and unloading and in the case of any journey exceeding twelve hours duration the temperature within the unit shall be recorded in writing at intervals of not more than twelve hours;

(The Insured shall retain such records to serve as evidence in connection with any claim which may arise).

and

- c. refrigerated/insulated vehicles and/or trailers shall be maintained and used in accordance with Manufacturers instructions;

and

- d. The Insured shall ensure that all refrigeration equipment is capable of maintaining the temperature at which they are instructed to carry and/or store The Property for the duration of the transit and/or storage, and shall ensure all service records, showing servicing frequencies and contract details, are maintained and made available in the event of a claim;

and

- e. The insured shall obtain written confirmation of the temperature at which The Property is to be maintained prior to acceptance of The Property;

and

- f. The Insured shall obtain written confirmation of the temperature of The Property on receipt and on release of The Property prior to loading and/or unloading.

The amount to be borne by The Insured in respect of each and every loss as a result of this Extension shall be as shown in the policy schedule.

SE3. ERRORS AND OMISSIONS (ROAD HAULIERS)

CNA will indemnify The Insured against their legal liability as road hauliers for any claim or claims which may be made against The Insured during the period of insurance for breach of duty by reason of any negligent act, error or omission arising out of incorrect instructions, faulty arrangements or clerical errors committed or alleged to have been committed by principals and/or directors and/or clerical and/or office staff and/or all other employees of The Insured, (or their predecessors) in the conduct of any business on behalf of The Insured (or their predecessors) in their professional capacity as road hauliers.

Provided always that the liability of CNA shall not exceed GBP 100,000 any one claim and in the aggregate of all claims in any one period of insurance.

Provided also that CNA shall only be liable for the amount by which any claim exceeds the sum stated as the Excess.

This extension shall not indemnify The Insured in respect of any claim brought against them:

- a) contributed to or brought about by any dishonest, fraudulent, criminal or malicious act or omission of The Insured or their predecessors in business or any person at any time employed by The Insured or their predecessors in business, or
- b) as principal for the charter of the whole or part of any vessel or aircraft or
- c) resulting from insolvency of The Insured, or
- d) resulting from the inability of The Insured to pay or collect amounts (other than amounts which The Insured has contractually agreed to pay or collect, e.g. 'Cash on Delivery'), or
- e) for consequential loss following loss or destruction of or damage to customers' goods and accidental delay in delivery of customers' goods, or
- f) arising from exercising or purportedly exercising a lien on The Property, or
- g) arising from
 - i) insolvency or inability to pay claims of any insurer; and
 - ii) the inadequacy of any sum insured or limit of any insurance policy, or which is or should be recoverable under any other section of the policy.

Conditions – applying in addition to the General and Claim Conditions elsewhere in the Policy

- a) CNA will pay the costs and expenses incurred in the defence or settlement of any claim but if a payment in excess of the amount of indemnity available under this extension has to be made to dispose of a claim, CNA's liability for the costs and expenses incurred with their consent shall be such proportion thereof as the amount of indemnity available under this extension bears to the amount paid to dispose of the claim.
- b) The Insured shall, in order to be indemnified under this extension, give to CNA immediate notice in writing of:
 - i) any claim made against them or of
 - ii) the receipt of notice of an intention to hold The Insured responsible for the consequences of a breach of their professional duty as road hauliers and shall, upon request, give to CNA such information as they may reasonably require.
- c) Excess: as shown in the policy schedule.

SE4. LOSS OF EARNINGS (TRAILERS)

CNA agrees to indemnify The Insured if any trailers are unable to operate or need repair as a result of any accident involving collision and/or impact and/or overturning and/or theft occurring during the period of insurance, provided such loss or damage is covered by the Policy, for:

- a) loss of earnings for each working day for trailers owned by or loaned to The Insured and not hired or leased by The Insured, or
- b) loss of earnings for each working day by The Insured 's principal for which The Insured is legally liable.

The period of indemnity under this extension shall commence:

- a) at the time of loss in respect of theft, total or constructive total loss, or
- b) in all other cases, from the time of inspection by the surveyor or the commencement of repairs, whichever is the later.

The maximum period of indemnity recoverable under this section shall be 60 days.

Excluding the first GBP 500 of any amount payable, except losses for total loss, constructive total loss or theft.

If, due to unforeseen circumstances, the repair cannot, with due diligence and best endeavour by The Insured, be completed by the date or within the period determined by the assessor, then The Insured shall have the right to request the assessor to reassess the end date.

Special conditions applying to this extension

1. The Insured shall make every reasonable attempt to expedite recovery and/or replacement of the trailer/equipment and in the event of delay in executing repairs or obtaining replacement, the 'indemnity period' defined herein will only commence when such delay terminates.
2. All incidents to be reported to CNA within 72 hours of the occurrence.
3. Definition – trailers (when referred to in this extension) shall mean trailers, semi-trailers, tank-trailers/containers, chassis and the like.
4. The limit of liability of CNA is:
 - a) the actual loss of use up to maximum GBP 75.00 per working day any one trailer owned or loaned to The Insured
 - b) the actual loss of use up to a maximum GBP 75.00 per day any one trailer belonging to third parties and under the custody of The Insured .

