

MARINE MAJOR EXCLUSIONS AND UNINSURED RISKS

This list is not exhaustive, please refer to the policy document at all times.

| <u>EXCLUSIONS</u> | <u>EXPLANATION</u> |
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| Atomic or nuclear weapons of war: | Loss or damage arising as a result of the deterioration or an atomic or nuclear weapon of war |
| Claims Notification: | Loss, damage or expense not recoverable hereunder unless prompt notice is given to underwriters |
| Consequential Loss | Cover under the marine policy is in respect of physical loss or damage to the cargo only. No consequential losses whatsoever (e.g loss of market, wages, project delay, etc) are recoverable |
| Loss: Delay: | Loss, damage of expense proximately caused by or consequent upon delay are not recoverable, even if the delay was caused by a peril insured against |
| Dead Freight/ Demurrage: | Dead freight is an expense for failure to use cargo space booked. Demurrage expenses are levied for the holding of public/private transport beyond agreed period |
| Inherent Vice or Nature of the goods: | A quality inherent in a cargo which produces damage to the cargo without the assistance of an outside agency and by its own action. This is the reason why this exclusion exists |
| Insolvency or Financial default: | Loss, damage or expense arising from insolvency or financial default of owners, managers, charterers or operators of the carrying vessel where the Assured should be aware of this |
| Insufficient packing or Stowage: | Goods are always expected to be sufficiently packed to withstand the ordinary perils of the contemplated transit. Losses or damage to cargo that has not been adequately packed and/or prepared as to withstand the ordinary perils/handling during the transit and/or cargo inadequately stowed are not recoverable |
| Losses which are not Fortuitous: | Losses must occur "by chance" - they cannot be inevitable in nature |
| Mechanical Derangement: | Cover does not extend to include mechanical derangement of cargo unless attributable to an insured marine peril |
| Normal Wear and Tear: | Ordinary (expected) leakage, loss in weight/volume or ordinary wear and tear |
| Prior/Post Loss or Damage: | Prior to attachment of risk or insurable interest. After delivery to final warehouse or place of storage other than during the normal course of transit. Note cover is also subject to Cover after Discharge Clause |
| Radioactive Contamination: | Loss, damage or expense attributable to the radioactive contamination of the cargo are not recoverable |
| Rust: | Rust damage to "non-containerised" goods carried on deck |
| Second-Hand Machinery: | Damage to second-hand machinery unless inspected by approved surveyors and/or Insurers prior to import and/or export |
| Wilful Misconduct of the Assured: | Loss, damage or expense where the Assured wilfully and knowingly acts in a manner which results in a loss are not recoverable |
| Unseaworthiness (Vessel/Conveyance): | Loss or damage attributable to the unseaworthiness of a vessel/conveyance where the Assured was privy to the fact that the vessel/conveyance was unable to withstand the rigors/hazard of the intended voyage |
| Unexplained or Mysterious Disappearances: | Unexplained or Mysterious Disappearance or shortage revealed at any stocktaking or shortage due to clerical or accounting error or theft not accompanied by forcible and violent entry into the storage location and/or forcible and violent exit from same. |

UNINSURED RISKS UNDER THE MARINE INSURANCE COVER

The following covers are currently not in place but can be sought upon request.

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| Embargoes/Rejection: | Cover does not extend to include loss or damage reasonable attributable to an embargo, or any other such restrictions or trade, imposed by Government, Public or Local Authority, or any other such body |
| Political Confiscation: | Loss or damage to cargo arising from political confiscation , expropriation, appropriation, requisition, Nationalisation or deprivation of cargo by a Government, Public or Local Authority, or any such body, of a country insured under your policy |
| War Risks on Land: | Generally, War Risks cover only applies to cargo whilst on the water and/or in the air |
| Charterer's Liability Cover: | This insurance covers the legal liabilities you may incur, in your capacity as Charterer, as well as the legal costs incurred in defending or pursuing a dispute |
| Strikes Diversion Expenses Cover: | In the event that cargo cannot be discharged at the intended port of discharge due to a strike, this insurance will indemnify you in respect of any costs reasonably incurred in the subsequent transportation of your cargo |
| Terrorism Exclusion: | Loss or damage arising as a result of an act of terrorism whilst the Subject Matter is "deliberately" in store (i.e. other than in the normal course of transit). In RSA SASRIA cover buys back some cover in this regard |
| Marine Import Business Interruption: | The loss of a shipload of imported components or raw material could cause production to stop. Cover is limited to the amount included in the basis of valuation under the Marine Cargo Insurance Policy |

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