JAH Insurance Brokers Corp

The right insurance



MARINE CARGO INSURANCE

TOTAL LOSS GENERAL WORDING

POLICY WORDING

Version 9. 06/2025

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GENERAL CONDITIONS

IN CONSIDERATION OF THE STATEMENTS SET OUT IN THE APPLICATION SUBMITTED BY THE POLICYHOLDER—WHICH FORMS AN INTEGRAL PART OF THE TOTAL LOSS INSURANCE CONTRACT—JAH AND ITS UNDERWRITERS AGREE TO INSURE THE GOODS DESCRIBED IN THE CERTIFICATE OF INSURANCE AGAINST THE LOSSES OR DAMAGES SPECIFIED IN ITS CONDITIONS. COVERAGE APPLIES WHILE THE GOODS ARE IN TRANSIT, SUBJECT TO THE FOLLOWING CLAUSES:

COVERAGES AND EXCLUSIONS

1.1. COVERAGES

1. Total loss due to robbery with violence.
2. Total loss due to damage resulting from any of the following:

- Stranding, sinking, jettison, grounding, or collision of the vessel.
- Loading and unloading operations.
- Accidents involving the transporting vehicle.
- VMM (Vandalism and Malicious Mischief), including acts of war and terrorism.
- Assault, riot, civil unrest, or strikes, according to their legal definitions.
- Fire and/or lightning, explosion, or actions taken to extinguish fire arising from such causes.
- Acts of nature such as earthquakes, landslides, floods, and similar events.

3. General average contribution, in accordance with applicable international conventions, including the York-Antwerp Rules.
4. Theft or total damage caused by international war, excluding countries in conflict (listed below) and subject to early termination with seven (7) business days' notice.
5. Coverage extension for goods stored in a customs or tax authority warehouse for up to 90 days—without extra premium—for total loss directly caused by:

- Fire, lightning, explosion, snow, strikes, riots, hurricanes, hail, falling aircraft, impact from vehicles, smoke, and total loss due to robbery with violence.

1.2. EXCLUSIONS

This Certificate does not cover losses arising from:

1. Shipments not insured before the journey begins (except maritime shipments, which may be insured within 24 hours after the voyage commences).
2. The goods' own defects, spontaneous combustion, shrinkage, evaporation, or leakage due to the nature of the transported items.
3. Factory warranties.
4. Errors or faults in dispatch or goods shipped in poor condition.
5. Loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is

carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors).
6. Particular damage (damage to the goods where repairment or replacement cost is classified as a partial loss).
7. Pre-existing damage.
8. Electrical or electronic damage (unless caused by a covered event).
9. Damage caused by improper or inadequate packaging.
10. Deterioration or damage to packaging or boxes due to humidity and/or tearing.
11. Damage to the transporting vehicle or the carrier's contractual civil liability.
12. Loss of accessories while transporting automobiles, machinery, or other equipment if these accessories are merely complementary parts (i.e., not essential for normal operation).
13. Damage caused by transporting the insured goods alongside other merchandise that affects their properties or product integrity.
14. Damage from deteriorated containers or packaging.
15. Normal wear and tear, especially for used goods.
16. Collisions with objects due to exceeding the dimensional capacity (length, width, or height) of the load and/or vehicle.
17. Losses due to nuclear reactions, radiation, or radioactive contamination.
18. Damage from mines, torpedoes, bombs, or other war devices transported with the cargo or the vehicle, even in non-conflict territories.
19. Confiscation, seizure, and impoundment by customs or state authorities.
20. Loss or damage during inspection or sampling by customs authorities of any country.
21. Transportation in private vehicles owned by employees and/or the company (subject to prior review before issuing the Certificate).
22. Self-theft, fraud, malice, bad faith, gross negligence, embezzlement, or employee infidelity, whether alone or in collusion with others.
23. Partial theft, simple theft, theft without violence, mysterious disappearance, and misplacement.
24. Abandonment of insured goods by the Insured or any representative without the insurance company's express authorization.
25. Violation by the Insured (or anyone representing the Insured) of any law or regulation issued by foreign, national, federal, state, or municipal authorities that contributes to the occurrence of the loss.
26. Loss, damage, or expense arising from insolvency or breach of obligations by the vessel's owners, managers, charterers, or operators.
27. Indirect damages such as loss of market, lost profits, delay, or any commercial/economic difficulties affecting the Insured, regardless of cause.
28. Mysterious disappearance of sealed door-to-door containers, or missing containers whose security seals have not been violated.
29. Damage or loss to containers unrelated to actual transportation or from pre-existing damage.
30. Liens, fines, and penalties.
31. Air condensation inside the container or packaging.
32. Delays in transport affecting the merchandise.
33. Damage or loss due to temperature variations or breakage of the cold chain.

