

## POLICY FOR LIABILITY ARISING FROM LOGISTIC SERVICES (2007)

<b>1. DEFINITIONS .....</b>	<b>3</b>
1.1 POLICYHOLDER.....	3
1.2 INSURED PARTIES .....	3
1.3 INSURERS .....	3
1.4 CLAIM .....	3
1.5 CIRCUMSTANCES.....	3
1.6 THIRD PARTIES .....	4
1.7 LOSS OR DAMAGE .....	4
1.8 SUE AND LABOUR COSTS .....	4
1.9 CHARTERERS' LIABILITY .....	4
<b>2. SCOPE OF COVER .....</b>	<b>5</b>
<b>3. CMR TRANSPORT .....</b>	<b>5</b>
<b>4. LIMITS OF INDEMNITY .....</b>	<b>5</b>
<b>5. EXCLUSIONS.....</b>	<b>5</b>
5.1 Wilful act or recklessness.....	6
5.2 Vessels, Aircraft etc. ....	6
5.3. Third party machinery and equipment and such like .....	6
5.4. Motor vehicles .....	6
5.5 War and Strike Risks.....	6
5.6 Clause on Nuclear reactions, (Bio)chemical weapons .....	7
5.7 Exclusion Hazardous Substances Act [ <i>Wet Gevaarlijke Stoffen</i> ] .....	7
5.8 Charterers' Liability .....	7
5.9 Clauses increasing liability.....	7
5.10 Documents .....	8
5.11 ISM .....	8
5.12 ISPS.....	8
<b>6. CHANGE IN ACTIVITIES .....</b>	<b>8</b>
<b>7. DAMAGE TO CONTAINERS, CHASSIS, TRAILERS, SEMI-TRAILERS .....</b>	<b>8</b>
<b>8. DEBRIS REMOVAL COSTS.....</b>	<b>9</b>
<b>9. OBLIGATION IN CASE OF LOSS OR DAMAGE .....</b>	<b>9</b>
<b>10. CLAIMS HANDLING.....</b>	<b>10</b>

<b>11. COSTS OF LITIGATION .....</b>	<b>10</b>
<b>12. CONCURRENCE.....</b>	<b>10</b>
<b>13. RETROACTIVE/SUBSEQUENT COVER .....</b>	<b>11</b>
<b>14. LIMITATION OF LEGAL CLAIM.....</b>	<b>11</b>
<b>15. SECURITY .....</b>	<b>11</b>
<b>16. CLAUSE ON CARGO THEFT .....</b>	<b>11</b>
<b>PREMIUM REVISION .....</b>	<b>12</b>
<b>18. ACCEPTANCE THROUGH AUTHORISED UNDERWRITING AGENTS .....</b>	<b>12</b>
<b>19. PAYMENT OF PREMIUM AND INDEMNITY .....</b>	<b>12</b>
19.1. Definitions .....	12
19.2. Premium.....	12
19.3. Payment of indemnity and return of premium .....	13
<b>20. PREMIUM SETTLEMENT .....</b>	<b>13</b>
<b>21. FINAL PREMIUM SETTLEMENT .....</b>	<b>14</b>
<b>22. TURNOVER .....</b>	<b>14</b>
<b>23. TO FOLLOW CLAUSE .....</b>	<b>14</b>
<b>NOTICES AND COMMUNICATIONS.....</b>	<b>14</b>
<b>25. APPLICABLE LAW .....</b>	<b>14</b>
<b>26. DISPUTES .....</b>	<b>14</b>
<b>CLAUSES .....</b>	<b>15</b>
001/2002 Waiver of right to invoke terms and conditions .....	15
002/2002 FIATA Documents.....	15
003/2002 Cost of Destruction .....	15
004/2002 Replacement or remedy of a failure in the performance including consequential loss. ....	16

## SPECIMEN POLICY FOR LIABILITY ARISING FROM LOGISTIC SERVICES 2007.

This contract shall meet the contingency requirement as referred to in Section 925 of Book 7 of the Netherlands Civil Code, if and insofar as the loss or damage incurred by any third party in respect of a claim for indemnity is made against any insured party is the result of an event regarding which it was uncertain to the parties at the time the insurance contract was concluded that loss or damage on the part of such third party had arisen there from or would arise there from under normal circumstances.

