

Anweisung für den Schadenfall (Bei Nichtbeachtung kann die Leistungspflicht des Versicherers entfallen)

1. Güter sofort auf Schäden untersuchen. Schon bei Verdacht eines Schadens, den Empfang nur unter Vorbehalt (z. B. auf Frachtdokument) mit Angabe des vermuteten Schadens quittieren.

Bei Gütern in Containern sicherstellen, dass Container und Schlösser oder Siegel durch Verantwortliche der Reederei oder den Frachtführer geprüft werden. Falls Container beschädigt oder Schlösser oder Siegel aufgebrochen sind oder fehlen oder von Frachtdokumenten abweichen, Empfang nur unter Vorbehalt mit Angabe des vermuteten Schadens bescheinigen und beschädigte oder falsche Schlösser und Siegel aufbewahren.

2. Ersatzansprüche gegen Dritte sicherstellen. Reederei, Bahn, Post, Lkw-Unternehmer, sonstige Beförderer, Spediteure, Lagerhalter, Zoll- und Hafenbehörden

- zu gemeinsamer Schadenbesichtigung auffordern,
- Bescheinigung des Schadens verlangen,
- schriftlich haftbar machen

und zwar

- bei äußerlich erkennbaren Schäden vor Annahme des Gutes,
- bei äußerlich nicht erkennbaren Schäden unverzüglich nach

- Entdeckung, spätestens jedoch vor Ablauf der Reklamationsfrist.

3. Für Minderungen entstandenen und Abwendung weiteren Schadens sorgen.

4. Unverzüglich den in der Police oder im Zertifikat genannten Havariekommissar hinzuziehen.

Bei Nachweis wichtiger Gründe kann anstelle des genannten Havariekommissars der nächste Lloyd's Agent hinzugezogen werden.

Abgesehen von der Feststellung von Schäden ist der Havariekommissar nicht ermächtigt, Erklärungen mit Wirkung für den Versicherer abzugeben oder entgegenzunehmen. Durch die Benennung des Havariekommissars wird für diesen keine persönliche Berechtigung oder Verpflichtung zur Auszahlung von Schäden begründet. Für diese Police / dieses Zertifikat sind deutsches Recht und deutsche Rechtsprechung maßgeblich (Ziffer 26 ADS-Güter 2000). Ausschließliche Gerichtsstände; auch bei Vereinbarung einer Schadenzahlung durch einen Zahlagenten- sind der Ausstellungsort dieser Police / Versicherungszertifikates oder der Sitz der Hauptniederlassung des Versicherers.

5. Zustand der Sendung und ihrer Verpackung bis zum Eintreffen des Havariekommissars **nicht verändern, soweit** nicht durch Maßnahmen gemäß Ziffer 3 erforderlich.

6. Unverzüglich dem Versicherer den Versicherungsfall anzeigen.

7. Dem Versicherer vollständige Schadenunterlagen einreichen, insbesondere

- Schadenrechnung
- Einzelpolice / Versicherungszertifikat
- Havariezertifikat
- Konnossement, Frachtbrief, sonstige Transport- oder Lagerdokumente
- Handelsfaktura
- Unterlagen über Feststellung von Zahl, Maß oder Gewicht am Abgangs- und am Bestimmungsort
- Bescheinigung des Schadens / Schriftwechsel über Ersatzansprüche gegen Dritte gemäß Ziffer 2
- schriftliche Abtretungserklärung des aus dem Beförderungsvertrag Berechtigten an den Versicherer.

Zur schnellen und reibungslosen Schadenabwicklung diese Schadenunterlagen unverzüglich einreichen, **spätestens jedoch rechtzeitig vor Ablauf eventueller Ausschluss- und/oder Verjährungsfristen für Ersatzansprüche gegen Dritte** gemäß Ziffer 2.

8. Nach Ablauf von 15 Monaten seit Beendigung der Versicherung erlischt der Entschädigungsanspruch.

Instructions to be followed in case of loss or damage (Failure to comply with these instructions may prejudice any claim)

1. Inspect goods immediately . Even if loss or damage is only suspected do not give a clean receipt but mark documents (e.g. shipping documents) by stating extent of damages suspected or noticed.

When delivery is made by container ensure that the container and its seals or locks are examined immediately by the responsible officials of the shipowners or the carrier. If the container is delivered damaged or with seals or locks broken or missing or with seals or locks other than as stated in the shipping documents clause delivery receipt accordingly stating assumed loss or damage and retain all defective or irregular seals and locks for subsequent identification.

2. Secure rights of recovery from third parties.

Shipowners , railway, post, lorry owners, other carriers, forwarding agents, warehouses, customs and port authorities must be

- requested to attend a joint survey,
- requested to certify the loss or damage, and
- held liable in writing

where loss or damage is apparent - **before taking delivery of the goods** , where loss or damage is not apparent - immediately upon discovery of said loss or damage, **at the latest** , however, **before termination of time limits** .

3. Care must be taken to minimize loss or damage and to avert further loss or damage.

4. Immediately contact the surveyor named in the policy or certificate of insurance.

On proving substantial reasons the nearest Lloyd's agent may be called in instead of the surveyor named.

Apart from surveying damage, the surveyor has no authority to commit underwriters. Through the appointment of the surveyor there arises no personal right or obligation for the latter to settle claims

This Policy / Certificate is subject to German law and jurisdiction as per ADS Cargo 2000 section 26. The court of jurisdiction -even where claims are agreed payable in the country of destination- is to be at the place where this Policy / Certificate is issued or at the head offices of the insurers.

5. Do not alter condition and packing of goods before arrival of the surveyor unless required by measures as under clause 3.

6. Immediately notice of claim must be given to underwriters.

7. A full set of claim documents must be presented to underwriters, in particular:

- Claim Bill
- Policy / Certificate
- Survey report
- Bill of Lading, way-bill, or other contracts of carriage or storage
- Shipping invoice
- Documents showing number, measurements or weight at time of shipping and arrival
- Certificate of loss or damage / correspondence regarding liability of third parties according to clause 2

- Subrogation from issued in favour of underwriters signed by the party holding rights under the contract of carriage.

Prompt settlement of claims can only be effected by underwriters in cases where the documents enumerated under clause 7 have been presented to underwriters. Immediate presentation to underwriters is, therefore, in the own interest of the party claiming damages/losses under the policy/cargo insurance certificate issued. In any case the documents mentioned must be submitted to underwriters well **before expiry of any time-limits** of carriers etc. as under clause 2 to leave sufficient time for claims against third parties.

8. No claim will be considered by underwriters unless submitted within 15 months after termination of the insurance.

Non-binding Summary of the Insurance Contract No. 00-030-540 522 between ALTE LEIPZIGER Versicherung Aktiengesellschaft and MIRASCON Versicherungsagentur GmbH for the account of a third party / German Wording will Prevail !

1. Insured Goods, Prospect of Goods

a. Covered are motor vehicles for passenger transportation of the client, which are subject of a "Verkehrsvertrag" (shipping contract).

Other goods/transportations can be covered via this contract also. Pre-conditions are

- Information to the insurer prior to begin of the transport;
- Confirmation of cover from insurer prior to begin of the transport.

b. Prospect of Goods are the client of the policyholder and every other party carrying the risk of transport or storage of the insured goods. The prospects of Goods have a monetary measurable interest that the goods will survive the transport.

Freight forwarder, storage companies, cargo handlers, carrier, consignors and other carriers are no prospects of Goods in regard of this terms and conditions.

2. Coverage

Cover is granted in accordance of the following terms and conditions:

- Special Terms and Conditions for the Insurance of Removal Goods (ADS Cargo 2000) in case of transportation of removal goods
- All Risk (ADS Cargo 2000) in case of vehicle transportation
- Provisions for constant cover (ADS Cargo 2000)
- War Clause (ADS Cargo 2000)
- Classification and Age Clause (ADS Cargo 2000)
- Strikes, Riots and Civil Commotions Clause (ADS Cargo 2000)
- Directives for the loss event
- Limited cover in case of vehicle or removal goods transportation if contracted

3. Scope of Cover

Cover is granted for transports from the USA to Western Europe and from Western Europe to the USA.

Transports to other Countries can be covered via this contract also. Pre-conditions are

- Information to the insurer prior to begin of the transport;
- Confirmation of cover from insurer prior to begin of the transport.

4. Perils not covered

In addition to no. 2.5.1.5 of ADS Güter 2000 cover is not granted for damages resulting from wrong or faulty loading or wrong or faulty securing of the goods if carried out by the policyholder.

Damages inside the goods e.g. non-functioning, short cut, over voltage, induction, implosion and breakage of bulbs/transistors and filament are only covered in the event of beaching, fire, lightning, explosion or accident of the transport vehicle.

5. Biochemical- and Nuclear-Risks Exclusion Clause

Excluded from cover are the following perils:

- use of chemical-, biological- and biochemical substances or electromagnetic waves as weapons, regardless of any other causes which might have an impact also;
- nuclear energy or any other ionising radiation. Damages to insured goods are covered if the damage is caused by radioactive isotopes (no nuclear fuels) which are used, transported, stored or allocated for commercial-, agricultural- medical-, scientific- or other peaceful reasons.

This clause will eliminate and overrule all other clauses within this contract and its terms and conditions.

If insurer and policyholder have agreed on English terms and conditions or other foreign terms and conditions Clause CL 370 "INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIOCHEMICAL AND ELEKTROMAGNETIC WEAPONS EXCLUSION CLAUSE" will apply.

6. Political- and Storage Risk Clause (PoLaR)

a. Eliminating and overruling all other clauses regarding that risk the following shall apply:

i. Storage of insured goods is covered during validity of this contract for a maximum of 60 days. Day of arrival to and day of departure from the storage are included.

ii. Is storage not ordered by the policyholder and exceeds the cover period as described under 6 a. i.

1. cover is still granted in cases where the policyholder had no information about the extended storage period or could not influence the extended storage period the under general business principals;
2. cover is still granted in cases of delay after unloading vessels or aircrafts used for the transport of insured goods at port/airport of destination due to insured events. Covered is the sole interest of the Policyholder.
3. In cases of 6. a. II. 1. and 2. the Policyholder has to inform the Insurer about the extended storage period as soon as he, his employees or a representative receives notice hereon.

The insurer has the right to charge a negotiable additional premium.

b. Altering other terms of this contract regarding cover for political risks (e.g. war, civil commotion, strike, riots, terror, etc.) the insurer is entitled to cancel such cover worldwide within a period of 48h for all new transports or storages to come. The cancellation will be in force with the end of the forgoing period beginning at midnight of the day the policyholder has received written cancellation.

In cases of co-insurance the notification of the leading insurer will also in name of the participating insurers.

Cover for storage which began before receipt of cancellation notice will be in force for a maximum of 30 days.

c. Is a representative clause part of these terms and conditions will this not apply to no. 6.

Full Details of the Insurance Contract are available upon request!

Non-binding Summary of the Insurance Contract No. 00-030-540 522 between ALTE LEIPZIGER Versicherung Aktiengesellschaft and MIRASCON Versicherungsagentur GmbH for the account of a third party / German Wording will Prevail !