34. Bulk goods (unless expressly authorized by the Company on specific terms).
35. Courier services and/or parcels, household moves, or household goods.
36. Transfers within plants, warehouses, or premises.
37. Damage due to contamination of the insured goods, regardless of cause.
38. Transportation of precious metals or stones, artwork, money, and securities.
39. Wrinkles, stains, discoloration, creases, scuffs, or scratches.
40. Dents and cracks, unless specifically covered in the Certificate's particular conditions, arising from a covered event, and qualifying as a total loss under this Certificate.
41. Damage or loss from pests, vermin, insects, rodents, or any type of living organism.
42. Any loss of physical, chemical, biological, or biochemical properties (e.g., color, odor, aroma, taste, or texture).
43. On-deck shipment by sea, river, or lake, except for goods in containers that can be secured on the ship's deck.
44. Transportation of live cattle or other animal species. Coverage may be granted only with the Company's prior approval, and the terms must be expressly stated in the Certificate.

1.3. CONFLICT COUNTRIES WHERE COVERAGE DOES NOT OPERATE

Coverage does not apply—and is not available—for shipments made in, to, from, or originating in any of the following:
Afghanistan, Albania, Algeria, Angola, The Balkans (Bosnia, Herzegovina, Bulgaria, Slovenia, Macedonia, Romania, Kosovo), Belarus, Burma (Myanmar), Chad, North Korea, Ivory Coast, Croatia, Crimea, Cuba, Eritrea, Ethiopia, Georgia, Persian Gulf and adjacent waters including the Gulf of Oman, Guinea, Central African Republic, Democratic Republic of Congo, Iraq, Iran, Israel (and Red Sea coasts), Laos, Lebanon, Liberia, Libya, Montenegro (Former Yugoslavia), Nigeria, Pakistan, Qatar, Russian Federation, Serbia, Sierra Leone, Syria, Somalia, Sri Lanka, North Sudan, Ukraine, Uzbekistan, Venezuela, Yemen, Zaire, Zimbabwe, and any other country subsequently excluded under laws of the United Mexican States or the United States of America, or restricted or embargoed by UN resolutions or sanctioned by the Office of Foreign Assets Control (OFAC).

1.4. GENERAL CONDITIONS

1.4.1. Parties to the Insurance

1. Policyholder: The person or company that signs the Certificate and agrees to pay the premium. This may be the logistics operator, customs broker, transporter, cargo customer, or any entity with a direct relationship with JAH Insurance Brokers or its affiliates/subsidiaries.
2. Insured: The person or company that owns the cargo or holds contractual liability for it and who suffers the financial impact in the event of loss.
3. Beneficiary: If different from the Insured, this party must identify themselves and specify the capacity in which they benefit (ownership, credit, lease, etc.).

1.4.2. Non-Insurable Goods

Unless otherwise stipulated in the Certificate, the following are not covered:
1. Securities, banknotes, coins, money, or financial instruments.