### 1. DEFINITIONS

#### 1.1 POLICYHOLDER

The natural person or legal entity with whom the insurance contract has been concluded and who is mentioned as such in the policy.

#### 1.2 INSURED PARTIES

Insured parties are:

- The natural person or legal entity eligible to derive rights from this insurance contract by virtue of the policy;
- Directors and officers, partners and subordinates of the insured parties mentioned under 1.2.1 for whom the insured parties are liable, if and insofar as it concerns activities specified in the policy which they performed on behalf of said insured parties.

#### 1.3 INSURERS

The parties who jointly bear the insured risk, each for no more than their respective share underwritten by or on behalf of them.

#### 1.4 CLAIM

A claim for indemnity made against any insured party. Claims, whether made against more than one insured party or not, connected with or arising from an act or failure to act, recurrent acts or failures to act, or a succession of acts or failures to act, or facts causing loss or damage arising from the same cause shall be considered to be a single claim and shall be deemed to have been reported to the insurers at the time the initial claim or the initial notification of the related circumstance was received.

#### 1.5 CIRCUMSTANCES

Facts from which an actual imminence of a claim can be inferred. As such shall be considered facts in respect whereof the insured can supply concrete information as to the party from whom the claim may be expected and the act or failure to act which may give rise to the claim and which measures have been taken in order to prevent the claim from arising or to minimise (the risk) of loss or damage.

## 1.6 THIRD PARTIES

Any party other than the insured party held liable.

## 1.7 LOSS OR DAMAGE

### 1.7.1 Property damage:

Damage to or loss or destruction of third party property in the charge or under the control of the insured or any other party on his behalf by virtue of an agreement with the exception of consequential loss. Property shall not be understood to mean notes and coins, bearer or order papers, nor any other monetary instrument.

### 1.7.2 Loss due to delay:

Loss resulting from delay in the delivery of property under a contract of carriage.

### 1.7.3 Consequential loss:

The consequences of property damage which can be valued in terms of money.

## 1.8 SUE AND LABOUR COSTS

1.8.1 Costs incurred in connection with measures taken by the insured which may result in property being preserved from loss or damage or in such loss or damage being minimised and which he is within reason obliged to take as soon as he is or should have been aware of the manifestation of the risk of loss or damage or the imminence thereof, provided that the insured is liable for such loss or damage – once it has occurred – and said liability is covered under the policy.

Said sue and labour costs shall on no account include:

1.8.1.1 costs of measures taken after the imminent risk of loss or damage has ceased to exist;

1.8.1.2 costs and expenses incurred to comply with a normal liability for maintenance or due care;

1.8.1.3 costs and expenses that are excluded from cover elsewhere in the policy;

1.8.1.4 costs and expenses related to the (re)performance of activities that were not completely or not properly performed by or under the responsibility of the insured.

## 1.9 CHARTERERS' LIABILITY

Charterers' Liability is the liability arising on the part of the insured as a result of operating and/or chartering and/or renting ships.

## 2. SCOPE OF COVER

This insurance shall cover the liability of the insured if he is liable pursuant to civil law under existing statutory provisions or statutory provisions that became effective during the period of insurance or under any agreement known and approved by the insurers for property damage or loss due to delay, the latter only if and insofar as liability therefore exists pursuant to mandatory provisions of any law or treaty, including the General Terms and Conditions of Carriage [*Algemene Vervoerscondities*] (hereinafter referred to as AVC) (latest version), arising from or related to his activities as described in the policy.

- 2.1 Supplementary to the foregoing, it is hereby provided that agreements that do not deviate from the standard conditions, such as AVC, CMR, Fenex, etc. shall be considered to be known and approved by the insurers.

## 3. CMR TRANSPORT

With regard to the insured's liability pursuant to the CMR (Treaty on the agreement for international road transport of goods of 19 May 1956) the following shall apply:

- cover shall be provided up to and not exceeding the amounts stated in article 23 CMR;
- if the sender declares the property to have a value as referred to in article 24 CMR and/or establishes a special interest in accordance with article 26 CMR, this insurance shall provide cover accordingly, provided that the insured has notified the insurers thereof prior to commencement of the risk, and such at an additional premium to be agreed.

