

Freight Forwarders Insurance Policy – Insurance Product Information Document

Type of Policy : Freight Forwarders Insurance Policy

Basic Cover Provided :

- Goods (Cargo) – Legal Liability
- Professional Indemnity
- Third Party Liability
- Fines And Duty

SECTION 01 - GOODS (CARGO) – LEGAL LIABILITY

- a) The liability of the insured, for, or arising out of loss or destruction of or damage to goods howsoever caused during the period of insurance
- b) Additional cost and \ or expense necessarily and reasonably incurred by the insured in consequence of or in order to prevent or minimize a loss or losses, including the legal costs incurred in defense or settlement
- c) Costs and expenses (including legal costs) necessarily incurred by the insured, for which the Insured has a legal liability, in removing the goods or debris of goods
- d) Legal liability for loss of and /or damage to trailers and /or containers in the care custody or control of the insured or for which they are responsible under a contract for carriage or forwarding but excluding trailers / containers owned by or hired / leased by the Insured
- e) Cargo's contribution in general average or salvage for which the Insured is liable and which the Insured is unable to recover from the owners of cargo.
- f) Quarantine and Disinfection Costs.

(Please refer page no 01 & 02, Section 01 of the policy wording)

What is not covered (Exclusions): applicable to section 1 only

In addition to the General Exclusions contained herein. The Insurers shall not be liable for:

1.
 - (a) wear, tear, scratching, bruising denting and claims for the cost of repainting or,
 - (b) Moth, mildew, vermin, mechanical or electrical breakdown, or derangement, or,
 - (c) Damage to tyres

Unless consequent upon an accident.

2. Claims by third parties.
3. Claims resulting from currency fluctuations.
4. Mysterious disappearances.

(Please refer page no 02 & 03, "Exclusions" section of the policy wording)

SECTION 02 - PROFESSIONAL INDEMNITY

ERRORS AND OMISSIONS

Liability in respect of any claim arising during the period of insurance by reason of any negligent act, error or omission in the performance of the Insured's contractual obligations including but not limited to misdirection of goods, failure to insure or comply with specific instructions, faulty arrangements of clerical errors committed or alleged to have been committed by the Insured or any employee of the insured.

(Please refer page no 03, Section 02 of the policy wording)

What is not covered (Exclusions) - applicable to section 2 only

In addition to the General Exclusions contained herein, the Insurers shall not be liable for any claim which would otherwise be recoverable under Section 1.

(Please refer page no 03, "Exclusions" section of the policy wording)

SECTION 03 - THIRD PARTY LIABILITY

Insured's non-contractual liability for;

- A. Physical loss of or damage to third party property
- B. Death, bodily injury or illness of any third party
- C. Costs and Expenses necessarily incurred by the Insured with the consent of the Insurers in respect of any claim against the Insured for compensation to which indemnity under this section applies.

(Please refer page no 04, Section 03 of the policy wording)

What is not covered (Exclusions) - applicable to section 3 only

1. Liability consequent upon death or bodily injury or illness of any Insured's workmen and /or employees and those under contracts of apprenticeship and property owned or managed by or under the control of the Insured.
2. Liability assumed by contract.
3. Liability for accidents arising outside the jurisdiction of the Courts of Sri Lanka.
4. Liability caused by or in connection with or arising from use of vehicles licensed for general road use or by water borne vessels or aircraft.

5. Liability for which losses falling within any other section of this insurance.
6. Liability to property owned or managed by or for which the Insured or his employees are responsible.
7. Additional expenses incurred for the presentation or clean-up of damage to the environment in particular pollution to air, water or ground.

(Please refer page no 03, "Exclusions" section of the policy wording)

SECTION 04 - FINES AND DUTY

Indemnity in respect of legal liability to any claim arising from unintentional breach of any regulation, legal or statutory provisions resulting in fines, customs duty, sales, excise tax, value added tax or similar fiscal charged or other penalty imposed by any Authority on the insured or any other person acting within their authority on insured's behalf.