7. Late Premium Payment
- &sec;&sec; 38 and 39 of the German Insurance Law (VVG) will apply
8. Broker Clause
- The day-to-day business will be handled by broker
- MIRASCON Versicherungsmakler GmbH
Amsterdamer Str. 206
50736 Koeln, Germany
- Phone: +49 (0) 221 925488-0
Fax: +49 (0) 221 925488-88
- All notices, declarations, declarations of intention, payments, etc. are fulfilled towards the insurer, as soon as received by the broker. The broker is also entitled to report any claim to the insurer.
9. Insurance Commissioner
- Insurance commissioner is Bundesanstalt fuer Finanzdienstleistungsaufsicht - Bereich Versicherungen - Graurheindorfer Str. 108, D-53117 Bonn.
10. Jurisdiction / Applicable Law / Wording
- Jurisdiction will be the address of the Policyholder. German law will apply. German wording will prevail.
11. Notice for Premium Payment / Alteration of Risk / Claims / etc.
- a. Instalment payments
Open instalments are deferred. Instalments will become instantly due whenever the policyholder pays laid or does not pay at all. In case of an insured event the insurer is entitled to charge premiums against claim indemnifications.
- b. The notification of Line of Business and Policy-No. on all written information towards insurer will ensure short handling times.
- c. The following has to be reported to the insurer or its representative without delay:
- i. Sale of insured goods;
 - ii. Noticeable changes in risk (higher risk);
 - iii. Incurred claims;
 - iv. Recovery of lost or stolen goods.
- d. Claim minimizing is first obligation of the Policyholder.
- e. Claims due to fire, lightning, explosion and/or theft are to be reported to the police immediately, if one or all of these perils are covered.
- f. Failure to apply with the foregoing obligations may lead to complete or partial loss of cover.
- g. The policyholder can - at his own expense - ask for copies/transcripts of paperwork he sent to the insurer.
12. Agreement in Accordance with German Data Safety Law
- a. I/We herewith confirm, that the insurer is allowed to record data
- i. Which is necessary for day-to-day business;
 - ii. Which have been reported to the insurer to set up an insurance contract;
 - iii. Which is necessary to set up an offer;
 - iv. Which is necessary to fulfil re-insurance requirements;
 - v. Which is used for statistical issues of the German Insurance Association (GDV);
- b. I/We herewith confirm, that all companies of the Alte Leipziger Group (Germany) are allowed to have access to my general contractual-, accounting- and claims data for correspondence with my respective insurance broker.
- c. Personal data regarding my/our health status maybe forwarded to re-insurers and life-, health- and personal accident insurers as far as it is necessary to handle such a contract.
- d. Without any influence to the contract and furthermore revocable at any time I/we herewith confirm, that general data may be used by my broker for further financial services.
- e. This confirmation will be in force only if I/we had/have been informed about the content of this agreement when I/we signed the insurance contract. The general information will be part of the proposal form and will be handed out together with other maybe legally required information.

**ADS Cargo Insurance Conditions 2000
(ADS Cargo 2000)**

War Clause

for the insurance of goods carried by sea and for air transports
to and from foreign countries governed by the provisions of ADS Cargo 2000

1 Scope of cover

1.1 In amendment to No. 2.4.1.1 of ADS Cargo 2000, insurance extends to loss of or damage to the insured goods caused by

1.1.1 war, civil war or warlike events, as well as events arising - irrespective of a state of war - from the hostile use of weapons of war and the presence of derelict weapons of war as a consequence of one of these risks;

1.1.2 confiscation, capture, seizure, deprivation and other acts of authorities as a result of the risks named in No. 1.1.1.

2 Exclusions

The following risks are excluded:

2.1 loss of or damage to the insured goods resulting from seizure, deprivation and other acts of authorities based on laws and regulations in force at the time of commencement of the insurance;

2.2 loss of or damage to the insured goods - irrespective of other contributory causes - arising out of the hostile use as well as the existence of

- nuclear energy or other ionising radiation;

- chemical, biological, biochemical substances or electromagnetic waves

as weapons of war.

2.3 costs arising from an insured risk causing the vessel not to commence, to interrupt or not to continue the voyage or to call at a port, or causing the goods to be discharged, stored or forwarded by other means of conveyance, to be paid only if recoverable as General Average under the York Antwerp Rules.

2.4 Unless otherwise agreed, the provisions set down in Nos. 2.4.1.2 - 2.4.1.6 and 2.5 of ADS

Cargo 2000 concerning excluded perils and losses remain unaffected.

3 Commencement and termination of insurance in the case of marine transport

3.1 The insurance against the perils named in No. 1 commences when the goods are on board the ocean-going vessel for the insured voyage.

3.2 The insurance terminates when the goods have been discharged from the ocean-going vessel at the port of destination, and for any undischarged goods not later than 15 days after the arrival of the ocean-going vessel at the port of destination.

3.3 If the ocean-going vessel sails from the port of destination without having discharged the goods, the insurance recommences when the vessel sails again. The Insurer shall be informed immediately of any such further transit and an additional premium to be agreed shall be paid.

3.4 If the contract of affreightment is terminated at a place other than the destination named therein, such other place is deemed the port of destination. If, however, the goods are subsequently on-carried to the destination named in the contract of affreightment or to any other destination, such on-carriage is covered provided notice is given prior to its commencement and an additional premium is paid. Failure, for reasons beyond the Insured's control, to give the required notice does not prejudice the insurance for such forwarding.

The insurance for such on-carriage attaches when the goods are on board the on-carrying ocean-going vessel. If the goods were not discharged, the insurance for such further transit attaches when the ocean-going vessel sails.

3.5 If, during the insured voyage, the goods are discharged at an intermediate port or other place for on-carriage by another vessel, the insurance is suspended after the expiry of 15 days from the arrival of the ocean-going vessel at the place of discharge, irrespective of whether the goods are stored on land or on water at the intermediate port or place. The insurance does not recommence until the goods are on board the on-carrying ocean-going vessel.

3.6 No. 3.2. applies accordingly if the insurance is terminated as a result of one of the cases described in Nos. 3.3 - 3.5.

3.7 Insurance against perils arising from the hostile use or presence of mines or floating or submerged torpedoes also applies when the goods are on board a craft for conveying such goods to or from an ocean-going vessel. In the case of conveyance from an ocean-going vessel, however, the insurance terminates at the latest after the expiry of 60 days following discharge of the goods from the ocean-going vessel insofar as nothing to the contrary has been expressly agreed with the Insurer and provided an additional premium has been paid.

3.8 If the goods consist of several part lots, the insurance commences and terminates in respect of each part lot in accordance with the above provisions.

3.9 The periods to be agreed in accordance with Nos. 3.2, 3.5 and 3.7 begin as from midnight of the day of arrival of the ocean-going vessel.

3.10 For the purpose of this clause, an ocean-going vessel is deemed to mean a vessel which, while carrying the insured goods, has to perform part of its voyage by sea. An ocean-going vessel is deemed to have arrived as soon as the vessel is moored, anchored or otherwise secured at a berth or place within the harbour area. If such berth or place is not available there, arrival is deemed to have occurred when the vessel first moors, anchors or otherwise secures within or off the harbour area.

4 Change of voyage

The Insurer is entitled to an additional premium if the risks insured against are increased by a change of voyage.

5 Cancellation

5.1 Insurance against the risks as per No.1 may be cancelled by the Insurer at any time provided written notice is given two days prior to the commencement of the insured transport.

5.2 Within four weeks of such a cancellation by the Insurer, the Insured may cancel - for his own part - the entire insurance policy by giving one weeks written notice.

5.3 The notice of cancellation given by the leading Insurer also applies to all Co-Insurers.

If a broker receives a notice of cancellation from the Insurer, this declaration is considered as having been received by the Insured as well.

6 Carriage by air to and from foreign countries

The above provisions apply accordingly to carriage by air.

7 Postal sendings / courier services

7.1 The provisions of this clause apply accordingly to postal sendings and courier services.

7.2 In the case of postal sendings and courier services transported by sea or air, the insurance commences when the goods are delivered to the respective Post Office or courier service, and ceases when they are delivered by the Post Office or courier service to the consignee.

**ADS Cargo Insurance Conditions 2000, as amended July 2004
(ADS Cargo 2000/2004)**

Limited Cover

Sample terms and conditions of the GDV

1 Interest / subject matter of the insurance

1.1 Insurable interest

1.1.1 The subject matter of the cargo insurance can be any monetary interest a person has in seeing that the goods survive the perils of transport and associated storage.

1.1.2 Covered are the goods specified in the insurance policy and/or other expenses and costs.

1.1.3 Besides the goods, other insurable interests can also include

- anticipated profit,
- increased value,
- duty,
- freight,
- taxes and charges
- other costs.

1.1.4 The Insured can insure his own interest (insurance for own account) or that of another (insurance for third-party account). See No. 13 for further details.

2 Scope of cover

2.1 Perils and losses/damages

Irrespective of percentage, the Insurer makes good loss of or damage to the insured goods arising out of the following events:

- a) an accident involving the means of transport carrying the goods;
an accident involving the means of transport is also said to exist when the ship or vessel carrying the goods is stranded, strikes ground or runs aground, capsizes, sinks, founders, or is damaged by ice;
- b) collapse of warehouse buildings;
- c) fire, lightning, explosion, earthquakes, seaquakes, volcanic eruptions and other natural disasters; strike or crashing of a flying object or parts thereof including its cargo;
- d) jettison, washing overboard or otherwise being lost overboard as a result of heavy weather;
- e) general average sacrifice;
- f) discharging, interim storage and loading of goods at a port or airport of distress entered as a result of an insured event or following an emergency landing;

g) total loss of entire packages during loading onto or unloading from a means of transport, or during transshipment to or from a means of transport.

2.2 Special cases

2.2.1 Pre-carriage goods or returned goods

Pre-carriage goods or returned goods are covered under the same conditions as other goods. This does not affect the Insured's obligation to prove that the damage occurred during the insured transport.

2.2.2 Damaged goods

If the goods are already damaged at the inception of the policy, the Insurer makes good the loss or damage only if the existing damage did not have any influence on the damage that occurred during the insured period.

2.3 Insured expenses and costs

2.3.1 The Insurer also indemnifies:

2.3.1.1 General Average contributions (G.A.) based on an adjustment drawn up in accordance with the law, the York-Antwerp Rules, the Rhine Rules (IVR), or any other internationally recognised G.A. rules, provided that the measure was intended to avert an insured loss/damage. If the contributory value exceeds the insured value and the latter equals the sum insured, the Insurer indemnifies to the limit of the sum insured. Provisions relating to under insurance as well as the conditions under No. 2.3.3 are unaffected by the above.

Within the scope of these provisions, the Insurer undertakes to reject claims made against the Insured for compensation and expenses arising from the Both to Blame Collision Clause;

2.3.1.2 expenses for averting, minimising and ascertaining the scale or extent of damage, such as

2.3.1.2.1 expenses reasonably incurred in averting or minimising an insured loss when that loss/damage has occurred (loss event) or is directly threatening;

2.3.1.2.2 expenses incurred by the Insured on the instruction of the Insurer when an insured loss/damage has occurred;

2.3.1.2.3 costs properly and reasonably incurred in assessing or determining the insured loss/damage, as well as costs incurred by a third party appointed to perform this task on instruction of the Insurer;

2.3.1.3 costs properly and reasonably incurred in transshipping, temporarily storing and forward-ing the goods after an insured event or an insured accident involving the means of transport has occurred, insofar as they were incurred on instruction of the Insurer and are not already covered under No. 2.3.1.2.

2.3.2 The Insurer bears the expenses and costs as per Nos. 2.3.1.2.1 and 2.3.1.2.2 even if the measures undertaken were unsuccessful.

2.3.3 Expenses and costs as per Nos. 2.3.1.1 and 2.3.1.2 are reimbursed even if, together with other payments, they exceed the sum insured.

2.3.4 The Insured may request the Insurer to assume contributions to general average via guarantee, advance him such contributions, as well as advance the amount required to avert, minimise or ascertain the size of a loss.