## 4. LIMITS OF INDEMNITY

- 4.1 The insurers shall pay in respect of each and every claim for all insured parties collectively up to and not exceeding the limit of indemnity stated in the policy:
- 4.1.1 the amount of compensation the insured is liable to pay to any third party pursuant to a court order, an arbitration award or an out-of-court settlement effected in accordance with article 10.1, after deduction of the applicable deductible, if any;
- 4.1.2 the costs of measures as described in article 1.8 that are taken by or on behalf of the policyholder or any insured party and are reasonably required in order to avert the imminent risk of loss or damage for which – once occurred – an insured party would be liable and which is covered under the policy, or in order to minimise such loss or damage. Within this context costs of measures shall also be understood to mean damage to property that is employed as part of the measures referred to hereinbefore.
- 4.2 In the event of an insured loss or damage, the insurers shall pay, if necessary in excess of the limit of indemnity, the statutory interest accrued on the part of the principal sum covered by the insurance.

## 5. EXCLUSIONS

## 5.1 WILFUL ACT OR RECKLESSNESS

- 5.1.1 This insurance shall not cover the liability of the insured consisting of compensation payable to a third party for any loss or damage caused by a wilful act or recklessness of the insured held liable. With regard to legal entities, only the wilful act or recklessness of the director or officer within the meaning of Book 2 of the Netherlands Civil Code and of executives shall be excluded. With regard to general partnerships, both the wilful act or recklessness of the individual partners and the wilful act or recklessness of the joint partners shall be excluded.
- 5.1.2 In the event of an insured being held liable for any loss or damage caused by a wilful act or recklessness of his subordinate(s), such loss or damage shall be compensated, provided that the insured has not been at fault in respect of the wilfully or recklessly caused loss or damage and the remaining policy conditions have been complied with, and the insurers shall have the right to recover said compensation from the party/parties who caused the loss or damage.

## 5.2 VESSELS, AIRCRAFT ETC.

This insurance shall not cover the liability of the insured for any loss or damage caused by or with vessels, aircraft, cranes, installations and similar heavy equipment if and insofar as the liability for such loss or damage is or would generally be covered under any other policy of the insured or any third party.

The deductible applicable under any other policy shall on no account qualify for compensation hereunder.

This exclusion shall not apply to the liability of the insured for any loss of or damage to cargo (arranged) to be transported, subject to the remaining provisions of this policy.

## 5.3. THIRD PARTY MACHINERY AND EQUIPMENT AND SUCH LIKE

This insurance shall not cover the liability for damage to third party property used by the insured, including any property made available by the principal, however, such subject to the provisions of article 7.

## 5.4. MOTOR VEHICLES

This insurance shall not cover the liability for loss or damage caused by or with a motor vehicle within the meaning of the Motor Insurance Liability Act [*Wet Aansprakelijkheidsverzekering Motorrijtuigen*] or any analogous foreign law.

This exclusion shall not apply to the liability of the insured for any loss of or damage to cargo (arranged) to be transported, subject to the remaining provisions of this policy.

## 5.5 WAR AND STRIKE RISKS

This insurance shall not cover the liability for loss or damage as a direct or indirect result of war and strike risks, which shall be understood to mean:

- war and warlike operations, civil war, revolution and insurrection;

- effect of torpedoes, mines, bombs and similar armaments left behind from any of these situations, even if the loss or damage arose in peacetime;
- seizure and arrest by order of the authorities;
- acts of violence committed for political reasons, including terrorism and sabotage;
- riots, commotion and local disturbances.

## 5.6 CLAUSE ON NUCLEAR REACTIONS, (BIO)CHEMICAL WEAPONS

5.6.1 This insurance shall not cover any loss or damage caused by, manifesting itself during or arising from:

5.6.1.1 Nuclear reactions, regardless how the reaction has arisen. Nuclear reaction shall be understood to mean any nuclear reaction in which energy is released such as nuclear fusion, nuclear fission, artificial and natural radioactivity.