Provided that such breach directly relates to ;

Import or export of Cargo or Equipment of Insured's Customers; or Immigration

(Please refer page no 04, Section 04 of the policy wording)

What is not covered (Exclusions) - applicable to section 4 only

This policy will not cover any claim, arising directly or indirectly;

1. That has not been properly established, proved or held by an authority acting within its powers and duties;
2. For commercial fines and penalties in respect of freight tariffs, competition or the structure or operation of your business or that of any person acting on the Insured's behalf.
3. For any breach of any regulation arising from the weight of cargo or carrying equipment on the public road if such breach appears us to have been caused recklessly or intentionally by the insured or insured's employees.
4. If any Authority determines that it is illegal for the insured to be insured for any cover given under this section, then the other parts of this section shall remain effective, although no indemnity will be given with respect to any claim arising from the coverage under this section which is held to be illegal;
5. For any amount that would have been payable by the insured notwithstanding any breach;
6. In the case of the United State – Enforced by the federal maritime commission, Department of Justice or Federal Trade commission of the United State of America of Drug Enforcement Agency of any such successors.

(Please refer page no 05, "Exclusions" section of the policy wording)

General Exclusions Applicable to All Sections (What is not covered)

The Insurers shall not be liable for;

1. Any claim or loss resulting from any inability of the Insured to pay, or pay promptly, accounts or collect accounts.
2. Any claim resulting from the insolvency or financial default of the Insured.
3. Any liability, costs or expenses brought about or contributed to by any dishonest, fraudulent or criminal act or omission or wilful negligence of the partners or directors or the Insured.
4. Any liability, costs or expenses for which the Insured are entitled to any indemnity or recovery under any other Contract of Insurance.
5. Loss or damage directly or indirectly occasioned by, happening through or in Consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, or any activity calculated or directed towards the overthrow or influencing of the government de jure or de facto with force or by means of fear, terrorism or violence or confiscate-on or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.
6. Any consequential loss of what so ever nature arising from loss or destruction of or damage to any property whatsoever of any loss or expenses what so ever resulting or arising there from.
7. Any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from;
 - i) Ionizing radiations or contamination by radioactivity from nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
 - ii) The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
8. Loss, destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.
9. Punitive, exemplary or multiple damages awarded against the insured or any person or persons for whom the insured may be held legality responsible.
10. Cover in respect of delay in performing the Insured's contractual obligations shall be confined to delay resulting from the negligence of the insured or not.

(Please refer page no 5-6 "General Exclusions Applicable to All Sections" section of the policy wording)

Few things to remember

Trading Conditions:

a) It is hereby understood and agreed that the Insured will not waive or amend the Trading Conditions declared without the agreement of Insurers

and

b) That the Insured shall take all reasonable steps to ensure that the said conditions are incorporated into contracts entered into by the insured in the course of the Insured's business.

Admission Of Liability :

The insured shall not admit liability for, or settle any claim or agree the loss or incur any costs or expenses in connection therewith, for which the insured is seeking indemnity costs or expenses in connection there under, without the written consent of the company, who shall be entitled to takeover and conduct in the name of insured the defense or settlement of any claims.

Nevertheless, the insured shall not be required to contest any legal proceedings unless a president's council (to be mutually agreed upon by the insured and the insurers) shall advise that there are reasonable prospects of a successful defense being maintained by the insured.

(Please refer page no 5-6 "General Exclusions Applicable to All Sections" section of the policy wording)

Claims Procedure and Required Documents:

In the event of a happening likely to give rise to claim under this policy the insured shall, as soon as possible. Take all necessary steps to minimize or prevent a loss. Give prompt notice to any third party who is responsible for or may be responsible for the loss. Give notice to the Company specified in the schedule hereon, and shall furnish full particulars thereof. Every letter, notice, write, summons and process relating thereto shall be notified to and forwarded to the Company immediately upon receipt and insured shall co-operate with the Company at all times.