2.4 Perils not covered

2.4.1 Cover is not provided for the following perils:

2.4.1.1 war, civil war or similar hostilities as well as perils which - whether war be declared or not - arise out of the hostile use of weapons of war and from the existence of derelict weapons of war as a result of one of these perils;

2.4.1.2 strikes, lock-outs, industrial unrest, acts of violence by terrorist or political groups - regardless of the number of people involved - riots and other civil commotions;

2.4.1.3 confiscation, deprivation of possession or other acts of authorities;

2.4.1.4 the use of chemical, biological, biochemical substances or electromagnetic waves as weapons which constitute a public danger, irrespective of other contributory causes;

2.4.1.5 nuclear energy or other ionising radiation;

2.4.1.6 insolvency or financial default of the shipowner, charterer or operator, or in respect of any other financial dispute involving the above parties, unless:

- the Insured can prove that he exercised the diligence of a prudent businessman in choosing the above parties or the responsible forwarding agent;

- the Insured or Assured is the buyer and, under the terms of the sales contract, had no control over the choice of persons involved in the transport of the goods.

2.4.2 The risks covered under Nos. 2.4.1.1 - 2.4.1.3 and 2.4.1.5 can be insured additionally within the scope of the respective ADS clauses.

2.5 Exclusions

2.5.1 The Insurer is not liable for losses/damages arising from

2.5.1.1 a delay in the transport;

2.5.1.2 inherent vice or the nature of the goods;

2.5.1.3 customary differences or losses in number, weight or measure of the goods. If a deductible has been agreed, however, such differences or losses are regarded as covered;

2.5.1.4 ordinary humidity or fluctuations in temperature;

2.5.1.5 unsuitable packaging or incorrect stowage insofar as the Insured acted wilfully or with gross negligence.

2.5.2 The Insurer is not liable for indirect loss/damage in whatever form.

2.6 Causation

In the event of a loss/damage which, under the circumstances, could also have been caused by a non-insured risk or peril (see Nos. 2.5.1.1 - 2.5.1.5), the Insurer is obliged to indemnify if the loss or damage was, in all probability, caused by an insured peril.

3 Faults of the Insured

The Insurer is not obliged to indemnify if the insured event is caused by a wilful or grossly negligent act of the Insured.

4 Insured's duty of disclosure before inception

4.1 Before inception of the policy, the Insured is obliged to disclose all material facts and circumstances, and to answer completely and truthfully all questions posed by the Insurer. A material fact is a circumstance that would influence the Insurer in accepting, declining or rating the insurance. In case of doubt, a material fact is understood as one that the Insurer has queried expressly or in writing.

If a representative appointed by the Insured concludes the policy and the former is aware of a material fact, the Insured shall be deemed to have been aware of said material fact him-self.

4.2 The Insurer is not obliged to indemnify if incomplete or inaccurate information is disclosed.

This also applies if information was not disclosed on account of the Insured's ignorance of the fact and this was due to gross negligence on his part.

If the loss event has already occurred, the Insurer may not refuse cover if the Insured can prove that the incomplete or inaccurate information disclosed influenced neither the loss event occurring nor the size or scale of the payment obligation.

4.3 The Insurer shall be obliged to indemnify if he was aware of the material facts or that such facts had been inaccurately disclosed.

The same applies if the Insured can prove that neither he nor his representative was responsible for the incomplete or inaccurate disclosure of the information.

If the Insurer requested the Insured to disclose material facts in writing, and the latter failed to disclose a circumstance that was not queried expressly by the Insurer, the latter is exempt from liability only if it can be proved that the Insured, or his representative, concealed the information with intent to deceive.

4.4 If the Insurer is obliged to indemnify in the absence of fault on the part of the Insured or his representative, the Insurer is due an additional premium to be agreed on commensurate with the aggravated risk. The same applies if neither contracting party was aware of a material fact prior to conclusion of the policy.

4.5 The right of the Insurer to avoid the contract for fraudulent misrepresentation of material facts remains unaffected.

5 Alteration of risk

5.1 The Insured may change the risk, in particular aggravate it, as well as allow change by a third party.

5.2 If the Insured alters the risk or becomes aware of a change of risk, he shall inform the Insurer without delay.

5.3 A change of risk is said to exist in particular when

- the commencement or end of the insured transport is subject to considerable delay;
- there is a major deviation from the specified or customary transport route;
- the destination port or airport is changed;
- the goods are stowed on deck.

5.4 The Insurer is not obliged to indemnify if the Insured fails to disclose an aggravation of risk, provided that the failure to disclose was neither a wilful nor grossly negligent act and influenced neither occurrence of the loss event nor the amount payable by the Insurer.

5.5 The Insurer is due an additional premium commensurate with the aggravated risk, unless the aggravation was in the Insurer's own interest or on humanitarian grounds, or was caused by an insured event that posed a threat to the goods.

6 Alteration or abandonment of conveyance

6.1 The Insurer is not obliged to indemnify if the goods are shipped via a means of transport other than the one named in the policy, or are discharged despite direct transport having been stipulated. The same applies if a specific means of transport or specific route were named in the policy.

6.2 The Insurer's obligation to indemnify remains unaffected if, after inception of the policy, the transport is altered or abandoned as a consequence of an insured event or without the consent of the Insured. The provisions governing alteration of risk apply correspondingly.

7 Means of transport

7.1 Insurance cover is granted only if the means of transport are suitable for stowing and transporting the insured goods.

Furthermore, ocean-going vessels are considered suitable only if they meet the conditions of the ADS's Classification and Age Clause and, where required, are certified according to the International Safety Management Code (ISM Code), or if the shipowner is in possession of a valid Document of Compliance (DoC), as required by the 1974 SOLAS Convention and supplements.

7.2 Even if the above conditions are not met, the goods are still covered if the Insured can prove that he exercised the diligence of a prudent businessman in choosing the carrier or forwarding agent. Should the Insured become aware of the unsuitability of a means of transport, he shall notify the Insurer immediately and pay a reasonable additional premium to be agreed with the Insurer.

8 Policy duration

The policy provides cover from warehouse to warehouse, and

8.1 commences the moment the goods are re-moved - for immediate transport - from the place of storage.

8.2 Depending on which occurs first, the cover terminates

8.2.1 the moment the goods arrive at the place of final delivery stipulated by the consignee;

8.2.2 the moment the goods are forwarded after discharge at the port or airport of destination to a place of delivery not named in the policy if this change aggravates the risk;

8.2.3 on expiry of 60 days after the goods have been discharged from the ocean-going vessel or aeroplane at the port or airport of destination. Provided the Insured's own interest is involved, the policy will not terminate at the end of the period agreed - following discharge of the goods from the ocean-going vessel or aeroplane at the port or airport of destination - an insured peril delayed the insured voyage and the Insured reported the delay immediately. The Insurer is due a reasonable additional premium that is to be agreed;

8.2.4 if the goods are transported as per Incoterms FOB or CFR when stowed on board an ocean-going vessel;

8.2.5 if the goods are sold when an insured peril has occurred and when risk is passed;

8.2.6 upon expiry of the period agreed in No. 9.1 when goods are temporarily stored by order of the Insured.

9 Storage

9.1 If the goods need to be stored during the duration of the policy, cover is limited to 30 days per storage period.

9.2 For storage in the ordinary course of transit not by order of the Insured, cover extends beyond the period agreed in No. 9.1 above only if the Insured can prove that he had no knowledge of the storage period being exceeded or could not, according to sound commercial principles, influence the duration of storage.

The Insured shall notify the Insurer immediately upon becoming aware of the storage period having been exceeded. The Insurer is due a reasonable additional premium to be agreed.

If the goods are transported by sea or air, No. 8.2.3 applies on a supplementary basis.

9.3 The periods of storage stated in Nos. 9.1 - 9.2 include the day of arrival and the day of departure.

10 Sum insured; insured value

10.1 The sum insured should correspond to the insured value of the goods.

10.2 The insured value is the fair market value of the goods or, failing that, their market value at the place of departure at commencement of cover plus the cost of insurance, the costs incurred until the goods are delivered to the carrier, and the freight ultimately paid.

10.3 Interests as per No. 1.1.3 are covered by special arrangement only, and only if they are part of the sum insured or correspond to the insured value of the goods. They include anticipated profit for the buyer of 10 % of the insured value.

10.4 The provisions contained in No. 10.1 can be applied correspondingly to the separate insurance of other interests. No. 10.2 applies, in particular, to the insurance of increased value.

10.5 If the insured value has been fixed at an agreed value, the latter determines the insured value. The Insurer is, however, entitled to demand that the agreed value be lowered if it exceeds the real insured value by a substantial amount. If the sum insured is less than the agreed value, the Insurer shall indemnify - even when the agreed value has been lowered - only in the proportion the sum insured bears to the agreed value.

This provision applies accordingly to the insurance of other insurable interests.

11 Policy

11.1 At the Insured's request, the Insurer is obliged to issue a signed certificate documenting the insurance contract (policy).

11.2 If a policy has been issued, the Insurer is not obliged to indemnify until presented with this policy. The payment to the holder of the policy discharges the Insurer from further liability.

11.3 If the policy is lost or destroyed, the Insurer is obliged to indemnify once the policy has been declared invalid, or security has been given; security by way of a guarantee is excluded. The same applies to the Insurer's obligation to issue a replacement policy, the cost of which is borne by the Insured.

11.4 The contents of the policy are regarded as approved by the Insured unless contested immediately upon issue. The right of the Insured to contest such approval on account of an error remains unaffected.

12 Premium

12.1 The premium plus additional costs and insurance tax are due immediately upon conclusion of the insurance contract.

12.2 Payment is considered made in good time if it is effected immediately upon receipt of the insurance policy and/or the invoice.

12.3 If the Insured is responsible for not making the payment in good time, he will be regarded as having defaulted the moment he receives a written reminder. The Insurer makes a written request for the payment and set a deadline for payment of at least two weeks.

12.4 If the Insured is still in default after the two weeks have passed, the Insurer is released of his obligation to indemnify any insured event which occurs before the payment is made.

The Insurer may cancel the insurance contract without notice if the Insured is still in default after a further two weeks. The Insurer is nevertheless entitled to payment of the agreed premium.

The Insurer is not entitled to invoke the legal provisions contained in this section of the conditions until he has notified the Insured in writing.

13 Insurance for account of another (to whom it may concern)

13.1 If insurance is taken out for account of another and the latter is named in person, it is assumed that the contracting party is acting not as a representative, but in his own name for account of another.

In the case of an insurance contract concluded "to whom it may concern" or if the contract leaves open the account for which the insurance cover is to apply, the provisions for insurance for account of another apply if it emerges that the interest of another is being insured.

13.2 The Assured is entitled to exercise his rights under the contract. However, only the Insured is entitled to request that the policy be handed over.

Without the Insured consent, the Assured is not entitled to exercise his rights under the contract and to enforce these rights in a court of law unless he is in possession of the policy.

13.3 The Insured is entitled to exercise in his own name the contractual rights due to the Assured.

If a policy has been issued, the Insured is not entitled to accept a payment and transfer the rights of the Assured unless he is in possession of the policy.

The Insurer is not obliged to indemnify the Insured unless the latter can prove that the Assured has given his approval to the insurance.

13.4 The Insured is not obliged to surrender the policy to the Assured or - in the case of insolvency of the latter - to the receiver before he has been satisfied for claims he has on the Assured in respect of the subject matter insured. He is entitled to satisfy himself for such claims out of the insurance claim against the Insurer or out of the collected indemnity.

13.5 The Insurer may set off any claim he has on the Insured who effected the insurance against an insurance claim in so far as the Insurer's claim results from the insurance taken out by the Insured for the Assured.

13.6 The knowledge and conduct of the Assured is considered to be equivalent to the knowledge and conduct of the Insured.

13.6.1 Where the insurance was concluded without the knowledge of the Assured, it is of no avail whether or not he knew or ought to have known of the occurrence. The same applies if notification of the Insured was not feasible in due time.

13.6.2 If the Insured concluded the contract without the Assured's consent and failed to notify the Insurer thereof, the Insurer is not obliged to accept a plea of ignorance in a claim against him.

