

**FREIGHT FORWARDERS INSURANCE (FFL)**  
**Schenker Expeditie Verzekering SEV**

Indemnity Insurance for the party interested in the goods

Policy Holder:  
Schenker Nederland B.V. Holding  
Co-insured:  
Schenker B.V.  
Schenker International B.V.  
Schenker HTL B.V..  
Hereinafter called Schenker

Please note:

**Only German law and the German written terms and conditions** on which the policy is based shall apply. The English translations for the Policyholder are for information purposes only.

**1 Coverage**

**1.1 Contracts of carriage / Insured cargo**

Coverage is provided for the transportation and storage of goods of any nature within the scope of contracts of carriage concluded with Schenker as the agent, for all types of activity it performs, regardless of whether such activity involves forwarding, freight, storage or other business typically associated with the freight forwarding business. This also includes logistics services typically associated with freight forwarding, when provided in connection with the transportation or storage of goods.

**1.2 Policyholder**

The Policyholder is Schenker. as the legal entity, including all principal and ancillary operations. Other operations can be included in cover subject to special agreement.

Coverage is provided for:

The party interested in the goods (the Insured) against loss of or damage to goods, consequential losses caused by the loss of or damage to goods and pure financial losses; the Insured can assert its insurance claim.

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Notwithstanding the foregoing, such trade or economic sanctions, laws and regulations of the United Kingdom or the United States of America are only legally binding on the Master, if and to the extent that their application does not contravene European or German legislative provisions.

## **2 Contractual bases**

In addition to these written terms and conditions, the following terms and conditions and clauses form the bases of the policy:

DTV Cargo Insurance Conditions 2000 in the 2011 version

(DTV Güter 2000/2011) – Full Cover –

DTV Cargo Insurance Conditions 2000 in the 2011 version

(DTV Güter 2000/2011) – Open Policy –

War Clause for the insurance of goods carried by sea and for air transports to and from foreign countries governed by the provisions of DTV Cargo 2000/2011

Strikes, Riots and Civil Commotions Clause for insurances governed by DTV Cargo 2000/2011.

Classification and Age Clause for insurances governed by DTV Cargo 2000/2011

Pure Financial Losses Clause for insurances governed by DTV Cargo 2000/2011

Consequential Losses Clause for insurances governed by DTV Cargo 2000/2011

Provisions for the loss event

The Special Terms and Conditions shall precede the General Terms and Conditions if these deviate from the latter, whereby the written Terms and Conditions shall take precedence over all printed terms and conditions.

## **3 Conclusion of indemnity insurance**

The Policyholder takes out the indemnity insurance.

#### **4 Insured/Party interested in the goods**

Coverage is provided for the parties interested in the goods, namely the principal which appoints Schenker and each entity which carries the risk for the transported or stored goods or who otherwise has an interest assessable in monetary terms in the goods surviving the risks associated with shipment or ordered storage and in the contracts of carriage concluded with Schenker and the commissioned carriers being fulfilled in compliance with the terms and conditions of the contract. Forwarding agents, warehouse operators, transshipment companies and freight forwarders, shippers, freight brokers and other carriers and insurers are, as such, not parties interested in the goods.

#### **5 Territorial scope**

- 5.1 With the exception of ordered storage the indemnity insurance covers contracts of carriage within the geographical borders of Europe and the Asian part of Turkey.
- 5.2 Ordered storage can be insured within the Netherlands.

#### **6 Insured losses**

The following are included in insurance cover:

- 6.1 Losses to cargo, i.e. loss of and damage to the goods specified in the contract of carriage;
- 6.2 Cargo consequential losses, i.e. financial losses caused as a result of the loss of or damage to cargo;
- 6.3 Pure financial losses, i.e. losses which are not connected with a cargo loss or other loss of or damage to property provided that Schenker is liable on the merits according to the dutch legal provisions applicable to the contract of carriage.
- 6.4 Claims according to Sections 5.1 to 5.3 are also covered if caused deliberately or due to gross negligence by Schenker or by any of its representatives.