2. Jewelry, gold, precious or semi-precious metals and stones, or items made of or containing these materials; paintings, statues, works of art, antiques, art objects, or similar.
3. Watches and/or jewelry beyond costume jewelry.
4. Lottery or similar tickets, shares, bonds, negotiable instruments, traveler's checks, stamps, old coins, or any document representing value.
5. Financial documents, prepaid telephone cards, credit or debit cards, food/consumer cards (e.g., Sodexo or similar), official bonds, unfranked stamps, or any document representing securities.
6. Information stored on disks, tapes, or other magnetic/electronic media.
7. Explosive and/or corrosive materials or substances.
8. Weapons, ammunition, fireworks, explosives.
9. Narcotics.
10. Goods moving under their own power: motor vehicles, aircraft, or vessels.
11. Livestock (pets, livestock, exotic species).
12. Cotton, whether unginned or in bales.
13. Installed software.
14. Fishmeal and cottonseed meal.
15. Bulk merchandise.
16. Human organs (for scientific procedures/transplants).
17. Chemical and biological agents.
18. Hydrocarbons, gas, oil derivatives, rubber.
19. Radioactive substances.
20. Biomedical products.
21. Copper.

1.4.3. Mobilization of Special Goods

If the goods listed below are not expressly excluded but are regarded as "excluded goods," they must be shipped under individually analyzed terms and conditions and with the logistics and safety measures specified in the Certificate:



GROUP 1

a. New and used cars
b. Motorcycles
c. Aircraft
d. Yachts
e. Golf carts
f. Vessels



GROUP 2

a. Food, flowers, and medicines under temperature control
b. Refrigerated and frozen goods

For this group, see §1.4.6 (Mobilization of Refrigerated Products) and Appendix 3 of the Certificate.



GROUP 3

a. Laptops
b. Tablets
c. High-end electronics*
d. Cell phones
e. Drones
"High-end" refers to items in the same premium brand, class, or category.
For cellphone shipments above USD 20,000, §1.4.14(8) applies.



GROUP 4

a. Perfumes
b. Alcoholic beverages
c. Cigarettes
d. Tobacco
e. Flammables
f. Hazardous chemicals



GROUP 5

a. Glassware
b. Glass
c. Marble
d. Used household and office goods (20% depreciation applies)
e. Unaccompanied baggage
f. Any other merchandise, due to its nature, susceptible of breakage.

1.4.4. Mobilization of Dangerous Goods

Shippers must comply with all relevant laws (e.g., Decree 1609 for Colombia) and other regulations on handling, packaging, and labeling dangerous goods. The generator of the load, the carrier, and the vehicle owner each bear specific responsibilities.

1.4.5. Movement of Goods Controlled by Antinarcotics Authorities

For goods regulated by antinarcotics authorities, the Insured must hold valid permits and authorizations from the competent agencies supervising the handling of controlled chemical precursors.

1.4.6. Mobilization of Refrigerated Products

The Insured must oversee and monitor temperature controls throughout transit. Coverage is subject to Appendix 3 as referenced in the Certificate.

1.4.7. Limit per Dispatch

This refers to the Company's maximum liability per dispatch, as stated in the Certificate for each insured trip. A "dispatch" is the shipment by a single shipper, from the same place and in a single transport vehicle, intended for the same consignee, under a single contract of carriage and represented by a single bill of lading, rail/air waybill, or another similar document.

- If the shipment is unloaded partway and continues in multiple vehicles, each vehicle's load is considered a separate "dispatch" if each load's value can be established separately. Otherwise, the entire sum constitutes a single dispatch.
- If several dispatches with different transport documents are consolidated into one transport unit or storage area, the Company's maximum liability applies to each document (bill of lading or waybill) independently. (For rail transport, each railcar is considered a separate unit.)

1.4.8. Sum Insured

The insurable sum generally includes the value of the goods plus freight, taxes, and packing, in accordance with the relevant Incoterms. The same basis applies when settling a claim.

- **Imports**
  - Foreign leg: Commercial invoice value, foreign freight, and import costs.
  - Domestic leg: Add nationalization taxes and domestic freight to the foreign leg's insured sum.
- **Exports**
  - Domestic leg: Commercial sales invoice value minus anticipated profit, plus domestic freight.
  - Foreign leg: Add foreign freight and export expenses (including any destination-country nationalization) to the above.
- **Domestic Shipments**
  - Buyer as Insured: The commercial purchase invoice plus freight.
  - Seller as Insured: The commercial sales invoice minus anticipated profit, plus freight.
- **Maquila Shipments**
  Include the freight cost, raw material cost, and other production and transportation-related expenses.
- **Shipments Between Subsidiaries**
  Production or acquisition cost plus freight, insurance, and other relevant expenses.
- **Used Goods**
  Actual value of the goods plus freight, import taxes, customs fees, and any other expenses associated with transit.