13.7 The insurance may not be concluded for the benefit of ocean carriers, carriers, warehouse keepers and forwarding agents.

14 Sale of the insured property

14.1 If the Insured sells the insured goods, Articles 69, 70 Paras. 2 and 3, and 73 of the VVG (German Insurance Contracts Act) in conjunction with the above-named provisions apply. If a policy was issued, the Insurer may not invoke Article 69 Para. 3 of the VVG and claim before a bona fide purchaser that he was unaware of the sale.

14.2 If a policy has been issued, joint liability of the buyer for the payment of premiums and ancillary costs no longer apply. Once the policy has been issued, the Insurer cannot claim exemption from obligation to indemnify as per No. 12.4 on account of non-payment of premium unless the buyer knew or ought to have known the reason for this exemption.

14.3 If the compensation claim is assigned by way of a pledge, the provision contained in No. 14.2 Para. 2 applies in favour of the pledgee.

15 Provisions for the loss event

15.1 Declaration of loss event

The Insured shall notify the Insurer immediately of any loss/damage.

15.2 Averting or minimising the loss/damage

In the event of a loss/damage, the Insured shall avert or minimise the damage as far as possible. He shall observe any instructions of the Insurer and shall request such instructions as far as circumstances allow.

15.3 Instructions of the Insurer or the surveyor

15.3.1 The Insured shall observe the instructions of the Insurer concerning the loss, consult immediately with the surveyor named in the policy or the insurance certificate in order to assess the damage, and submit the latter's survey report to the Insurer.

15.3.2 If there is good reason, the services of the nearest Lloyd's agent may be called upon in place of the surveyor named in the policy.

15.4 Disclosure of information

The Insured shall provide the Insurer with all information required to assess the insured loss or the extent of the indemnification due. He is obliged to procure and safeguard all evidence that may be of relevance to the later clarification of events leading up to the loss, or which are necessary for the assertion of claims of recourse.

15.5 Right of subrogation

In the event of a loss, the Insured shall safe-guard the right of recourse against third parties who are or might be liable for the loss, as well as assist the Insurer in the recourse proceedings.

15.6 Legal consequences of a breach of obligations

If the Insured fails either wilfully or with gross negligence to observe the obligations set out in Nos. 15.2 - 15.5 above, the Insurer shall be released of his liabilities under the insurance. In the case of gross negligence, however, the Insurer shall not be released from his obligation to indemnify if said infringement had no influence either on the assessment of the loss or on the assessment or extent of the indemnification due by the Insurer.

16 Lodgement of claims; forfeiture of right to compensation

16.1 The Insured shall claim for an insured loss within fifteen months of termination of the covered risk and, if the means of transport has disappeared presumed lost, before expiry of the period of presumptive loss. The postmark shall evidence adherence to the time limit.

16.2 Insured shall forfeit his right to compensation if the claim is not made in good time.

17 Indemnification

17.1 Loss of goods

If the goods are lost either totally or in part, if they are no longer available and there is no prospect of return, or if - in the opinion of an expert - the original state of the goods has been destroyed, the Insured is entitled to claim the share of the sum insured assigned to the goods minus the value of salvaged goods.

17.2 Disappearance

If both the goods and the means of transport have disappeared, the Insurer indemnifies the Insured for total loss unless it can be assumed with all probability that the loss was caused by an uninsured risk. The means of transport are presumed lost 60 days after the expected date of arrival (30 days for journeys within Europe) and no news has been received by the time the claim is made. If communication links

are interrupted owing to war, hostile events, civil war or civil commotion, the time period is extended in accordance with the circumstances up to a maximum of 6 months.

17.3 Damage to goods

17.3.1 If all or part of the goods are damaged, their fair market value or, failing that, the market value they would have had at the place of discharge had the loss not occurred (sound value) and their damaged value shall be determined. The indemnification due bears the same proportion to the sum insured as the gross damaged value bears to the gross sound value.

17.3.2 Immediately upon notification of the facts material to the extent of claim, the Insurer may request the damaged value to be determined by private sale or public auction. In this case, the gross proceeds from the sale take the place of the damaged value. If the conditions of sale require the seller to deliver in advance, the Insurer guarantees the payment of the purchase price, provided he has agreed to the terms of sale.

17.4 Repair/replacement

17.4.1 In the event of damage to or loss of part of the goods, the Insured may, in lieu of part of the insured value, claim compensation for the necessary costs incurred at the time of loss of repairing or replacing the damaged or lost goods.

17.4.2 In the event of damage to or loss of goods that form part of an insured entity, the Insurer indemnifies for total loss if repair or replacement is either impossible or inexpedient. Any residual value is taken into account.

17.4.3 The Insurer reimburses without deductible "new for old" the necessary costs at the time the loss was noted of repairing or replacing used machines, devices, equipment, vehicles and their components. If the current value of the above equipment amounts to less than 40 % of its new value, the reimbursement payable shall not exceed the current value.

17.5 Underinsurance

If the sum insured is less than the insured value, the Insurer is liable for the loss and expenses only in the proportion of the insured amount to the insured value.

17.6 Sale of goods before termination of the insured transport

17.6.1 After inception of the policy, if the transport is abandoned or is not completed for any reason and the Insurer is still obliged to indemnify, the latter is entitled to request the Insured to sell the goods with his assistance by private sale or public auction if the goods could not be forwarded at reasonable cost or within an agreed period of time. If the Insurer requests that the goods be sold, the sale takes place immediately.

17.6.2 In the event of a sale, the Insured can demand reimbursement of the difference between the sum insured and the proceeds from the sale. The same applies if the goods in transit have to be sold as a result of a loss claimed against the Insurer.

17.6.3 If the conditions of sale require the seller to pay/deliver in advance, the Insurer guarantees the payment of the purchase price, provided he has agreed to the terms of sale.

17.7 Non-materialisation of interest; saved costs

If an insured interest or anticipated profit, increased value, customs duty or freight or other costs do not materialise when the loss occurs, the corresponding part of the sum insured is ignored when determining the extent of the loss. The same applies to any costs saved on account of a loss event having occurred.

17.8 Other recoveries

Any other recoveries received by the Insured in respect of a loss are set off by the Insurer against the indemnification payable.

18 Subrogation

18.1 If the Insured requests payment of the sum insured, the Insurer may decide whether or not the rights to the goods or the title to the insured goods shall transfer to him upon payment of the sum. This right applies only if exercised immediately by the Insurer upon notification of the circumstances of the loss event.

18.2 If the Insurer elects subrogation, the Insured is obliged to minimise the loss if the Insurer himself is unable to do so. The Insured is obliged to disclose all information required to assert the rights, furnish or make available any probative documents, as well as assist the Insurer in recovering and evaluating the goods. The Insurer bears the relevant costs and advance these upon request. The Insured receives that part of the net proceeds from the sale that exceeds the sum insured.

18.3 If the Insurer does not choose subrogation, the Insured pays the Insurer either the fair market value of the recovered goods or the net proceeds from the sale.

18.4 Subrogation of claims against a third party and the Insurer's rights to abandonment remain unaffected.

19 Abandonment by the Insurer

19.1 The Insurer is, in the event of an insured loss, entitled to discharge himself from all further liabilities by payment of the sum insured.

19.2 Notwithstanding any discharge of liability, the Insurer nonetheless remains obliged to indemnify the Insured for costs of averting or

minimising the loss or in repairing or replacing the insured object, properly incurred before he was notified of the Insurer's intention to discharge himself from liability by payment of the sum insured. This also includes insured costs, which the Insured has undertaken to pay.

19.3 The Insurer's right to discharge himself from liability by payment of the sum insured ceases if the Insured fails to receive notification of this intent within five working days of the Insurer becoming aware of the loss event and its direct consequences.

19.4 Payment of the sum insured does not earn the Insurer rights to the insured objects.

20 Experts' procedure

If the cause or extent of the loss is disputed, either party is entitled to request their ascertainment by an expert.

20.1 In this case, each party nominates an expert without delay. Upon naming an expert, each party is entitled to request the other in writing to do the same. If the second expert is not named within four weeks of receipt of the written request, the requesting party is entitled to have the expert named by the Chamber of Industry & Commerce (alternatively by the Consulate General of the Federal Republic of Germany) of the district in which the goods are currently located.

20.2 Before the survey begins, the two experts appoint a third party as a representative. If the parties cannot agree on a choice of representative, either or both parties can request that the representative be appointed by the Chamber of Industry & Commerce (alternatively by the Consulate General of the Federal Republic of Germany) of the district in which the goods are currently located.

20.3 The reports produced by the experts contain all information which, depending on the task at hand, is required to determine the cause of the loss and to assess the extent of the indemnification due.

20.4 The experts present each party with their findings simultaneously. If the findings diverge, the Insurer forwards the reports to the representative without delay. The representative then settles the disputed issues within the bounds of the findings made by the experts and present both parties with his decision at the same time.

20.5 Each party assumes the costs of his own expert. Each party pays half the costs of the representative. This applies even if the two parties agree mutually on an experts procedure. If the Insurer requested the procedure, he bears the entire costs of the proceedings.

20.6 The findings of the experts or of the representative are binding unless it is obvious that they deviate substantially from the facts of the case.

20.7 If the experts or the representative are unable or unwilling to produce findings, or if they de-lay proceedings unduly, different experts shall be appointed.

21 Limits of liability

21.1 The Insurer's liability for losses occurring during the duration of the insurance is limited to the sum insured.

21.2 No. 21.1 applies equally to any subsequent loss event. If payments have been made to cover repairs or replacement, or expenses and costs as per Nos. 2.3.1.1 and 2.3.1.2 have been incurred, or if the Insured has become obliged to pay expenses of this kind, the sum insured is not reduced by the amount of such payments and obligations.

21.3 This does not affect No. 2.3.3 above.

22 Due date/payment of indemnity

22.1 The Insurer is obliged to indemnify within two weeks of the final assessment of the loss. If the size of the indemnity payment could not be finalised within a month of the loss being reported, the Insured is entitled to demand part payment of the minimum amount likely under the circumstances.

22.2 The date on which the right to part payment arises is deferred by the length of time by which ascertainment of the insured event and the extent of the Insurer's obligation were delayed, if this delay was the fault of the Insured.

22.3 Indemnification must be paid in the currency of the sum insured.

23 Transfer of claims for loss/damages

23.1 If the Insured is entitled to claim against a third party, these rights transfer to the Insurer upon indemnification of the Insured. In this event, the Insured is obliged to provide the Insurer with the information required to assert these rights, to submit - provided they are in his possession - all certificates documenting the claim, and to submit all papers - certified by a notary public - documenting the transfer of rights. The Insurer shall bear these costs.

Section 1 applies accordingly in case of general average. However, the Insured's claim to General Average allowance will pass to the Insurer the moment it arises if the latter is liable for sacrifices. If the compensation exceeds the damages and expenses paid by the Insurer, the excess is payable to the Insured.

23.2 If the Insured waives his claim against a third party or his rights to safeguard such a claim, the Insurer is released of liability insofar as he might have made recovery via said claim or rights.

23.3 The Insurer is discharged of his obligation to indemnify insofar as the Insured is unable to claim against a third party responsible for the transport because his legal liability is limited beyond the customary measure or excluded by contract. This does not apply if the limitation or exclusion was beyond the Insured's control.

23.4 Even after the right of recourse has transferred to the Insurer, the Insured is obliged to minimise the loss, if need be, by withholding payments such as freight. The Insured is obliged to assist the Insurer in asserting the claim and to forward immediately any material information, messages and documents. The Insurer shall bear the costs and make advance payments upon request.

24 Limitation period

24.1 Claims arising from the policy are subject to a limitation period of two years. The limitation period commences at the end of the year in which payment can be requested. In case of general average, the period commences at the end of the year in which the Insured's contribution is asserted by way of a general average adjustment which meets the requirements laid down in No. 2.3.1.1.