## **7 Reimbursement of expenditure**

- 7.1 The Insurer reimburses the amount the Insured is required to pay towards the general average according to a general average statement based on law or the York Antwerp Rules or the Rhine Rules IVR 1979, insofar as the general average measure is intended to avert a loss to be carried by the Insurer. If the contributory value exceeds the insured value, the Insurer shall pay full compensation up to the amount of the sum insured. The terms and conditions concerning underinsurance remain unaffected unless the insured value exceeds a sum insured of EUR 1,000,000.00.
- 7.2 The Insurer reimburses Schenker. and the Insured for expenditure incurred to avert or reduce the extent of an indemnifiable loss, provided that it considers it appropriate under the circumstances. In the event of underinsurance, expenditure is reimbursed in the proportion of the sum insured to the insured value unless the insured value exceeds a sum insured of EUR 1,000,000.00.

## **8 Period of insurance**

- 8.1 The period of insurance commences as soon as the cargo ready for shipment is taken from the loading zone for loading in order to execute the contract of carriage. The period of insurance ends as soon as the cargo arrives and has been unloaded at the destination specified in the contract of carriage. However, the insurance excludes previous and subsequent services provided in connection with the contract of carriage.
- 8.2 In the case of storage orders issued to Schenker by the principal the period of insurance commences as soon as the warehouse operator takes custody of the goods for storage and ends as soon as the warehouse operator has relinquished custody of the goods for removal from storage according to the terms of the contract.
- 8.3 Carriage-related preliminary, intermediate and subsequent periods of storage are covered.

## **9 Exclusions**

Unless special arrangements have been made, the following are excluded from insurance cover:

- 9.1 Removal goods, paintings, works of art, precious stones, real pearls, cash, valuables, documents, certificates and live animals and plants;
- 9.2 Losses caused by inherent vice, the natural properties of the goods, normal humidity, usual fluctuations in temperature;
- 9.3 Customary differences or losses in number, weight or dimension of the goods;
- 9.4 Losses caused due to a lack of packaging or defective secure packaging for shipment, unless Schenker or another third party (e.g. packing company) is obliged to carry out packing;
- 9.5 Losses caused due to war, civil war or similar hostilities and losses which – whether war is declared or not - arise from the hostile use of weapons of war and from the existence of derelict weapons of war;
- 9.6 Losses caused due to strike, lock-out, industrial unrest, acts of violence by terrorist or political groups, irrespective of the number of people involved, riots and other civil commotion;
- 9.7 Losses due to confiscation, deprivation of possession or other interventions of higher authority;
- 9.8 Due to nuclear energy;
- 9.9 Losses caused by the usage of chemical, biological, biochemical substances or electromagnetic waves as weapons which constitute a public danger, irrespective of other contributory causes, are excluded from cover.
- 9.10 Losses of a punitive nature, e.g. fines, administrative penalties, civil penalties;
- 9.11 Losses caused due to insolvency or default of payment on the part of the owner, charterer or operator of the ship or due to any other financial disputes involving the above parties;
- 9.12 Losses caused as a direct result of advances, reimbursements or similar not being used expediently, not being passed on or paid back; a more far-reaching loss caused as a result thereof shall remain unaffected;

- 9.13 Losses arising from the conclusion of contractual agreements which are not generally common in the freight forwarding business, such as contractual penalties, delivery deadline guarantees of a carrier;
- 9.14 Losses which are covered by other insurance on the merits; risks which are covered or which could have been covered by Property insurance are excluded;
- 9.15 Losses to goods in transit (irrespective of the respective means of transport) caused deliberately or due to gross negligence by the Insured or any of its representatives; For other losses (in particular to goods in storage) the exclusion applies if the Insured or its representative caused the loss deliberately; in the case of gross negligence the Insurer shall have the right to reduce the compensation it pays accordingly, in proportion to the severity of the blame apportioned to the Insured or its representative;
- 9.16 Bodily injury claims.