Paragraph 1: For claim settlements, the exchange rate in the relevant customs documents applies. If unavailable, the rate on the date of loss is used.

Paragraph 2: Although freight may be insured, all expenses must be documented; otherwise, the Company will not include them in the loss calculation.

Paragraph 3: Where applicable, VAT or other non-deductible taxes are included, and any discounts shown in the shipper/client invoice apply.
Paragraph 4: If the Company needs to verify the production or acquisition cost of goods, it may request purchase/production invoices or certifications signed by a duly licensed accountant or auditor plus the Insured's legal representative.

1.4.9. Underinsurance

If the sum insured is less than the goods' insurable value, the Company will apply the proportional rule. The indemnity to the Insured will be adjusted by the ratio of the sum insured to the actual insurable value.

1.4.10. Maximum Indemnity Limit

The indemnity payable cannot exceed the insured sum, subject to the maximum per dispatch, proportional underinsurance adjustments (if any), and the items covered in the Certificate.

1.4.11. Transit Clause

1. Subject to Clause 11 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either

2. on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,

3. on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or

4. when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or

5. on the expiry of 60 days after completion of discharge overside of the subject-matter insured from the oversea vessel at the final port of discharge, whichever shall first occur.

6. If, after discharge overside from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses

7 to 10., shall not extend beyond the time the subject-matter insured is first moved for the purpose of the

commencement of transit to such other destination.

8. This insurance shall remain in force (subject to termination as provided for in Clauses 7 to 10 above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transhipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage."

Paragraph 1: Coverage terminates once any of the above events first occurs.
Paragraph 2: Each Certificate remains valid for 90 calendar days after issuance or until the merchandise reaches its destination, whichever occurs first.

- If goods are sent to a destination other than that stated, coverage ends when they are first moved for transit to the new location unless the Insured obtains prior written consent, and any additional premium is paid.
- Coverage continues for forced delays, route changes, or transshipments arising from the carrier's lawful exercise of contractual rights.

Charter Party Condition: For goods shipped under a charter party, coverage continues from loading onto the vessel through ordinary transit until unloading at the port of destination, or until 60 days after vessel arrival, whichever is earlier.

1.4.12. Stay Clause

Subject to these General Conditions and the inherent risks of transit, coverage extends to goods in temporary storage (customs or tax warehouses) in the destination country during nationalization procedures, insuring against total loss from:

- Fire, lightning, explosion, snow, strikes, riots, hurricanes, hail, aircraft, vehicles, smoke, and theft with violence.

Coverage under this clause ends 90 days after the goods arrive at such premises. If a longer period is required, the Insured must request an extension at least 30 days in advance and pay any additional premium.

1.4.13. Termination Clause for the Transportation Contract

If, for reasons beyond the Insured's control, the carriage contract terminates at a port or location other than the stated destination—or if transit ends before normal unloading—the insurance terminates unless the Insured promptly notifies the Company and obtains continued coverage approval (subject to any additional premium). Then coverage will remain in force until:

1. The goods are sold and delivered at that port or location (or 60 calendar days from arrival for sea transport, 30 calendar days otherwise), whichever comes first, or
2. If reshipped within that 60- or 30-day window to the stated or another destination, coverage terminates per the preceding clauses.

1.4.14. Land Transportation Conditions

To minimize risks, the Insured and/or its carriers must follow these preventive measures. Noncompliance may

result in penalties per applicable law:

1. Road Use & Capacity: Use toll roads when available. Do not exceed cargo/vehicle weight limits (per the national transportation authority) and use enclosed metal boxes/containers or, if open vehicles are used, secure them with intact tarpaulins to prevent water or rust damage (if covered).
2. (For Mexico) En-route stops are allowed only for refueling, the driver's physiological needs, or meals, after at least 100 km from the origin. Mechanical checks and initial fueling must be done before departure. Stops must be in well-lit areas with law enforcement or private security—e.g., gas stations with dedicated truck parking, Federal Police detachments, or toll booths (up to 200m away). Overnight stops must not exceed 8 consecutive hours.
3. Seals/Padlocks: Containers and trailers must have intact steel or marine-grade locks.
4. Legally Authorized Carrier: Contract with legally established cargo transport companies carrying valid Civil Liability or relevant cargo policies.
5. Monitoring: The transport company must track shipments by phone or other communication tools for route control.
6. Shipments ≥ USD 25,000: Use vehicles equipped with functional satellite tracking (GPS or similar) monitored at least every 15 minutes (where feasible). Any unauthorized route deviation must be reported immediately to authorities.
7. Shipments ≥ USD 100,000: Escorts must accompany the transport from origin to destination. Escort providers must have valid registration. (In Mexico, for USD 100,000–149,999 shipments, virtual escort is permitted if the provider is duly licensed.)
8. Merchandise Group 3 (Cell Phones) ≥ USD 20,000: Must have a forward supervision escort.
9. Vehicle Age: Transport vehicles must not exceed 20 years old.

1.4.15. Means of Transportation

All means of transport indicated on the Certificate's cover or specifications may be used—individually or combined—provided they are operated by legitimate public carriers or concessionaires.

- Maritime: Vessels up to 25 years old are acceptable if duly classified and registered. Charter vessels up to 20 years are acceptable.
- Cargo Below Deck: Goods must travel below deck in mechanically self-propelled steel-hulled vessels. Closed containers may be carried on deck if maritime regulations permit.

Vessels and container carriers must be classified by one of the following:

- Lloyd's Register of Shipping
- American Bureau of Shipping +A1
- Bureau Veritas 100a1 or B.S.
- Germanischer Lloyd +100 A4
- Korean Register of Shipping + KRS 1
- Nippon Kaiji Kyokai NS*
- Det Norske Veritas +1A1
- Registro Italiano Navale Register of Shipping of CEI 100A 1.1. Nav. L KM
- Polski Rejestr Statków *KM

Additional or updated classification societies may be added automatically.

- Bulk or combined carriers older than 10 years, oil tankers over 50,000 gross tons older than 10 years, and ships

- older than 15 years (up to 25 if they maintain a regular advertised schedule) require special conditions.
- Charter vessels must be mechanically self-propelled, steel-built, under 1,000 GRT, classified as above, and meet age limits.
- The Vessel Classification Clause does not apply to barges or launches used for loading/unloading within the port area.
- Cargo aboard non-classified vessels is insurable only with an extra premium and on agreed terms.

1.4.16. Special Coverage for Used Goods, Returns, and Continuation of Voyage

Coverage is limited to:

1. Total Loss by Robbery with Violence
2. Total Loss by Damage caused by:
- Fire, lightning, and explosion of the transport means.
- Maritime Shipments:
  - Stranding, sinking, collision.
  - Loss of entire packages overboard during loading, transshipment, unloading.
  - General average and salvage contributions under the Navigation/Maritime Commerce Act or York-Antwerp Rules.
- **Land and/or Air Shipments:**
  - Aircraft crash, self-ignition, collision, overturn, derailment, or mandatory use of a vessel/bridge that fails.

If a specialized, internationally recognized survey company issues a No-Damage Certificate, the shipment is covered for all risks under the Certificate. The certificate cost falls to the Insured unless included in the premium.

1.4.17. Modifications to the Risk Status

The Insured or Policyholder must maintain the risk status. They must inform the Company in writing of any changes that increase the risk at least 10 business days before such change (if within their control) or within 10 days of learning of it (if unforeseen).
If notified in time, the Company may revoke the contract or require a premium adjustment. Failure to notify results in termination of the contract.

1.4.18. Coexistence, Concurrence, or Plurality of Insurances

The Certificate must note any other policies covering the same goods. The Insured must inform the Company in writing, within 10 business days of issuance, about any other insurance of the same nature. Failure to do so terminates this contract.
If multiple insurers exist, each pays proportionally to its share of the insured value (or as otherwise governed by local insurance law).

1.4.19. Subrogation

Upon indemnifying the Insured, the Company automatically assumes the Insured's rights (up to the amount

paid) against any liable third party.