24.2 If the Insured has reported a claim to the Insurer, the limitation period is suspended until the Insured has received a decision in writing from the Insurer.

25 Co-insurance

25.1 If several Insurers underwrite a policy, the latter are obliged to indemnify for their respective shares only, i.e. not jointly. This applies even if the single policy or insurance certificate was underwritten by one Insurer on behalf of the others.

25.2 The terms and conditions concluded with the Insured by the leading underwriter are binding for the other Co-insurers. This weighs in favour of the Insured when claims are settled. Without the agreement of each individual Co-insurer, however, the leading underwriter is not authorised to do any of the following

- increase the policy limit;
- include the risks excluded under Nos. 2.4.1.1 - 2.4.1.3 (see No. 2.4.2);
- change the policy currency;
- change the terms of cancellation.

In the absence of the consent of the Co-insurers, the leading Underwriter is also liable, by virtue of an unrestricted statement of declaration, for the shares of the Co-insurers.

25.3 The leading underwriter is empowered to liti-gate on behalf of the Co-insurers. This applies equally to cases brought before courts of law and to those before arbitration tribunals.

However, a verdict against the leading under-writer for his part alone, or a settlement made after litigation or any arbitration award shall be recognised by the Co-insurers as binding for their quotas as well. If the leading Insurer's share falls short of the amount in dispute, the Insured is obliged - on the request of the leading Insurer or one of the participating Insurers - to extend the action to include the second and, where necessary, the third and other Insurers until the sum is reached. If the Insured does not meet this request, Sentence 1 is void.

25.4 The existing leading underwriter shall notify the Co-insurers immediately and in writing of a change in leadership. This disclosure may also be made by the Insured. In this case, each Co-insurer is entitled to cancel his participation in the policy with four weeks' notice. The right to give notice extinguishes if not exercised within one month of the written notification of a chan-ge in leadership.

25.5 Disclosures and statements received by the leading underwriter are regarded as having been received by the Co-insurers as well.

26 Final clause (applicable law)

This policy is subject to the laws of the Federal Republic of Germany. Unless otherwise agreed, the provisions set out in Articles 1 to 80 of the VVG (within the scope of Article 187 of said Act) apply on a supplementary basis.

**ADS Cargo Insurance Conditions 2000
(ADS Cargo 2000)**

Classification and Age Clause

for insurances governed by ADS Cargo 2000

1 The terms, conditions and other provisions set down in this insurance applies to shipments aboard the following self-propelled ocean-going vessels of steel construction:

- a) bulk carriers and/or combination carriers up to 10 years of age;
- b) oil tankers of over 50,000 G.R.T. that are not over 10 years of age;
- c) other vessels up to 15 years of age.

These vessels must be classified without restriction as follows:

| | |
|------------------------------|---------|
| Germanischer Lloyd | 100 A 5 |
| Lloyd's Register | 100 A 1 |
| American Bureau of Shipping | A 1 |
| Bureau Veritas | I |
| China Classification Society | CSA 5/5 |
| Nippon Kaaiji Kyokai | NS * |
| Korean Register of Shipping | KRS 1 |
| Norske Veritas | 1 A 1 |
| Registro Italiano Navale | C |
| Russian Register | KM |

2 Shipments aboard self-propelled ocean-going vessels of steel construction not included in the terms of No. 1: the Insurer is due an additional premium.

The above does not affect the provisions set down in No. 7.2 ADS Cargo 2000.

**ADS Cargo Insurance Conditions 2000
(ADS Cargo 2000)**

Open Policy

1 Subject matter of the insurance

1.1 The insurance covers all kinds of goods or all goods of the class designated in the policy which the Insured is bound - in accordance with accepted commercial principles - to insure either for his own or for another's account. Accordingly, cover is not provided for goods, which the Insured has to insure due to his obligation without having own legal or economic interests, even if he receives a payment to do so.

1.2 If an insurable interest arises after commencement of the transport, cover is provided under the terms of this policy on condition that the Insured is aware neither of the occurrence of any loss events nor of the existence of material facts meriting disclosure.

1.3 The insurance does not cover goods that are not named in the policy unless the premium and the scope of cover were agreed before commencement of the transport.

2 Open cover

2.1 The open cover policy obliges the Insured to declare as per No. 3 below any transport and storage named in the policy.

2.2 The Insurer provides cover for any transport and storages under the terms and conditions defined in the policy.

3 Declaration procedure

3.1 Individual declaration

3.1.1 The Insured shall declare immediately each individual transport and storage covered by the policy, giving details of the respective insured values. The declaration shall detail the commodity, type of packaging, means of transport and route, and also state whether the goods are loaded via lighter. The Insured shall further disclose all circumstances that the Insurer has queried expressly.

3.1.2 Goods returned following an insured loss recoverable under this policy need not to be declared.

3.1.3 The Insurer is discharged from liability without obligation to give notice of cancellation if the Insured fails to make a declaration or submits an erroneous declaration, unless it can be established that the Insured observed his duty as a prudent businessman and that he submitted or corrected the declaration immediately upon becoming aware of the error.

3.1.4 The Insurer is entitled to cancel the policy without notice if the Insured deliberately breaches his duty of declaration. The Insurer is entitled to the premiums that would have been payable up to cancellation had the contract not been breached.

3.1.5 Cover for the following risks is subject to prior written agreement:

- cover irrespective of who is carrying the risk;
- storage beyond the time defined in No. 9.1 of ADS Cargo 2000
- increased value, DIC and/or DIL, contingency insurance, and the separate cover of the interests named in No. 1.1.3 of ADS Cargo 2000 such as duty, freight etc.
- exhibitions, trade fairs and other events
- periods of storage or warehousing in packaging companies

3.2 Summarised declaration

3.2.1 Where agreed, the Insured is not obliged to declare each individual shipment and period of storage. Depending on the agreed terms, he shall disclose his insured turnover in said transactions on a monthly, quarterly, half-yearly or yearly basis at the end of the respective period. The turnover may be broken down by country group or other category.

3.2.2 The provisions stated in Nos. 3.1.2 - 3.1.5 apply correspondingly.

3.2.3 At the beginning of the insurance, the Insurer is entitled to request advance payment of the annual premium based on an estimate of the Insured's annual turnover. This will be adjusted at the end of the policy year when the actual annual turnover is known.

4 Limits

4.1. Maximum sum insured

4.1.1 The limits agreed are regarded as maximum sums insured. If the total sum insured of goods named in the policy on a single means of transport or in a single fire-protected separate store exceeds this limit, the individual sums insured are reduced in such proportion as the limit bears to the total sum insured.

4.1.2 This provision does not apply if, after inception of the policy, carriers or forwarders load various consignments together on a single means of transport or store them together in a single storage site and this was beyond the control of the Insured. The same applies if goods are additionally loaded or stored - beyond the Insured's control - in transit in a place of transshipment.

The Insurer shall be informed without delay if the limit is exceeded.

4.1.3 Unless otherwise agreed, expenses and costs as well as any other damages shall not exceed the agreed limits. No. 2.3.3 of ADS Cargo 2000 remains unaffected.

4.2 Limit of indemnity

4.2.1 Unless otherwise agreed, the limits defined in the contract are maximum limits of indemnity. Where No. 3.2 applies, the sum insured is understood to be the insured value as per No. 10 ADS Cargo 2000.

4.2.2 The provisions under Nos. 4.1.2 and 4.1.3 apply correspondingly.

5 Premiums

5.1 Individual declaration

Premiums at the agreed rates, plus tax and ancillary costs, are invoiced at the end of each agreed period.

5.2 Summarised declaration

Unless otherwise agreed, the Insurer provisionally invoices the Insured for the annual (quarterly) deposit premium based on the Insured's estimated annual turnover. The invoice includes premiums for covering political risks.

A final invoice taking into account the deposit premium already paid is drawn up after the policy year.

5.3 Due date

The right to the premium arises upon inception of the policy and is due upon issue of the invoice. The premium is payable at the latest within 14 days following receipt of the invoice.

6 Policy

6.1 The terms of the open policy are considered approved by the Insured unless contested within a month of said policy's issue. The open cover is not considered a policy in either the legal sense or as per ADS Cargo 2000.

6.2 The Insured is entitled to request the Insurer to provide a signed certificate documenting an individual transport (policy certificate). The certificate is considered a policy in both

the legal sense and as per ADS Cargo 2000. The provisions relating to the approval of terms, however, do not apply.

7 Notice of cancellation

7.1 Cancellation to the end of the insurance period

The policy will renew automatically for a further year unless cancelled by either party at the end of the insurance period with three months' prior notice.

7.2 Cancellation in the event of loss/damage

Either party is entitled to cancel the policy in the event of an insured loss or damage. Notice of cancellation must be made in writing and reach the respective party not later than one month after the conclusion of negotiations on the indemnification. The Insurer must observe a period of notice of one month. If the Insured gives notice, he may decide whether cancellation is to take effect immediately or at a later date, at the latest, however, at the end of the current period of insurance.

7.3 State of war

7.3.1 If the open policy also covers the carriage or storage of goods to, from or into a region which is in a state of war or involved in war-like operations, the Insurer may cancel insurance cover for all perils of that region at any time by giving one weeks written notice.

The above does not, however, affect the right of the Insurer to cancel insurance cover for individual perils (eg war, strike, confiscation).

7.3.2 Within four weeks of such a cancellation by the Insurer, the Insured may cancel - for his own part - the entire insurance policy by giving one weeks written notice.

7.4 Effective date of cancellation

7.4.1 Risks commenced before the cancellation came into effect remain in force until the termination of said risks.

7.4.2 The cancellation of cover for goods in storage (with the exception of storage in the ordinary course of transit) takes effect on the next expiry date, at the latest, however, one month after notice of cancellation.

7.5 Notice of cancellation

If a broker receives a notice of cancellation from the Insurer, this declaration is considered as having been received by the Insured as well.

8 Withdrawal in the event of Insurer's insolvency

In the event of insolvency or impending insolvency on the part of the Insurer, the Insured is entitled to withdraw from the contract or find alternative cover at the Insurer's expense. The Insurer can prevent the operation of this right by issuing a security provision.

**ADS Cargo Insurance Conditions 2000
(ADS Cargo 2000)**

Strikes, Riots and Civil Commotions Clause

for insurances governed by ADS Cargo 2000

1 Scope of cover

1.1 In amendment to No. 2.4.1.2 ADS Cargo 2000, the insurance extends to loss of or damage to insured goods caused by strikers, locked out workmen, or persons involved in labour disturbances, terrorist or political acts of violence - regardless of the number - or involved in riots or civil commotions.

1.2 Furthermore, cover extends to loss of or damage to insured goods caused by the intervention of authorities with governmental powers (police force or fire brigade) in connection with the above insured events.

2 Exclusions

Unless otherwise agreed, the provisions concerning excluded perils and losses set down in Nos. 2.4.1.1, 2.4.1.3 - 2.4.1.6, as well as 2.5 of ADS Cargo 2000 remain unaffected.

3 Cancellation

3.1 Insurance against the risks as per No.1 may be cancelled by the Insurer at any time provided written notice is given two days prior to the attachment of the insurance.

The insurance of goods in storage - with the exception of storage in the ordinary course of transit - may also be cancelled after attachment of the risk; such cancellation to become effective on the next declared expiry date, at the latest, four weeks following expiry of the period of notice.

3.2 Within four weeks of such a cancellation by the Insurer, the Insured may cancel - for his own part - the entire insurance policy by giving one weeks written notice.

3.3 The notice of cancellation given by the leading Insurer also applies to all Co-Insurers.

If a broker receives a notice of cancellation from the Insurer, this declaration is considered as having been received by the Insured as well.