This exclusion shall not apply to radioactive nuclides existing outside a nuclear facility which are used or designated to be used for industrial, commercial, agricultural, medical or scientific purposes, with the proviso that a licence pertaining to the manufacture, use, storage and disposal of radioactive substances must have been issued by the government.

The exclusion shall remain in full force and effect insofar as a third party is liable for the incurred loss or damage pursuant to the law.

The law shall be understood to mean the Nuclear Accidents Liability Act [*Wet Aansprakelijkheid Kernongevallen*], being the special statutory regulation of liability with regard to nuclear energy.

Nuclear facility shall be understood to mean a nuclear facility within the meaning of said Act.

5.6.1.2 A chemical, biological, biochemical or electromagnetic weapon.

## 5.7 EXCLUSION HAZARDOUS SUBSTANCES ACT [*WET GEVAARLIJKE STOFFEN*]

Insofar as necessary, it is hereby expressly noted that any liability for loss or damage caused by or with a substance as referred to in The Implementing Order on Hazardous Substances and Environmental Impairment Liability [*Het Uitvoeringsbesluit Aansprakelijkheid Gevaarlijke Stoffen en Milieuverontreiniging*] shall be excluded from cover under this policy.

## 5.8 CHARTERERS' LIABILITY

This insurance shall not provide cover for charterers' liability. This exclusion shall not apply to the liability of the insured for any loss of or damage to cargo (arranged) to be transported, subject to the remaining provisions of this policy.

## 5.9 CLAUSES INCREASING LIABILITY

This insurance shall not cover the liability arising from a penalty, indemnity, warranty, hold-harmless or any similar clause, save insofar as liability would also have existed without said clauses.

#### 5.10 DOCUMENTS

This insurance shall not cover the liability of the insured as a direct or indirect result of irregularities in or with respect to property and/or documents, if as a result of such irregularities taxes, fees, excise duties, agricultural levies, return of subsidies, administrative or other penalties are claimed, irrespective of the party submitting such claim.

This exclusion shall not apply to any loss as described hereinbefore, if the claim in question is made against the insured in his capacity as carrier or forwarding agent (and these activities are included as such under the policy), and the insured is liable pursuant to the applicable terms and conditions of carriage, however not beyond the scope of the Netherlands Civil Code, AVC, CMR, Fenex, and similar standard conditions, and proves that the claim has been made against him in that capacity.

#### 5.11 ISM

Excluded from cover shall be all liability arising from the carriage, whether contracted out or not, of property by a ship that does not have a valid safety management certificate as referred to in the ISM Code on board or whose Ship owner or Charterer does not have a valid document of compliance as referred to in the ISM Code as required under the SOLAS Convention of 1974 with supplements. This exclusion shall only apply if the insured was aware of the fact that said documents had not been obtained prior to or during loading, or should in fairness have been aware thereof.

#### 5.12 ISPS

Excluded from cover shall be all liability arising from the carriage, whether contracted out or not, of property by a ship or through a port facility company that does not have a valid International Safety Certificate as referred to in the ISPS Code (International Ship and Port Facility Security Code). This exclusion shall only apply if the insured was aware of the fact that said documents had not been obtained, or should in fairness have been aware thereof.

### 6. CHANGE IN ACTIVITIES

The premium rates and conditions shall apply to the activities of the insured as specified in the schedule. If said activities change or their range increases, the relevant cover shall not be effective until the insurers have accepted such change or increase in range.

### 7. DAMAGE TO CONTAINERS, CHASSIS, TRAILERS, SEMI-TRAILERS

Contrary to the provisions of article 5.3, the insurance shall be extended to cover the liability, legal or contractual, for loss of or damage to trailers, containers, chassis, semi-trailers used by or in the care, custody or under the control of the insured, arisen as part of the performance of an activity that is covered under the policy.

Cover under this section shall only be effective for a maximum period of 24 consecutive hours in respect of each and every event.



Extension of said period shall be held covered, provided that the insurers were notified thereof in advance, and such at an additional premium and/or conditions to be agreed on.

## 8. DEBRIS REMOVAL COSTS

Costs and expenses in connection with the debris removal of damaged property temporarily in the charge or under the control of the insured or any other party on his behalf within the scope of his activities (as stated in the policy) and whose debris removal the insured is obliged to carry out pursuant to any statutory provision, shall be reimbursed, if necessary in excess of the limit of indemnity, up to and not exceeding the amount in respect of each and every occurrence stated on the schedule, if the insured is liable for the damage and relevant cover is provided under the policy.