SE5. FULL VALUE EXTENSION

CNA agrees to indemnify The Insured in respect of their legal liability, the subject of a contract which has been agreed and specified in the Policy schedule, for physical loss of or damage to The Property in Transit up to full value, subject to the following exclusions and conditions:

Exclusions

- a) loss, damage or expense attributable to wilful misconduct of The Insured,
- b) ordinary leakage, ordinary loss in weight or volume or ordinary wear and tear of The Property,
- c) loss, damage or expense caused by insufficiency or unsuitability of packing or preparation of The Property other than by The Insured or their servants or agents,
- d) loss, damage or expense caused by inherent vice or nature of The Property,
- e) loss, damage or expense proximately caused by delay even though the delay be caused by a risk insured against,
- f) loss, damage or expense caused by mechanical or electrical derangement, oxidisation, discolouration or rust unless attributable to fire, collision or overturning of the carrying conveyance,
- g) any loss of use or consequential loss.

Conditions

- a) New Items - in the event of loss of or damage to any part or parts of The Property caused by a peril covered by the Policy the sum recoverable shall not exceed the cost of replacement or repair of such part or parts plus charges for forwarding and refitting if incurred, provided always that in no case shall the liability of CNA exceed the value of the complete item.
- b) Second-hand Items - in the event of a claim for loss or damage to any part or parts of The Property in consequence of a peril covered by the Policy, the amount recoverable hereunder shall not exceed such proportion of the cost of replacement of the parts lost or damaged as the value bears to the value of a new item, plus additional charges for forwarding and refitting of the new part or parts if incurred.

SE6. FREIGHT FORWARDERS' LIABILITY

Subject to the terms contained herein or endorsed hereon CNA will indemnify The Insured against his liability as a freight forwarder under the current conditions of the British International Freight Association or such other conditions as may have been approved by CNA in writing for:

- i) claim or claims occurring during the period of insurance for loss or destruction of or damage to goods or merchandise, containers or equipment arising out of the movement or storage of such goods or merchandise or the ownership or use of such containers or equipment (not otherwise covered by the Policy to which this is attached) and/or
- ii) claim or claims which may be made against The Insured during the period of insurance for breach of duty by reason of any negligent act, error or omission arising out of incorrect instructions, faulty arrangements or clerical errors committed or alleged to have been committed by principals and/or directors and/or clerical and/or office staff and/or all other employees of The Insured (or their predecessors) in the conduct of any business on behalf of The Insured (or their predecessors in business) in their professional capacity as freight forwarders.

Notwithstanding the foregoing it is agreed that, in the event of the Conditions of the British International Freight Association or such other conditions as may have been overridden by statute or international conventions or being set aside by operation of law, this insurance shall indemnify The Insured to the full extent of his legal liability.

Provided always that the liability of CNA shall not exceed the limits stated.

Provided also that CNA shall only be liable for the amount by which any claim exceeds the sum stated as the Excess.

Exclusions to Freight Forwarders' Liability Section

This extension shall not indemnify The Insured in respect of any claim brought against them:

- a) contributed to or brought about by fraudulent, criminal or malicious act or omission of The Insured or their predecessors in business or any person at any time employed by The Insured or their predecessors in business or
- b) for any liability as principal for the charter of the whole or part of any vessel or aircraft or resulting from insolvency of The Insured or
- c) resulting from the inability of The Insured to pay or collect amounts (other than amounts which The Insured has contractually agreed to pay or collect, e.g. 'Cash on Delivery').

Conditions Applicable to Freight Forwarders' Liability Section

1. The liability of CNA under section ii. of this extension shall not exceed in the aggregate of all claims in any one year, the sum stated under the heading 'Limits of Liability' except that in addition CNA will pay the costs and expenses incurred in the defence or settlement of any claim.
2. The Insured shall not admit liability for or settle any claim or incur any costs or expenses in connection therewith without the written consent of CNA who shall be entitled to take over and conduct in the name of The Insured the defence or settlement of any claim. Nevertheless The Insured shall not be required to contest any legal proceedings unless a Queen's Counsel (to be mutually agreed by CNA) shall advise that such proceedings should be contested.
3. If a payment in excess of the amount of indemnity available under this extension has to be made to dispose of a claim, CNA's liability for the costs and expenses incurred with their consent shall be such proportion thereof as the amount of indemnity available under this extension bears to the amount paid to dispose of the claim.
4. The Insured shall, in order to be indemnified under this extension, give to CNA immediate notice in writing of:
 - i) any claim made against them or
 - ii) the receipt of notice of an intention to hold The Insured responsible for the consequences of a breach of their professional duty as freight forwarders and shall, upon request, give to CNA such information as they may reasonably require.
5. If The Insured shall submit any claim knowing the same to be false or fraudulent as regards the amount or otherwise this insurance shall become void and all claims hereunder shall be forfeited.
6. It is a condition of this insurance that during the currency of this extension The Insured continuously trades under the current standard trading conditions of the British International Freight Association or such other conditions as may have been approved by CNA in writing and that The Insured take all reasonable steps to ensure that such conditions are incorporated into all contracts entered into.

Notwithstanding this condition, if a claim arises in respect of a contract into which The Insured have failed to incorporate the aforementioned conditions, The Insured's right to be indemnified under this extension shall not be prejudiced provided that The Insured establishes that, as a general rule, all reasonable steps to incorporate such conditions into contracts are taken, but that in the case in question the conditions were not incorporated solely as a result of an isolated error or omission of The Insured or one of their employees.

Limits of Liability (as specified in the Policy schedule)

Excess (as specified in the Policy schedule)