Documentation of claims;

- Original Policy or certificate of insurance
- Survey report or other documentary evidence to show the extent of the loss or damage
- Claim form

(Please refer page no 6 "Notification of claim" section of the policy wording)

LIMITS

The company's liability shall be limited

(a) In respect of: -

- (i) Anyone loss or claim or
- (ii) Any number of losses of claims arising out of one accident or event in aggregate to the figure stated in the schedule or elsewhere in the policy's the limit of indemnity.

(b) in respect of losses or claims arising in the year of this policy (whether arising out of one or more accidents or occurrences) to the figure stated in the schedule as the limit of indemnity in the aggregate.

(Please refer page no 7 "Limits" section of the policy wording)

Fraud

If the Insured shall make any claim knowing the same to be false or fraudulent as regards the amount or otherwise, this Policy shall become void.

(Please refer page no 7 "False or Fraudulent claims" section of the policy wording)

Obligations of the Policyholder:

Obligations of the policyholder in disclosing material facts

- At the time of purchase:- Disclose all material facts requested in the Proposal Form, truly and accurately, to avoid any claim rejection.
- During the policy term:- Notify the Insurer of any significant changes in risk or personal information.

Obligations of the policyholder when a claim is made

- When making a claim:- Provide all necessary documents and details as mentioned in the Claim Procedure along with the Claim Form.
- Observance Of Policy Terms & Conditions

The due observance and fulfilment of the terms conditions and endorsements of this Policy in so far as they relate to anything to be done or not to be done by the insured and the truth of the statements and answers in the proposal shall be a condition precedent to any liability of the company to make any payment under this Policy.

Complaints Procedure:

We are committed to serve you with passion and willing to receive your feedback. If you are not satisfied with our services, you can lodge a complaint by below methods;

- ✓ By telephone - Customer Care Officer - 011 2126136
- ✓ By email - pilassist@peoplesinsurance.lk
- ✓ By WhatsApp - 0716230048
- ✓ By fax - 011 2126109
- ✓ By post - Customer Care Officer, People's Insurance PLC, No. 07, Havelock Road, Colombo 05
- ✓ Via online - Complaint Submission Form is available on our website www.peoplesinsurance.lk
→ Please click on the "Complaints" tab
- ✓ By visiting

Below information to be provided when lodging a complaint;

- I. Complaint in brief
- II. Your name and contact details
- III. References: Policy No. / Vehicle No. / Claim No.
- IV. Any supporting documents

The Trilingual Complaints Handling Procedure can be downloaded from our website - www.peoplesinsurance.lk → Please click on the "Complaints" tab

Dispute Resolution:

If you are not satisfied with the resolution given by us for a complaint lodged, you have the option to use following Alternative Dispute Resolution (ADR) mechanisms.

- I. Address your concerns to:- Insurance Ombudsman of Sri Lanka
No. 1, Bethesda Place, Colombo 05
info@insuranceombudsman.lk
011 2505542 / 011 250 5041

- II. Arbitration:- As per the Arbitration Clause in the Policy

- III. Address your concerns to:- Director Investigations
Insurance Regulatory Commission of Sri Lanka
Level 11, East Tower, World Trade Centre ,Colombo 01
investigation@irsl.gov.lk / info@irsl.gov.lk
011 2396184-9 / 011 2335167

A Few Things to Remember

This Policy may be cancelled at any time by the Company giving Thirty (30) days notice, but Seven (7) days in respect of the risks strikes, riots, civil commotion, in writing by prepaid letter post properly addressed to the last known address of the insured. The Company giving notice shall receive and retain pro-rata contribution.

Important Notes:

This Insurance Product Information Document (IPID) is intended to provide a summary of the main cover and additional covers (if applicable) and key features of the Policy and is not personalized to your specific individual needs. Please note that all matters of whatever nature pertaining to this Insurance (including but not limited to claims, interpretation of terms and conditions and litigation etc.) shall be governed by the terms, conditions and exclusions of the Policy which shall prevail over the contents of this document.

For Further Information:

If you require any further information, you can make a request via

- Telephone - 0112126126
- Email - pilassist@peoplesinsurance.lk
- Visiting any of our offices island wide