In addition, it is hereby expressly provided that all costs and expenses incurred in connection with the destruction of property, as well as all costs and expenses incurred in connection with the clearance/removal of chemicals or any other environmentally hazardous substances that have been absorbed by soil, air or water, shall be excluded from cover.

If said costs and expenses are also covered under one or more other policies or would but for the existence of this insurance have been covered there under, cover shall only be provided as excess of loss of the cover provided by the other policy/policies, regardless of any article on concurrence incorporated in such other policy/policies.

On no account shall the deductible applicable under any other policy qualify for compensation hereunder.

## 9. OBLIGATION IN CASE OF LOSS OR DAMAGE

- 9.1. As soon as a circumstance has occurred which may give rise to a liability on the part of the insured to pay compensation, recoverable under this insurance, or as soon as a claim to that effect has been submitted to him, the insured shall be obliged to notify the broker of such circumstance or claim as soon as is reasonably possible. Compliance with this obligation shall not be required if the amount payable as indemnity does not exceed the deductible stated in the policy, or if the insured decides to pay the damages himself.
- 9.2. The insured shall be obliged to supply the broker within a reasonable period with all claim-related documents and to refrain from making any promise or statement or from doing anything that may be interpreted as an admittance of liability to pay compensation and any other conduct that may prejudice the right towards third parties against whom a claim for compensation exists.
- 9.3. The insured shall be obliged to provide, upon request and otherwise, all such information as may be of relevance to the assessment of his liability.
- 9.4. The policyholder or the insured shall be obliged to take measures to preserve property from loss or damage or to minimise loss or damage as referred to in Section 957 of Book 7 of the Netherlands Civil Code.
- 9.5. If the policyholder or the insured has failed to comply with any of the obligations as referred to in paragraphs 1 up to and including 4 of this article, the insurers shall have the right to reduce the payment by the loss incurred by them as a result thereof.

- 9.6. All right to make a claim shall be forfeited if the policyholder or the insured has failed to comply with any of the obligations referred to in paragraph 1 up to and including 4 of this article with the intention to mislead the insurers, save insofar as such misleading does not justify the forfeiture of rights.

## 10. CLAIMS HANDLING

- 10.1 The insurers shall take all decisions concerning loss assessment, whether or not to negotiate on or reach an out-of-court settlement, the defence of the insured in case of the insured being prosecuted, the defence against or the fulfilment of an agreement to pay indemnity, the acceptance of a decision or judgment of a court or any other competent authority.
- 10.2 If a claim for compensation exceeds the limit of indemnity, the decisions referred to in the preceding paragraph shall be taken by the insurers in consultation with the insured.
- 10.3 The insurers shall be authorised to indemnify an injured third party directly. Said indemnification may take place in consultation with the broker, subject to the provisions of article 20.

## 11. COSTS OF LITIGATION

This insurance shall be extended to cover costs of litigation and costs of legal assistance related to liability covered under this insurance, also if the claims prove to be unfounded in whole or in part and even if together with the amount payable as indemnity under this policy, the agreed upper limit were to be exceeded.

However, the cover for costs of litigation and costs of legal assistance described hereinbefore, shall only apply if and insofar as said costs have been incurred in consequence of the claims handling procedure pursued or approved by the insurers and insofar as they exceed the deductible.

## 12. CONCURRENCE

- 12.1 Should it appear that a claim covered by this insurance is also covered under any other policy or policies or would but for the existence of this insurance be covered thereunder, this insurance shall be effective as excess of loss of such other policy or policies or otherwise as difference in conditions, all this subject to the provisions of article 12.2.
- 12.2 If such other policy or policies include(s) a provision as contained in article 12.1 or of similar import or if the claim settlement under said other policy or policies presents any problems or if the insured wishes to claim under this policy for other reasons, the insurers shall pay him a sum equal to the amount that would but for the existence of said other policy or policies have been paid under this policy, in consideration whereof the insured shall cede his claim against the insurers of such other policy or policies to the amount of the sum thus paid, such subject to the provisions of article 12.3.
- 12.3 The cession referred to in article 12.2 shall relate to that part of the sum paid by the insurers that exceeds the amount that would have been payable by them had article 12.2 not been included, which part shall apply as purchase price for the ceded claim.
- 12.4 On no account shall the deductible applicable under any other policy qualify for compensation hereunder.