**ADS Cargo Insurance Conditions 2000, as amended July 2004
(ADS Cargo 2000/2004)**

**Special Terms and Conditions for the Insurance of Removal Goods
for insurances governed by the provisions of ADS Cargo 2000/2004
Sample terms and conditions of the GDV**

1 Basis of the insurance

If ADS Cargo 2000/2004 (All-Risks) extends to the insurance of removal goods, the following special terms and conditions apply.

2 Insured removal goods

2.1 Removal goods are deemed to be any objects generally perceived to be effects found in households or offices.

2.2 The insurance cover does not extend to

2.2.1 animals, plants, jewellery and precious stones, pearls, bank notes and coins, precious metals, securities and documents,

2.2.2 foods and luxury foodstuffs.

3 Obligations

3.1 The Insured shall take all reasonable effort to ensure that

3.1.1 the removal is carried out by a qualified removal company and that the goods are packed by experienced packers of said company;

3.1.2 special removal vans are used for overland transport unless carriage via another means of transport has been specially agreed;

3.1.3 in the case of sea transport, the removal goods are suitably packed and stowed in crates, lift vans or in sealed and undamaged containers, and that the crates and/or lift vans are stowed under deck.

3.2 If the Insured fails to observe any of the above obligations, insurance cover ceases if the Insurer exercises his right to cancel the insurance without notice within four weeks of becoming aware of the infringement. The Insurer is not, however, entitled to cancel the cover and this remains in force if the infringement was not the fault of the Insured.

If the purpose of the infringement was to diminish the risk or prevent it increasing, the insured does not forfeit the insurance cover if said infringement influenced neither the assessment of the loss nor the assessment or extent of the indemnification due by the Insurer.

4 Excluded losses

The Insurer is not liable to indemnify the Insured for losses caused by detachment of glue, scratching, grazing, chafing, denting and cracking of polish, chipping of enamel, rust, oxidation, damage to filaments in tubes and lighting equipment, malfunctioning of clocks, radios, televisions and other such apparatus, devices or instruments unless it can be proved by the Insured that the loss or damage was the direct consequence of an insured peril.

5 Duration of insurance

5.1 The insurance attaches as from the moment the removal goods pass into the custody of the removal company, in particular when the goods are removed, disassembled and packed.

5.2 The insurance terminates the moment the removal company finishes unpacking, re-assembling, attaching and mounting the goods.

5.3 The insurance cover extends to storage in the ordinary course of transit, but only for the period set out in the policy.

6 Insured value

6.1 Unless otherwise agreed, the insured value is the current value with an appropriate deduction for age and wear-and-tear. The insurance does not cover a personal affection value.

6.2 In the case of art-objects such as paintings and sculptures, etc., oriental rugs and carpets, furs, silver, antique porcelain and other valuable items, the insured value is understood to be sum insured agreed on a personal basis with the Insured.

7 Indemnification

The Insurer indemnifies

7.1 in the case of a loss the insured value of the relevant part or component of the insured removal goods;

7.2 in the case of damage the repair costs necessary at the time of the insured event, together with any depreciation in value. The amount payable shall not exceed the insured value of the goods. Residual values count towards the indemnification.

7.3 Costs of replacing lost or damaged data stored on data carriers are not indemnified.

ADS Cargo Insurance Conditions 2000 (ADS Cargo 2000)

All Risks

1 Interest / subject matter of the insurance

1.1 Insurable interest

1.1.1 The subject matter of the cargo insurance can be any monetary interest a person has in seeing that the goods survive the perils of transport and associated storage.

1.1.2 Covered are the goods specified in the insurance policy and/or other expenses and costs.

1.1.3 Besides the goods, other insurable interests can also include

- anticipated profit,
- increased value,
- duty,
- freight,
- taxes and charges
- other costs.

1.1.4 The Insured can insure his own interest (insurance for own account) or that of another (insurance for third-party account). See No. 13 for further details.

2 Scope of cover

2.1 Perils and losses/damages

The Insurer covers all risks to which the goods are subject for the duration of the insurance.

Irrespective of percentage, the Insurer makes good loss of or damage to the insured goods arising from an insured peril.

2.2 Special cases

2.2.1 Pre-carriage goods or returned goods

Pre-carriage goods or returned goods are covered under the same conditions as other goods. This does not affect the Insured's obligation to prove that the damage occurred during the insured transport.

2.2.2 Damaged goods

If the goods are already damaged at the inception of the policy, the Insurer makes good the

loss or damage only if the existing damage did not have any influence on the damage that occurred during the insured period.

2.3 Insured expenses and costs

2.3.1 The Insurer also indemnifies:

2.3.1.1 General Average contributions (G.A.) based on an adjustment drawn up in accordance with the law, the York-Antwerp Rules, the Rhine Rules (IVR), or any other internationally recognised G.A. rules, provided that the measure was intended to avert an insured loss/damage. If the contributory value exceeds the insured value and the latter equals the sum insured, the Insurer indemnifies to the limit of the sum insured. Provisions relating to under insurance as well as the conditions under No. 2.3.3 are unaffected by the above.

Within the scope of these provisions, the Insurer undertakes to reject claims made against the Insured for compensation and expenses arising from the Both to Blame Collision Clause;

2.3.1.2 expenses for averting, minimising and ascertaining the scale or extent of damage, such as

2.3.1.2.1 expenses reasonably incurred in averting or minimising an insured loss when that loss/damage has occurred (loss event) or is directly threatening;

2.3.1.2.2 expenses incurred by the Insured on the instruction of the Insurer when an insured loss/damage has occurred;

2.3.1.2.3 costs properly and reasonably incurred in assessing or determining the insured loss/damage, as well as costs incurred by a third party appointed to perform this task on instruction of the Insurer;

2.3.1.3 costs properly and reasonably incurred in transshipping, temporarily storing and forwarding the goods after an insured event or an insured accident involving the means of transport has occurred, insofar as they were incurred on instruction of the Insurer and are not already covered under No. 2.3.1.2.

2.3.2 The Insurer bears the expenses and costs as per Nos. 2.3.1.2.1 and 2.3.1.2.2 even if the measures undertaken were unsuccessful.

2.3.3 Expenses and costs as per Nos. 2.3.1.1 and 2.3.1.2 are reimbursed even if, together with other payments, they exceed the sum insured.

2.3.4 The Insured may request the Insurer to assume contributions to general average via guarantee, advance him such contributions, as well as advance the amount required to avert, minimise or ascertain the size of a loss.

2.4 Perils not covered

2.4.1 Cover is not provided for the following perils:

2.4.1.1 war, civil war or similar hostilities as well as perils which - whether war be declared or not - arise out of the hostile use of weapons of war and from the existence of derelict weapons of war as a result of one of these perils;

2.4.1.2 strikes, lock-outs, industrial unrest, acts of violence by terrorist or political groups - regardless of the number of people involved - riots and other civil commotions;

2.4.1.3 confiscation, deprivation of possession or other acts of authorities;

2.4.1.4 the use of chemical, biological, biochemical substances or electromagnetic waves as weapons which constitute a public danger, irrespective of other contributory causes;

2.4.1.5 nuclear energy or other ionising radiation;

2.4.1.6 insolvency or financial default of the shipowner, charterer or operator, or in respect of any other financial dispute involving the above parties, unless:

- the Insured can prove that he exercised the diligence of a prudent businessman in choosing the above parties or the responsible forwarding agent;

- the Insured or Assured is the buyer and, under the terms of the sales contract, had no control over the choice of persons involved in the transport of the goods.

2.4.2 The risks covered under Nos. 2.4.1.1 - 2.4.1.3 and 2.4.1.5 can be insured additionally within the scope of the respective ADS clauses.

2.5 Exclusions

2.5.1 The Insurer is not liable for losses/damages arising from

2.5.1.1 a delay in the transport;

2.5.1.2 inherent vice or the nature of the goods;

2.5.1.3 customary differences or losses in number, weight or measure of the goods. If a deductible has been agreed, however, such differences or losses are regarded as covered;

2.5.1.4 ordinary humidity or fluctuations in temperature;

2.5.1.5 unsuitable packaging or incorrect stowage insofar as the Insured acted wilfully or with gross negligence.

2.5.2 The Insurer is not liable for indirect loss/damage in whatever form.

2.6 Causation

In the event of a loss/damage which, under the circumstances, could also have been caused by a non-insured risk or peril (see Nos. 2.5.1.1 - 2.5.1.5), the Insurer is obliged to indemnify if the loss or damage was, in all probability, caused by an insured peril.

3 Faults of the Insured

The Insurer is not obliged to indemnify if the insured event is caused by a wilful or grossly negligent act of the Insured.

4 Insured's duty of disclosure before inception

4.1 Before inception of the policy, the Insured is obliged to disclose all material facts and circumstances, and to answer completely and truthfully all questions posed by the Insurer. A material fact is a circumstance that would influence the Insurer in accepting, declining or rating the insurance. In case of doubt, a material fact is understood as one that the Insurer has queried expressly or in writing.

If a representative appointed by the Insured concludes the policy and the former is aware of a material fact, the Insured shall be deemed to have been aware of said material fact himself.

4.2 The Insurer is not obliged to indemnify if incomplete or inaccurate information is disclosed.

This also applies if information was not disclosed on account of the Insured's ignorance of the fact and this was due to gross negligence on his part.

If the loss event has already occurred, the Insurer may not refuse cover if the Insured can prove that the incomplete or inaccurate information disclosed influenced neither the loss event occurring nor the size or scale of the payment obligation.

4.3 The Insurer shall be obliged to indemnify if he was aware of the material facts or that such facts had been inaccurately disclosed.

The same applies if the Insured can prove that neither he nor his representative was responsible for the incomplete or inaccurate disclosure of the information.

If the Insurer requested the Insured to disclose material facts in writing, and the latter failed to disclose a circumstance that was not queried expressly by the Insurer, the latter is exempt from liability only if it can be proved that the Insured, or his representative, concealed the information with intent to deceive.

4.4 If the Insurer is obliged to indemnify in the absence of fault on the part of the Insured or his representative, the Insurer is due an additional premium to be agreed on commensurate with the aggravated risk. The same applies if neither contracting party was aware of a material fact prior to conclusion of the policy.

4.5 The right of the Insurer to avoid the contract for fraudulent misrepresentation of material facts remains unaffected.

5 Alteration of risk

5.1 The Insured may change the risk, in particular aggravate it, as well as allow change by a third party.

5.2 If the Insured alters the risk or becomes aware of a change of risk, he shall inform the Insurer without delay.

5.3 A change of risk is said to exist in particular when

- the commencement or end of the insured transport is subject to considerable delay;
- there is a major deviation from the specified or customary transport route;
- the destination port or airport is changed;
- the goods are stowed on deck.

5.4 The Insurer is not obliged to indemnify if the Insured fails to disclose an aggravation of risk, provided that the failure to disclose was neither a wilful nor grossly negligent act and influenced neither occurrence of the loss event nor the amount payable by the Insurer.

5.5 The Insurer is due an additional premium commensurate with the aggravated risk, unless the aggravation was in the Insurer's own interest or on humanitarian grounds, or was caused by an insured event that posed a threat to the goods.

6 Alteration or abandonment of conveyance

6.1 The Insurer is not obliged to indemnify if the goods are shipped via a means of transport other than the one named in the policy, or are discharged despite direct transport having been stipulated. The same applies if a specific means of transport or specific route were named in the policy.

6.2 The Insurer's obligation to indemnify remains unaffected if, after inception of the policy, the transport is altered or abandoned as a consequence of an insured event or without the consent of the Insured. The provisions governing alteration of risk apply correspondingly.

7 Means of transport

7.1 Insurance cover is granted only if the means of transport are suitable for stowing and transporting the insured goods.

