

Special Clause No. 802

Contractual terms relating to Block insurance policies for the Carriage of goods (1996).

(herein after “the Contract”)

Translation of the original Norwegian text. In case of conflict, the latter shall prevail.

1 Attachment and termination of the Contract.

The insurance comprises all shipments commencing after the Contract takes effect. When a shipment is comprised by the insurance, the Insurer is liable for the commenced shipment until the shipment has been completed.

2 Scope of the Insurance Contract.

The Insurance Contract covers shipments within the scope of business activities of the Person effecting the insurance whenever the latter holds the title to the goods in transit or bears the risk for the goods in transit or is obliged to effect an insurance for the party bearing the risk.

Insurance covered by the Insurance Contract may not be withheld from the Insurer even if the goods also are insured elsewhere.

Possible shipments in return are also covered under the Contract.

The Insurance Contract covers shipments with all ordinary means of transport, excluded barge and Assured's own vehicle.

Unless otherwise specifically agreed, the Contract shall not cover:

- a) Transits to the CIF-port or the CIP-place of the goods which the Person effecting the insurance has bought CIF or CIP.
- b) Entirely local transits.

- c) Local pre- and post transits where the principal transport is not covered by the Contract.
- d) Unregistered sendings by Post or other consignments which are sent without any freight document being issued.
- e) Transits on wholly or partly chartered ships if the ship is 16 years of age or older. The term wholly or partly chartered ships denotes any seagoing vessel for which the seller or the buyer or any party acting on their behalf has entered into a charter party or special agreement with the party chartering out the ship concerning the chartering (lease) of all or parts of the vessel. The age of the ship shall be calculated from the end of the month in which the ship was originally delivered. When the original month of delivery cannot be documented, the age shall be calculated as from 1. January of the original year of delivery.

3 Limitations of the insurance cover.

3.1 The highest insurance amount for which the Insurer admits insurance on each means of transport is stated in the Contract. Shipments carried by other means of transport than those stated in the Contract, are not covered.

3.2 The Insurer shall not be liable if:

3.2.1 The goods in transit are not in accordance with the description in the Contract.

- 3.2.2 The means of transport is not in accordance with the specification in the Contract.
- 3.2.3 The area of transportation is not in accordance with the specification in the Contract.
- 3.2.4 The goods are carried by unsuitable means of transport or unsuitable container, reference made to Norwegian conditions relating to the carriage of goods, Cl.19.

4 Insurance certificate.

Subject to request the Insurer shall issue an insurance certificate for each individual consignment covered by the Insurance Contract. The Insurer is not obliged to hand over any such certificate before all due premiums have been paid.

5. Payment of the premium.

- 5.1 If the Insurer has sent a premium reminder which falls due on the day on which the insurance comes into force, it is a condition that the premium is paid within the date stipulated in the premium reminder.
- 5.2 Where the premium is payable in instalments, the Insurer is only liable for claims falling within the period for which the premium is paid. If premium for any change or extension of the risk is not paid when it falls due, the change/extension is cancelled.
- 5.3 If the premium is not paid within the time stipulated in the premium reminder, interest on overdue premium is charged according to Section 3 in Act of 17.12.76 No. 100 until payment is made. If The Insurer must send a fresh premium reminder, the Insurer may claim his expenses for this and other costs attributable to enforced payment.
- 5.4 If this Contract is terminated before the end of the insurance period, premium shall be payable according to the following principles: Premium

shall be payable on transits that have started within the insurance period.

6. a) Premiums – adjustment of premium.

The premium is payable in advance and is calculated on basis of total estimated turnover of shipments covered by the Contract for one year. The rate of premium is stated in the Contract. The premium is minimum NOK 3.000,- per year Unless otherwise agreed the turnover is calculated as follows:

Ingoing shipments: The invoice amount plus ___ % to cover costs, insurance premium, freight insofar as these charges are not included in the invoice amount and 10 % anticipated profit. (the addition is stated in the Contract)

Outgoing shipments: The invoice amount plus 10 % anticipated profit where the compensation is paid to the buyer (e.g. sales on CIF or CIP terms).

After each insurance year the Person effecting the insurance shall render to the Insurer a statement of the sum insured. The statement must be examined and certified by the manager of business administration or a similar officer employed by the person effecting the insurance. The premium shall be adjusted in accordance with this statement.

b) Fixed Premium – no adjustment

Adjustment of premium will not be done if the yearly premium is below NOK 10.000. However the Assured is obliged to report major changes in turnover of shipments to the Insurer to enable adjustment of future sum insured.

7. Time limit for notification of casualty.

The Assured forfeits his right to claim compensation if he has not notified the Insurer of the casualty within ONE YEAR after the Assured became aware of the conditions substantiating the claim.

8. Safety regulations.

The provisions relating to safety regulations are set forth in Chapter 7 of Norwegian conditions relating to insurance of goods. Other safety regulations are specified in the Insurance Contract.