### 13. RETROACTIVE/SUBSEQUENT COVER

This insurance shall cover the liability insofar as the loss or damage in respect whereof liability has been established, has been caused within the policy period, with the proviso that the liability for loss or damage that has manifested itself after expiry of the policy period shall not be included under the policy, save insofar as no more than 12 months have elapsed since the expiry of the policy period and provided that the insured has notified the broker of such loss or damage forthwith once he was or could reasonably have been aware of said loss or damage.

### 14. LIMITATION OF LEGAL CLAIM

- 14.1. Any legal claim against the insurers to pay indemnity shall become prescribed by the lapse of three years after the start of the day following the one on which the insured first had knowledge of the exigibility thereof. Nevertheless, in case of an insurance against liability, the legal claim shall not become prescribed until six months have elapsed after the claim against which the insurance provides cover, was submitted within the limitation or expiry period applicable thereto.
- 14.2. The limitation period shall be interrupted by a written notification whereby payment of indemnity is claimed. A new limitation period shall become effective at the start of the day following the one on which the insurers either admitted the claim or notified unequivocally by registered post to have refused the claim stating as unequivocally the effect referred to in paragraph 3.
- 14.3. In the event of a refusal, the legal claim shall become prescribed by the lapse of twelve months.

### 15. SECURITY

If the insured has to provide a security as a result of a circumstance which may give rise to liability on the part of the insured, the insurers shall upon the insured's request issue a guarantee on the basis of the most recent Rotterdam Guarantee Form [*Rotterdams Garantieformulier*] up to and not exceeding the limit of their liability under this policy and subject to the remaining policy provisions.

The insurers shall not be obliged to comply with the insured's request unless:

1. any third party has proceeded to prejudgment attachment (by garnishment) to the debit of the insured in this matter, or
2. an attachment as described hereinbefore is likely to take place, or
3. the insured is otherwise compelled to provide a security.

On no account shall it be possible to place the insurers under an obligation to issue more than one guarantee as described hereinbefore in respect of one single claim.

If and insofar as the insurers issue a guarantee, the extent of such guarantee shall in any case be limited to an amount stated on the schedule.

### 16. CLAUSE ON CARGO THEFT

If cover under the policy includes carrier's liability for road transport and haulage, Clause G23 CLAUSE ON CARGO THEFT DURING ROAD TRANSPORT AND HAULAGE shall also be applicable.

## PREMIUM REVISION

The insurers shall have the right to revise the premium rates annually as from the premium revision date stated in the policy. If the insurers decide to exercise said right, they shall advise the broker thereof not later than 2 months prior to the premium revision date.

The premium revision date shall coincide with the annual renewal date of this policy.

## 18. ACCEPTANCE THROUGH AUTHORISED UNDERWRITING AGENTS

Insofar as acceptance took place through authorised underwriting agents, they hereby declare to have signed on behalf of the insurers and to have underwritten the shares accepted on their behalf, as stated and specified in the quota shares statements filed by the authorised underwriting agents with the Netherlands Insurance Exchange Association.

If the participating insurers and the shares underwritten on their behalf have not been stated in the policy, the Association mentioned in the preceding paragraph shall upon request provide any interested party with a statement of the insurers in question and their shares.

Interested parties may also apply to the broker to obtain the statement referred to in the second paragraph.

## 19. PAYMENT OF PREMIUM AND INDEMNITY

### 19.1. DEFINITIONS

- 19.1.1. For the application of this article 'premium' shall be deemed to include any other amount due in connection with this insurance.
- 19.1.2. For the application of this article 'insured' shall be deemed to include the policyholder as well as any other party who owes the premium.