Furthermore, ocean-going vessels are considered suitable only if they meet the conditions of the ADS's Classification and Age Clause and, where required, are certified according to the International Safety Management Code (ISM Code), or if the shipowner is in possession of a valid Document of Compliance (DoC), as required by the 1974 SOLAS Convention and supplements.

7.2 Even if the above conditions are not met, the goods are still covered if the Insured can prove that he exercised the diligence of a prudent businessman in choosing the carrier or forwarding agent. Should the Insured become aware of the unsuitability of a means of transport, he shall notify the Insurer immediately and pay a reasonable additional premium to be agreed with the Insurer.

8 Policy duration

The policy provides cover from warehouse to warehouse, and

8.1 commences the moment the goods are removed - for immediate transport - from the place of storage.

8.2 Depending on which occurs first, the cover terminates

8.2.1 the moment the goods arrive at the place of final delivery stipulated by the consignee;

8.2.2 the moment the goods are forwarded after discharge at the port or airport of destination to a place of delivery not named in the policy if this change aggravates the risk;

8.2.3 on expiry of 60 days after the goods have been discharged from the ocean-going vessel or aeroplane at the port or airport of destination. Provided the Insured's own interest is involved, the policy will not terminate at the end of the period agreed - following discharge of the goods from the ocean-going vessel or

aeroplane at the port or airport of destination - an insured peril delayed the insured voyage and the Insured reported the delay immediately. The Insurer is due a reasonable additional premium that is to be agreed;

8.2.4 if the goods are transported as per Incoterms FOB or CFR when stowed on board an ocean-going vessel;

8.2.5 if the goods are sold when an insured peril has occurred and when risk is passed;

8.2.6 upon expiry of the period agreed in No. 9.1 when goods are temporarily stored by order of the Insured.

9 Storage

9.1 If the goods need to be stored during the duration of the policy, cover is limited to 30 days per storage period.

9.2 For storage in the ordinary course of transit not by order of the Insured, cover extends beyond the period agreed in No. 9.1 above only if the Insured can prove that he had no knowledge of the storage period being exceeded or could not, according to sound commercial principles, influence the duration of storage.

The Insured shall notify the Insurer immediately upon becoming aware of the storage period having been exceeded. The Insurer is due a reasonable additional premium to be agreed.

If the goods are transported by sea or air, No. 8.2.3 applies on a supplementary basis.

9.3 The periods of storage stated in Nos. 9.1 - 9.2 include the day of arrival and the day of departure.

10 Sum insured; insured value

10.1 The sum insured should correspond to the insured value of the goods.

10.2 The insured value is the fair market value of the goods or, failing that, their market value at the place of departure at commencement of cover plus the cost of insurance, the costs incurred until the goods are delivered to the carrier, and the freight ultimately paid.

10.3 Interests as per No. 1.1.3 are covered by special arrangement only, and only if they are part of the sum insured or correspond to the insured value of the goods. They include anticipated profit for the buyer of 10 % of the insured value.

10.4 The provisions contained in No. 10.1 can be applied correspondingly to the separate insurance of other interests. No. 10.2 applies, in particular, to the insurance of increased value.

10.5 If the insured value has been fixed at an agreed value, the latter determines the insured value. The Insurer is, however, entitled to

demand that the agreed value be lowered if it exceeds the real insured value by a substantial amount. If the sum insured is less than the agreed value, the Insurer shall indemnify - even when the agreed value has been lowered - only in the proportion the sum insured bears to the agreed value.

This provision applies accordingly to the insurance of other insurable interests.

11 Policy

11.1 At the Insured's request, the Insurer is obliged to issue a signed certificate documenting the insurance contract (policy).

11.2 If a policy has been issued, the Insurer is not obliged to indemnify until presented with this policy. The payment to the holder of the policy discharges the Insurer from further liability.

11.3 If the policy is lost or destroyed, the Insurer is obliged to indemnify once the policy has been declared invalid, or security has been given; security by way of a guarantee is excluded. The same applies to the Insurer's obligation to issue a replacement policy, the cost of which is borne by the Insured.

11.4 The contents of the policy are regarded as approved by the Insured unless contested immediately upon issue. The right of the Insured to contest such approval on account of an error remains unaffected.

12 Premium

12.1 The premium plus additional costs and insurance tax are due immediately upon conclusion of the insurance contract.

12.2 Payment is considered made in good time if it is effected immediately upon receipt of the insurance policy and/or the invoice.

12.3 If the Insured is responsible for not making the payment in good time, he will be regarded as having defaulted the moment he receives a written reminder. The Insurer makes a written request for the payment and sets a deadline for payment of at least two weeks.

12.4 If the Insured is still in default after the two weeks have passed, the Insurer is released of his obligation to indemnify any insured event which occurs before the payment is made.

The Insurer may cancel the insurance contract without notice if the Insured is still in default after a further two weeks. The Insurer is nevertheless entitled to payment of the agreed premium.

The Insurer is not entitled to invoke the legal provisions contained in this section of the conditions until he has notified the Insured in writing.

13 Insurance for account of another (to whom it may concern)

13.1 If insurance is taken out for account of another and the latter is named in person, it is assumed that the contracting party is acting not as a representative, but in his own name for account of another.

In the case of an insurance contract concluded "to whom it may concern" or if the contract leaves open the account for which the insurance cover is to apply, the provisions for insurance for account of another apply if it emerges that the interest of another is being insured.

13.2 The Assured is entitled to exercise his rights under the contract. However, only the Insured is entitled to request that the policy be handed over.

Without the Insured consent, the Assured is not entitled to exercise his rights under the contract and to enforce these rights in a court of law unless he is in possession of the policy.

13.3 The Insured is entitled to exercise in his own name the contractual rights due to the Assured.

If a policy has been issued, the Insured is not entitled to accept a payment and transfer the rights of the Assured unless he is in possession of the policy.

The Insurer is not obliged to indemnify the Insured unless the latter can prove that the Assured has given his approval to the insurance.

13.4 The Insured is not obliged to surrender the policy to the Assured or - in the case of insolvency of the latter - to the receiver before he has been satisfied for claims he has on the Assured in respect of the subject matter insured. He is entitled to satisfy himself for such claims out of the insurance claim against the Insurer or out of the collected indemnity.

13.5 The Insurer may set off any claim he has on the Insured who effected the insurance against an insurance claim in so far as the Insurer's claim results from the insurance taken out by the Insured for the Assured.

13.6 The knowledge and conduct of the Assured is considered to be equivalent to the knowledge and conduct of the Insured.

13.6.1 Where the insurance was concluded without the knowledge of the Assured, it is of no avail whether or not he knew or ought to have known of the occurrence. The same applies if notification of the Insured was not feasible in due time.

13.6.2 If the Insured concluded the contract without the Assured's consent and failed to notify the Insurer thereof, the Insurer is not obliged to accept a plea of ignorance in a claim against him.

13.7 The insurance may not be concluded for the benefit of ocean carriers, carriers, warehouse keepers and forwarding agents.

14 Sale of the insured property

14.1 If the Insured sells the insured goods, Articles 69, 70 Paras. 2 and 3, and 73 of the VVG (German Insurance Contracts Act) in conjunction with the above-named provisions apply. If a policy was issued, the Insurer may not invoke Article 69 Para. 3 of the VVG and claim before a bona fide purchaser that he was unaware of the sale.

14.2 If a policy has been issued, joint liability of the buyer for the payment of premiums and ancillary costs no longer apply. Once the policy has been issued, the Insurer cannot claim exemption from obligation to indemnify as per No. 12.4 on account of non-payment of premium unless the buyer knew or ought to have known the reason for this exemption.

14.3 If the compensation claim is assigned by way of a pledge, the provision contained in No. 14.2 Para. 2 applies in favour of the pledgee.

15 Provisions for the loss event

15.1 Declaration of loss event

The Insured shall notify the Insurer immediately of any loss/damage.

15.2 Averting or minimising the loss/damage

In the event of a loss/damage, the Insured shall avert or minimise the damage as far as possible. He shall observe any instructions of the Insurer and shall request such instructions as far as circumstances allow.

15.3 Instructions of the Insurer or the surveyor

15.3.1 The Insured shall observe the instructions of the Insurer concerning the loss, consult immediately with the surveyor named in the policy or the insurance certificate in order to assess the damage, and submit the latter's survey report to the Insurer.

15.3.2 If there is good reason, the services of the nearest Lloyd's agent may be called upon in place of the surveyor named in the policy.

15.4 Disclosure of information

The Insured shall provide the Insurer with all information required to assess the insured loss or the extent of the indemnification due. He is obliged to procure and safeguard all evidence that may be of relevance to the later clarification of events leading up to the loss, or which are necessary for the assertion of claims of re-course.

15.5 Right of subrogation

In the event of a loss, the Insured shall safe-guard the right of recourse against third parties who are or might be liable for the loss, as well as assist the Insurer in the recourse proceed-ings.

15.6 Legal consequences of a breach of obligations

If the Insured fails either wilfully or with gross negligence to observe the obligations set out in Nos. 15.2 - 15.5 above, the Insurer shall be released of his liabilities under the insurance. In the case of gross negligence, however, the Insurer shall not be released from his obliga-tion to indemnify if said infringement had no in-fluence either on the assessment of the loss or on the assessment or extent of the indemnifi-cation due by the Insurer.

16 Lodgement of claims; forfeiture of right to compensation

16.1 The Insured shall claim for an insured loss within fifteen months of termination of the cov-ered risk and, if the means of transport has disappeared presumed lost, before expiry of the period of presumptive loss. The postmark shall evidence adherence to the time limit.

16.2 The Insured shall forfeit his right to compensa-tion if the claim is not made in good time.

17 Indemnification

17.1 Loss of goods

If the goods are lost either totally or in part, if they are no longer available and there is no prospect of return, or if - in the opinion of an expert - the original state of the goods has been destroyed, the Insured is entitled to claim the share of the sum insured assigned to the goods minus the value of salvaged goods.

17.2 Disappearance

If both the goods and the means of transport have disappeared, the Insurer indemnifies the Insured for total loss unless it can be assumed with all probability that the loss was caused by an uninsured risk. The means of transport are presumed lost 60 days after the expected date of arrival (30 days for journeys within Europe) and no news has been received by the time the claim is made. If communication links are

interrupted owing to war, hostile events, civil war or civil commotion, the time period is ex-tended in accordance with the circumstances up to a maximum of 6 months.

17.3 Damage to goods

17.3.1 If all or part of the goods are damaged, their fair market value or, failing that, the market value they would have had at the place of dis-charge had the loss not occurred (sound value) and their damaged value shall be de-termined. The indemnification due bears the same proportion to the sum insured as the gross damaged value bears to the gross sound value.

17.3.2 Immediately upon notification of the facts ma-terial to the extent of claim, the Insurer may request the damaged value to be determined by private sale or public auction. In this case, the gross proceeds from the sale take the place of the damaged value. If the conditions of sale require the seller to deliver in advance, the Insurer guarantees the payment of the pur-chase price, provided he has agreed to the terms of sale.

17.4 Repair/replacement

17.4.1 In the event of damage to or loss of part of the goods, the Insured may, in lieu of part of the insured value, claim compensation for the necessary costs incurred at the time of loss of repairing or replacing the damaged or lost goods.

17.4.2 In the event of damage to or loss of goods that form part of an insured entity, the Insurer in-demnifies for total loss if repair or replacement is either impossible or inexpedient. Any resid-ual value is taken into account.

17.4.3 The Insurer reimburses without deductible "new for old" the necessary costs at the time the loss was noted of repairing or replacing used machines, devices, equipment, vehicles and their components. If the current value of the above equipment amounts to less than 40 % of its new value, the reimbursement payable shall not exceed the current value.

17.5 Underinsurance

If the sum insured is less than the insured value, the Insurer is liable for the loss and ex-penses only in the proportion of the insured amount to the insured value.