## **10 Obligations**

- 10.1 In the event of a loss the Insured is obliged
  - 10.1.1 to report each and every loss to Schenker immediately, in the form of written loss advice.
  - 10.1.2 The freight forwarder is obliged to pass the loss advice submitted by the Insured on to the Insurer.
  - 10.1.3 to do everything possible to avert and minimise the extent of the loss; to secure the possibility to seek recourse from third parties, to provide any information necessary, furnish documents and to follow the instructions issued by the Insurer.
- 10.2 In the event of losses in distribution warehouses the Insurer is entitled to demand that the Policyholder and the Insured conduct additional inventories subject to agreement, in addition to the annual inventory.
- 10.3 If the Insured or any of its representatives breaches an obligation deliberately or due to gross negligence, in consideration of the provision of Section 28, para. 3 of the German Insurance Contract Act (VVG) the Insurer is released from its obligation to pay compensation insofar as this concerns the loss of or damage to goods in transit. In the case of other claims (in particular involving goods in storage) the Insurer is released from its obligation to pay compensation according to Section 28 VVG if the breach was committed deliberately; in the event of a breach of obligation due to gross negligence the Insurer has the right to reduce compensation commensurate with the severity of the blame apportioned to the Insured or its representative; the onus of proof of the non-existence of gross negligence lies with the Insured.

## **11 Scope and limitation of compensation**

The amount of compensation payable by the Insurer for each claim is limited:

- 11.1 in the case of loss of or damage to cargo, to the sale price, if the cargo was sold, otherwise to the market value which the cargo had at the location and at the time of commencement of insurance, in each case plus costs incurred for the journey and less any costs saved, in any event it is limited to the sum insured of maximal 1.000.000,00 EUR;
- 11.2 in the case of cargo consequential losses, in addition to the cargo loss, to double the insured value, and not more than double the sum insured;
- 11.3 in the case of pure financial losses, to double the insured value, and not more than double the sum insured;
- 11.4 to a maximum amount of EUR 2,000,000,00.
- 11.5 In the event of underinsurance the Insurer pays compensation for the loss in the proportion of the sum insured to the insured value. Underinsurance is excluded if the insured value exceeds the sum insured of EUR 1,000,000.00.
- 11.6 Maximum compensation payable by the Insurer per insured loss event is EUR 5,000,000.00. Losses caused to several Insured by a single loss event shall, irrespective of the number of claimants and number of contracts of carriage, be indemnified on a pro rata basis in proportion to the claims if the combined claims exceed the maximum limit of indemnity.



**12 Cut-off period, legal venue, governing law**

Claims under this indemnity insurance lapse if action is not taken against the Insurer within two years of the claim being reported to Schenker. The time limit can be extended subject to agreement.

Provided that the principals are traders, legal entities under public law or public special assets, the legal venue is Germany; this legal venue is exclusive for claims involving foreign commercial principals. For the rest, Section 215 of the VVG remains unaffected.

German Law applies to the insurance policy.

**13 Premium**

The premium is specified in the respective table of rates, as amended.

**14 Insured value and sum insured**

14.1 The insured value is the sale price or otherwise the market value which the cargo had at the location and at the time of commencement of insurance, plus costs incurred for the journey and other costs.

14.2 The maximum sum insured under this indemnity insurance is EUR 1,000,000.00.

14.3 The objection of underinsurance is excluded if the insured value exceeds the sum insured of EUR 1,000,000.00.

## **15 Declaration**

- 15.1 The principal is obliged to notify Schenker of the required sum insured or, at its request, to provide additional necessary information in writing in due time. Any failure to do this shall entitle Schenker to assess the insurance value up to a maximum of € 1,0 m.
- 15.2 The Insured shall not be placed at a disadvantage if Schenker commits an error when filing for insurance, the filing of the required sum insured is omitted, Schenker premiums are not paid on time or in full or at all, provided that the principal had communicated the required sum insured in writing in due time.

This term does not apply to estimation errors. For the rest, Schenker remains obliged to rectify errors and make good any omissions. Schenker is not responsible for estimation errors, unless Schenker acted deliberately or with gross negligence.

## **16 Payment of compensation**

- 16.1 The Insurer is obliged to pay compensation as soon as the requisite investigations to determine the insured event and the scope of compensation have been concluded.
- 16.2 The Insurer shall pay compensation via Schenker. In each case the Insured's claim and the general protection of the injured party afforded by sub-section 108 ff VVG shall remain unaffected.

## **17 Insurer's right of recourse**

- 17.1 The Insurer is entitled to seek recourse from any party which caused the loss deliberately.

## **18 Cancellation**

- 18.1 Insurance cover shall continue to be granted for all contracts of carriage concluded prior to termination of the insurance policy, until all of the obligations arising from them are fulfilled. However, in the case of ordered storage, insurance cover shall end three months after termination of the insurance policy at the latest.