### 19.2. PREMIUM

- 19.2.1. The broker shall undertake to pay the premium to the insurers as if the broker were indebted at the moment the premium is due by the insured pursuant to the insurance contract. Unless expressly otherwise agreed, the premium shall be paid by the broker by crediting the insurers on current account for the premium due by the insured pursuant to the insurance contract, at which point the insured shall be discharged towards the insurers.
- 19.2.2. The insured shall be obliged to pay the premium to the broker. In case the insurance contract has been concluded through a second intermediary and the insured has paid the premium to said second intermediary, the insured shall not be discharged towards the broker by said payment until the second intermediary has paid the premium to the broker.

- 19.2.3. Without prejudice to the insured's liability to pay the premium due to the broker, the insurance shall only be effective for the period for which the premium has been paid to the broker, as well as for the period for which the broker has granted the insured credit. For the purposes of interpretation hereof, the insured shall be deemed to have been granted credit, unless this has been revoked in writing.
- 19.2.4. On the insured's acceptance of this contract the broker shall be deemed to have been irrevocably authorised by the insured to release the insurers of their obligations under this contract prematurely, if the insured or, in case this contract has been concluded through a second intermediary, said second intermediary fails to pay the premium to the broker. The broker shall not release the insurers of their obligations without prior written notice of such intention to the insured.

### 19.3. PAYMENT OF INDEMNITY AND RETURN OF PREMIUM

- 19.3.1. Unless the party entitled prefers a different manner and has given prior written notice thereof to the insurers, the broker shall debit the insurers on current account for any payable indemnity and return of premium.

The insurers shall thereby be discharged as soon as the payment of indemnity has been received by the party entitled thereto or otherwise has been settled with said party in accordance with the law or any existing arrangement between him and the broker.

If the insurers have paid the damages to the broker and the broker defaults on payment thereof to the party entitled, the insurers shall have the right to reclaim the damages from the broker if they are called upon by the party entitled to make a renewed payment.

If the broker has paid the damages received from the insurers to the second intermediary, but the latter defaults on payment thereof to the party entitled, the broker shall have the right to reclaim the damages from said second intermediary if he is either called upon by the party entitled to make a direct payment or the insurers reclaim said damages from the broker as provided for in this paragraph.

- 19.3.2. The broker shall pay any indemnity and return of premium to the party entitled thereto. However, the broker shall only be liable to pay the balance that remains after said indemnity and return of premium have been set off against any receivables from the insured under any other insurance, whether due and payable or not, yet undisputed at the time the liability to pay arises. If the entitlement to payment of indemnity is subject to a pledge as referred to in Section 229 of Book 3 of the Netherlands Civil Code, or a benefit as referred to in Section 283 of Book 3 of the Netherlands Civil Code, as well as in case of a non-compulsory insurance against liability, the settlement shall not extend beyond that which is payable by the policyholder in respect of the insurance under which the payment is made.

## 20. PREMIUM SETTLEMENT

If a deposit premium has been paid, the policyholder shall upon expiry of each policy year be obliged to submit a statement of the final figures over the policy year in question, whereupon the final premium due for said period shall be determined. If the final premium falls short of the deposit premium, the insurers shall refund the difference, however, subject to the agreed minimum premium, if any. If the final premium exceeds the deposit premium, the policyholder shall be charged for the surplus.

## 21. FINAL PREMIUM SETTLEMENT

The insured shall be obliged to submit a statement of the gross turnover over the last policy year annually within 6 months of the premium due date. If the insured fails to comply with the aforementioned obligation, the insurers shall have the right to calculate the final premium on .... % of the last-known turnover.

## 22. TURNOVER

Upon the insurers' request the insured shall be obliged to submit an audit certificate issued by an independent expert presenting the sales figures.

## 23. TO FOLLOW CLAUSE

The underwriters of this policy shall bind themselves to follow any decision taken by the two leading underwriters.

This provision shall not apply to any increase in the limits(s) of indemnity, nor to any ex gratia payment.

## NOTICES AND COMMUNICATIONS

All notices and communications from either party intended for the other party shall be deemed to have been duly made when directed to the broker.

## 25. APPLICABLE LAW

This insurance contract shall be governed by and construed in accordance with the laws of the Netherlands.

## 26. DISPUTES

Subject to the statutory regulations pertaining to the relative competence of the subdistrict court and those pertaining to higher authorities, all disputes concerning this contract shall be subject to the jurisdiction of the competent court in Rotterdam or Amsterdam.