17.6 Sale of goods before termination of the in-sured transport

17.6.1 After inception of the policy, if the transport is abandoned or is not completed for any reason and the Insurer is still obliged to indemnify, the latter is entitled to request the Insured to sell the goods with his assistance by private sale or public auction if the goods could not be for-warded at reasonable cost or within an agreed period of time. If the Insurer requests that the goods be sold, the sale shall take place imme-diatly.

17.6.2 In the event of a sale, the Insured can demand reimbursement of the difference between the sum insured and the proceeds from the sale. The same applies if the goods in transit have to be sold as a result of a loss claimed against the Insurer.

17.6.3 If the conditions of sale require the seller to pay/deliver in advance, the Insurer guarantees the payment of the purchase price, provided he has agreed to the terms of sale.

17.7 Non-materialisation of interest; saved costs

If an insured interest or anticipated profit, increased value, customs duty or freight or other costs do not materialise when the loss occurs, the corresponding part of the sum insured is ignored when determining the extent of the loss. The same applies to any costs saved on account of a loss event having occurred.

17.8 Other recoveries

Any other recoveries received by the Insured in respect of a loss are set off by the Insurer against the indemnification payable.

18 Subrogation

18.1 If the Insured requests payment of the sum insured, the Insurer may decide whether or not the rights to the goods or the title to the insured goods shall transfer to him upon payment of the sum. This right applies only if exercised immediately by the Insurer upon notification of the circumstances of the loss event.

18.2 If the Insurer elects subrogation, the Insured is obliged to minimise the loss if the Insurer himself is unable to do so. The Insured is obliged to disclose all information required to assert the rights, furnish or make available any probative documents, as well as assist the Insurer in recovering and evaluating the goods. The Insurer bears the relevant costs and advance these upon request. The Insured receives that part of the net proceeds from the sale that exceeds the sum insured.

18.3 If the Insurer does not choose subrogation, the Insured pays the Insurer either the fair market value of the recovered goods or the net proceeds from the sale.

18.4 Subrogation of claims against a third party and the Insurer's rights to abandonment remain unaffected.

19 Abandonment by the Insurer

19.1 The Insurer is, in the event of an insured loss, entitled to discharge himself from all further liabilities by payment of the sum insured.

19.2 Notwithstanding any discharge of liability, the Insurer nonetheless remains obliged to indemnify the Insured for costs of averting or

minimising the loss or in repairing or replacing the insured object, properly incurred before he was notified of the Insurer's intention to discharge himself from liability by payment of the sum insured. This also includes insured costs, which the Insured has undertaken to pay.

19.3 The Insurer's right to discharge himself from liability by payment of the sum insured ceases if the Insured fails to receive notification of this intent within five working days of the Insurer becoming aware of the loss event and its direct consequences.

19.4 Payment of the sum insured does not earn the Insurer rights to the insured objects.

20 Experts' procedure

If the cause or extent of the loss is disputed, either party is entitled to request their ascertainment by an expert.

20.1 In this case, each party nominates an expert without delay. Upon naming an expert, each party is entitled to request the other in writing to do the same. If the second expert is not named within four weeks of receipt of the written request, the requesting party is entitled to have the expert named by the Chamber of Industry & Commerce (alternatively by the Consulate General of the Federal Republic of Germany) of the district in which the goods are currently located.

20.2 Before the survey begins, the two experts appoint a third party as a representative. If the parties cannot agree on a choice of representative, either or both parties can request that the representative be appointed by the Chamber of Industry & Commerce (alternatively by the Consulate General of the Federal Republic of Germany) of the district in which the goods are currently located.

20.3 The reports produced by the experts contain all information which, depending on the task at hand, is required to determine the cause of the loss and to assess the extent of the indemnification due.

20.4 The experts present each party with their findings simultaneously. If the findings diverge, the Insurer forwards the reports to the representative without delay. The representative then settles the disputed issues within the bounds of the findings made by the experts and present both parties with his decision at the same time.

20.5 Each party assumes the costs of his own expert. Each party pays half the costs of the representative. This applies even if the two parties agree mutually on an experts procedure. If the Insurer requested the procedure, he bears the entire costs of the proceedings.

20.6 The findings of the experts or of the representative are binding unless it is obvious that they deviate substantially from the facts of the case.

20.7 If the experts or the representative are unable or unwilling to produce findings, or if they delay proceedings unduly, different experts shall be appointed.

21 Limits of liability

21.1 The Insurer's liability for losses occurring during the duration of the insurance is limited to the sum insured.

21.2 No. 21.1 applies equally to any subsequent loss event. If payments have been made to cover repairs or replacement, or expenses and costs as per Nos. 2.3.1.1 and 2.3.1.2 have been incurred, or if the Insured has become obliged to pay expenses of this kind, the sum insured is not reduced by the amount of such payments and obligations.

21.3 This does not affect No. 2.3.3 above.

22 Due date/payment of indemnity

22.1 The Insurer is obliged to indemnify within two weeks of the final assessment of the loss. If the size of the indemnity payment could not be finalised within a month of the loss being reported, the Insured is entitled to demand part payment of the minimum amount likely under the circumstances.

22.2 The date on which the right to part payment arises is deferred by the length of time by which ascertainment of the insured event and the extent of the Insurer's obligation were delayed, if this delay was the fault of the Insured.

22.3 Indemnification must be paid in the currency of the sum insured.

23 Transfer of claims for loss/damages

23.1 If the Insured is entitled to claim against a third party, these rights transfer to the Insurer upon indemnification of the Insured. In this event, the Insured is obliged to provide the Insurer with the information required to assert these rights, to submit - provided they are in his possession - all certificates documenting the claim, and to submit all papers - certified by a notary public - documenting the transfer of rights. The Insurer shall bear these costs.

Section 1 applies accordingly in case of general average. However, the Insured's claim to General Average allowance will pass to the Insurer the moment it arises if the latter is liable for sacrifices. If the compensation exceeds the damages and expenses paid by the Insurer, the excess is payable to the Insured.

23.2 If the Insured waives his claim against a third party or his rights to safeguard such a claim, the Insurer is released of liability insofar as he might have made recovery via said claim or rights.

23.3 The Insurer is discharged of his obligation to indemnify insofar as the Insured is unable to claim against a third party responsible for the transport because his legal liability is limited beyond the customary measure or excluded by contract. This does not apply if the limitation or exclusion was beyond the Insured's control.

23.4 Even after the right of recourse has transferred to the Insurer, the Insured is obliged to minimise the loss, if need be, by withholding payments such as freight. The Insured is obliged to assist the Insurer in asserting the claim and to forward immediately any material information, messages and documents. The Insurer shall bear the costs and make advance payments upon request.

24 Limitation period

24.1 Claims arising from the policy are subject to a limitation period of two years. The limitation period commences at the end of the year in which payment can be requested. In case of general average, the period commences at the end of the year in which the Insured's contribution is asserted by way of a general average adjustment which meets the requirements laid down in No. 2.3.1.1.

24.2 If the Insured has reported a claim to the Insurer, the limitation period is suspended until the Insured has received a decision in writing from the Insurer.

25 Co-insurance

25.1 If several Insurers underwrite a policy, the latter are obliged to indemnify for their respective shares only, i.e. not jointly. This applies even if the single policy or insurance certificate was underwritten by one Insurer on behalf of the others.

25.2 The terms and conditions concluded with the Insured by the leading underwriter are binding for the other Co-insurers. This weighs in favour of the Insured when claims are settled. Without the agreement of each individual Co-insurer, however, the leading underwriter is not authorised to do any of the following:

- increase the policy limit;
- include the risks excluded under Nos. 2.4.1.1 - 2.4.1.3 (see No. 2.4.2);
- change the policy currency;
- change the terms of cancellation.

In the absence of the consent of the Co-insurers, the leading Underwriter is also liable, by virtue of an unrestricted statement of declaration, for the shares of the Co-insurers.

25.3 The leading underwriter is empowered to liti-gate on behalf of the Co-insurers. This applies equally to cases brought before courts of law and to those before arbitration tribunals.

However, a verdict against the leading under-writer for his part alone, or a settlement made after litigation or any arbitration award shall be recognised by the Co-insurers as binding for their quotas as well. If the leading Insurer's share falls short of the amount in dispute, the Insured is obliged - on the request of the lead-ing Insurer or one of the participating Insurers - to extend the action to include the second and, where necessary, the third and other In-surers until the sum is reached. If the Insured does not meet this request, Sentence 1 is void.

25.4 The existing leading underwriter shall notify the Co-insurers immediately and in writing of a change in leadership. This disclosure may also be made by the Insured. In this case, each Co-insurer is entitled to cancel his participation in the policy with four weeks' notice. The right to give notice extinguishes if not exercised within one month of the written notification of a chan-ge in leadership.

25.5 Disclosures and statements received by the leading underwriter are regarded as having been received by the Co-insurers as well.

26 Final clause (applicable law)

This policy is subject to the laws of the Federal Republic of Germany. Unless otherwise agreed, the provisions set out in Articles 1 to 80 of the VVG (within the scope of Article 187 of said Act) apply on a supplementary basis.

ADS Cargo Insurance Conditions 2000/2011

(ADS Cargo 2000/2011)

Radioactive Isotopes Clause

for insurances governed by DTV Cargo 2000/2011

Sample terms and conditions of the GDV

- 1 Scope of the cover
In amendment to No. 2.4.1.5 of DTV Cargo 2000/2011, damage to insured goods by radioactive isotopes (other than nuclear fuel) is covered as far as such isotopes are being prepared, transported, stored or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.
- 2 The provisions concerning excluded perils and losses set down in Nos. 2.4.1.1 - 2.4.1.4, 2.4.1.6, and 2.5 of DTV Cargo 2000/2011 remain unaffected.

ADS Cargo Insurance Conditions 2000/2011**(ADS Cargo 2000/2011)****Salvage and Debris Removal Clause**

for insurances governed by DTV Cargo 2000/2011

Sample terms and conditions of the GDV

- 1 The Insurer is liable for up to EUR on a first-loss basis for expenses incurred in the salvage and/or removal/destruction of the goods insured that are lost or damaged in consequence of the occurrence of an insured peril.
Unless otherwise agreed, costs and expenses as defined by this clause, together with other compensations are indemnified only within the agreed limit of the policy. No. 2.3.3 DTV Cargo 2000/2011 remains unaffected.

The Insurer is also liable if, following damage to or destruction of insured goods, a competent authority arranges for the salvage and/or removal/destruction of said goods, and/or the clearing up of the site of the loss at the Insured's expense.
Insurance cover is likewise granted if, following an insured loss, undamaged goods also are salvaged and/or removed by official order, or if an authority by virtue of legal provisions arranges for the salvage and/or removal of undamaged goods.
- 2 The above applies provided that
 - the Insured could regard the expenses incurred as necessary under the particular circumstances or,
 - the expenses and costs were incurred in compliance with an official request of a competent authority or,
 - the expenses and costs were incurred at the Insurer's request.
- 3 The Insurer is not liable for additional expenses incurred in the prevention or elimination of damage to the environment, in particular to air, water or soil.
- 4 The Insurer is liable only to the extent that compensation is not available under another insurance policy.
- 5 The Insurer is not subrogated to the rights of the Insured in respect of the goods damaged or lost following any indemnification for expenses and costs incurred under Nos. 1 and 2 above.
Furthermore, the Insurer accepts no liability arising out of the existence of goods damaged or lost.

ADS Cargo Insurance Conditions 2000/2011

(ADS Cargo 2000/2011)

Currency Clause

for insurances governed by DTV Cargo 2000/2011

The currency of this policy is the DOLLAR.

The exchange rate (mean rate) which was valid when payment took place at the time of conversion applies to the conversion of foreign currencies.

The conversion of foreign sums of money for claims is carried out according to the exchange rates (mean rates) which were valid at the time of payment.