1.4.20. Loss of the Right to Indemnification

The Policyholder's, Insured's, or Beneficiary's right to compensation is lost if:
1. They act in bad faith in the claim process or in verifying the right to indemnification.
2. They fail to disclose coexisting insurance upon claim notification.
3. They waive subrogation rights against liable parties or impede the Company's subrogation efforts without the Company's written approval.

1.4.21. Obligations of the Insured in the Event of Loss

In a loss event, the Insured must:
1. Promptly notify JAH INSURANCE BROKERS CORP Claims Dept. at:
- Email: claimsdepartment@ahinsurance.com
- Website: www.jahinsurance.com
- App: "JAH INSURANCE" (Android or iOS)

Notification must be made within five (5) business days of merchandise arrival and upon discovering evidence of damage or loss. Late reporting can result in denial of coverage.
2. Prevent further damage and preserve the goods; do not abandon property without the Company's express authorization.
3. Inform the Company of the loss within five (5) business days from learning of the event or the arrival of the goods.
4. Disclose any other coexisting insurance, specifying the insurer and sum insured.
5. File a written claim against those responsible for the loss or damage within the legal time frame set by carriage contracts or applicable law (e.g., international conventions). Failure to do so obligates the Insured to reimburse the Company for any amounts recoverable from third parties.
6. Facilitate the Company's subrogation rights.
7. Comply with other legal obligations.
Noncompliance may trigger legal penalties.

1.4.22. Documents Required for Payment of Compensation

To receive indemnification, the Policyholder, Insured, or Beneficiary must submit at their own cost:
1. Written indemnity claims to the Company and/or JAH Insurance Brokers detailing the event, claimed amount, and potentially liable parties.
2. Commercial purchase or sales invoice (for sales, subtract the profit margin).
3. Packing list.
4. Copy of the bill of lading, air waybill, cargo manifest, or similar. If there is a land leg under the same transport contract, it must be declared.
5. Import/export declaration, customs manifest, or any official customs document.
6. Paid invoice for freight.
7. Claim letter to the liable third party (carrier).

8. Captain's protest in a maritime accident or the report of the relevant authority in a vehicle accident.
9. If robbery with violence, the official police report from the place of the event.
10. Technical report from the manufacturer, brand representative, or repair shop indicating the cause of damage and repair details.
11. Estimates for repair or parts replacement, in a total loss, evidence of replacement value.
12. Warehouse receipts or delivery notes from carriers or customs/port authorities.
13. Declaration of general average (where applicable), including details of the event and appointed adjusters.
14. For international container shipments, the EIR at origin and the EIR at destination.
15. If insurance is claimed for expenses, provide paid invoices.
16. Any additional documents the Company deems necessary.

1.4.23. Deductible

The deductible (a fixed amount or percentage) stated in the Certificate or policy conditions is always borne by the Insured and is subtracted from any payable indemnity.
If the Insured secretly obtains coverage for the deductible elsewhere (without notifying the Company), the Coexistence Clause (§1.4.18) applies.

1.4.24. Revocation

This contract may be revoked as follows:
1. By the Company: Written notice to the Policyholder or Insured at their last known address at least 10 working days before termination (or 7 days for international war coverage) or before the start of an insured shipment. However, all shipments already in transit remain covered under the agreed conditions (except for international war coverage, which terminates in 7 days).
2. By the Policyholder or Insured: At any time by written notice to the Company. Revocation does not affect shipments already in transit.

1.4.25. Payment of Premium and Termination of the Contract

If the premium (or agreed installment) is not paid upon Certificate issuance—or within the time agreed with JAH Insurance Brokers—the contract terminates automatically, and the Company's obligations cease.

1.4.26. Inspection Rights

The Insured must allow authorized representatives of the Company, to acess to its offices and facilitate the examination of any documents related to this contract.

1.4.27. Rights to Salvage

If the Company indemnifies the Insured, they may opt at its sole discretion to take ownership of any salvaged or recovered goods. If it declines, the property remains with the Insured, who bears associated costs.
If the Company sells the salvage, the Insured shares proportionally in the net proceeds after deducting related

recovery and marketing expenses, adjusted for any deductible and underinsurance.