## CLAUSES

### 001/2002 WAIVER OF RIGHT TO INVOKE TERMS AND CONDITIONS

Subject to the limitations and exclusions as stated in de General Conditions and on the schedule, the insured may at his own discretion:

- in the event of property damage waive the right to invoke conditions limiting liability, which constitute a further restriction of his liability than the liability that exists under any law or treaty;
- in the event of property damage waive the right to invoke limitation or expiry periods provided that such a period has not been exceeded by more than 12 months.

If the insured is in a position to avail himself of this provision, a deductible of ....% of the gross claim amount shall be applicable with a minimum of twice the highest deductible stated in the policy.

The limit of indemnity payable under this clause shall amount to € ..... in respect of any one policy year.

This clause shall neither apply to the General Terms and Conditions of Carriage [*Algemene Vervoerscondities*] nor to mandatory statutory provisions nor to article 5.10 of the Specimen Policy for Liability arising from Logistic Services 2007.

If the insured invokes this clause (waiver of right to invoke terms and conditions), the provisions of article 23 of the General Conditions shall not be applicable.

### 002/2002 FIATA DOCUMENTS

This insurance shall cover the liability of the insured arising from and/or in connection with FIATA documents issued by or on behalf of him such as:

- FBL (FIATA Multimodal Transport Bill of Lading)
- FCR (Forwarders Certificate of Receipt)
- FCT (Forwarders Certificate of Transport)
- FWR (FIATA Warehouse Receipt)

### 003/2002 COST OF DESTRUCTION

Article 8 (Debris Removal Costs) shall be deemed to be deleted and replaced by the following clause.

Costs and expenses in connection with the debris removal or destruction of damaged property temporarily in the charge or under the control of the insured or any other party on his behalf within the scope of his activities (as stated in the policy) and whose debris removal or destruction the insured is obliged to carry out pursuant to any statutory provision, shall be reimbursed, if necessary in excess of the limit of indemnity, up to and not exceeding €.....in respect of each and every claim, if the insured is liable for the damage and relevant cover is provided under the policy.

In addition, it is hereby expressly provided that all costs and expenses incurred in connection with the clearance/removal of chemicals or any other environmentally hazardous substances that have been absorbed by soil, air or water, shall be excluded from cover.

If said costs and expenses are also covered under one or more other policies whether of an earlier date or not, or would but for the existence of this insurance have been covered there under, cover shall only be provided as excess of loss of the cover provided by the other policy/policies, regardless of any article on concurrence incorporated in such other policy/policies.

On no account shall the deductible applicable to any other policy qualify for compensation hereunder

**004/2002 REPLACEMENT OR REMEDY OF A FAILURE IN THE PERFORMANCE INCLUDING CONSEQUENTIAL LOSS.**

Contrary to the provisions of the conditions, it is hereby provided that the insurance shall be extended to cover the costs and expenses arising on the part of the insured as a result of incorrect delivery or mix-up of goods for which he is (held) liable under the law or by contract. The limit of indemnity payable under this clause shall amount to € ..... in respect of any one policy year.

*The VNAB policy conditions and clauses are NOT BINDING. They merely serve as specimen which may be customised by alterations, additional provisions and/or clauses. VNAB market players are free to offer other policy conditions to their customers.*

*These conditions and/or clauses may be deviated from by means of additional provisions and/or clauses.*

*In case of any difference between the wording of these conditions and/or clauses and the Policy for Liability arising from Logistic Services 2007 [Modelpolis voor Aansprakelijkheid uit Logistieke Diensten (MAUL 2007) ] which was filed on 11 May 2007 with the Netherlands Insurance Exchange Association, the provisions of the latter shall prevail.*

*As market players are free to use them at their own discretion, the VNAB cannot assume any liability for the application or contents of the model conditions and clauses.*

*For previously published (older) conditions, please contact the VNAB.*

*The official title of these conditions is: 'Policy for Liability arising from Logistic Services (2007)'. The wording is available via the website of the Coöperatieve Vereniging Nederlandse Assurantie Beurs B.A., [www.vnab.nl](http://www.vnab.nl).*