1.4.28. Special Conditions for Critical Equipment

"Critical items/equipment" are defined as having one or more of the following:

- Unit value ≥ USD 500,000.
- Repairs (even minor) cannot be done at the destination.
- Requires special (nonstandard) transport, or dimensions exceed a standard 40-foot container (length: 12m, width: 2.5m, height: 2.5m).
- Including packaging, gross weight exceeds 30 metric tons.
- Requires special handling equipment or has an offset center of gravity.
- Needs special securing measures.
- Shipped on deck (except in sealed standard containers).
- Shipped by barge.

Mandatory guarantees for critical equipment shipments:

1. Each piece must visibly display its gross weight and center of gravity, plus anchorage/lifting points.
2. Loading/unloading must be conducted by competent, recognized companies.
3. Handling equipment must be certified and in good condition on the operation date.
4. Such equipment must have sufficient safe working load capacity for the item's gross weight and working angles.
5. Ground transport vehicles must be provided by specialized, recognized companies and be under 10 years old, well-maintained, and fit for operation.
6. Land transit must occur in daylight only. No travel is permitted in poor visibility.
7. Normal stops or stays in route are covered if the vehicle remains secured and monitored by the carrier or its agents.

If these conditions (2–7) were controlled and arranged by a party other than the Insured (e.g., a separate contractor), and the Company pays a claim, the Insured must assign to the Company all rights of recovery against that contractor and cooperate fully with the Company's subrogation efforts.
For packages/pieces ≥ USD 1,000,000, the Insured must also:

- Have an independent surveyor present during loading, stowage, packing, securing, and unloading. The surveyor's instructions must be followed for coverage to remain effective. Survey costs are borne by the Insured.
- Attach an impact detector to the items/equipment, logging its serial number with the carrier.

Failure to comply with any of these warranties will void coverage from the moment of non-compliance.

1.4.29. Address

Regardless of where the policy is issued, the transport occurs, or a claim arises, Miami, Florida (USA) shall be the domicile for any matters related to this contract (before, during, or after).

1.4.30. Information Security and Data Protection Policy

The Insured authorizes the Company to process data obtained from insurance documents or in performing this contract (risk evaluation, claim procedures, etc.), including the collection and use of personal or commercial data necessary for fulfilling coverage obligations.

1.4.31. Definitions

- **General Average:** Any deliberate loss or expense by a ship's captain to prevent serious damage or total/partial loss of ship and/or cargo, proportionally shared among all interests that benefited.
- **York and Antwerp Rules:** A set of customaries (nonconvention) rules for general average, widely adopted by parties in carriage contracts.
- **Additional Expenses in the Insured Amount:** A percentage of proven extra expenses that may be included in the sum insured (e.g., foreign trade/customs forms, financial fees, port/airport services, warehousing, customs brokerage).
- **Dispatch:** Shipment by a single dispatcher, from one place, in a single vehicle, under one contract of carriage. (See also §1.4.7 for full details.)
- **Demerit by Use:** Depreciation from normal wear and tear, dependent on maintenance, environment, age, and use.

Packing Unit: The external element (bundle, drum, crate, box, sack, etc.) noted in the transport document. Containers/stowage are considered means of transport if the goods can be transported without them; otherwise, they are deemed packaging.

- **Actual Value:** Replacement value minus depreciation due to normal wear and tear.
- **Application of Demerits for Used Machinery and Goods:** A 10% per year demerit applies, up to a maximum of 70% of replacement value. If the time of use or replacement value is unknown, the value declared in the accounting books—certified by the statutory auditor/accountant and signed by the Insured's legal representative—will be used.
- **Limit per Dispatch:** The Company's maximum liability per dispatch under the Certificate.
- **FCP (Full Cover Plus), FC (Full Cover), TL (Total Loss)**
- **Total Loss:**
    - For damage: When repair or replacement costs equal or exceed the actual value (or the insured value).
    - For theft: When the entire shipment fails to arrive (i.e., complete no delivery). Total Loss refers to the entire shipment, not individual items therein.

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