

Marine Cargo Insurance (Open Cover) – Insurance Product Information Document

Type of Policy: Open Cover -Import/Export

Scope of Cover :

Cover against loss of or damage to cargo/goods as defined in the Open Cover and the Institute Clauses and other clauses/endorsements attached to the Open Cover. The frequently used clauses are listed below :

- ✓ Institute Cargo Clause (A) - CL. 252. (1/1/82)
- ✓ Institute Cargo Clauses (Air) - CL. 259. (1/1/82)
- ✓ Institute Cargo Clauses (B) - CL. 253. (1/1/82)
- ✓ Institute Cargo Clauses (C) - CL. 254. (1/1/82)
- ✓ Institute Frozen Food Clauses
- ✓ Institute Frozen Meat Clauses
- ✓ Institute Bulk Oil Clauses

- ✓ Additional Covers (combined with the basic cover at no additional premium – as practised by the marine underwriters in the local general insurance industry)

- ✓ Cover against Strikes Riot Civil Commotion and Terrorism subject to Institute Strikes Clauses.

- ✓ Cover against War Risks (such as war civil war revolution rebellion insurrection, or civil strife arising Terrorism, etc.) subject to Institute War Clauses.

Provisions:

Any recoverable claim is settled subject to the Sum Insured stipulated in the Certificate.

If an Excess/Deductible is imposed on the insurance the amount payable will be deducted accordingly. In the event of the Sum Insured being less than the value at risk the condition of average shall apply.

What is not covered:

- ✓ Any incident, accident or occurrence listed or defined as Exclusions in Institute Clauses.
- ✓ Any item, incident, accident or occurrence listed or defined as Exclusions in the Open Cover.

In general, the cover is subject to the exclusions defined in the following clauses ;

- ✓ Millennium Exclusion Clause.
- ✓ Institute Radioactive Contamination, Chemical Biological, Bio-chemical and Electromagnetic Weapons Exclusion Clause 10/11/03
- ✓ Termination of Transit Clause (Terrorism) JC 2009/056
- ✓ Institute Cyber Attack Exclusion Clause 10/11/2003

- ✓ Sanction Limitation and Exclusion Clause JC2010/014
- ✓ UK Export Control Order 2008 – Revocation of Licenses Clause JC2010/015
- ✓ Electronic Date Recognition Exclusion 17/12/1997
- ✓ Communicable Diseases Exclusion Clause.
- ✓ Marine Cyber Endorsement LMA5403 11.11.2019
- ✓ Process Exclusion Clause (Amended) JC2019-005

Key features of the policy ;

- ✓ Law And Practice : This insurance is subject to English law and practice.
- ✓ Payment of Premium : Warranted premium paid from the inception of the policy.
- ✓ Ongoing terms of insurance for multiple shipments/transits as defined in the Open Cover document.
- ✓ The contract is valid during the period as defined in the clause 'Period of Cover'.
- ✓ Banks (in view of their interest in credit facility) can be included as parties to the Open Cover for their respective rights and interests.
- ✓ The Insured should declare to People's Insurance PLC (hereinafter referred to as the Company) every consignment/despatch falling within the pre-agreed terms of the Open Cover without exception and the Company is bound to accept up to but not exceeding the amounts specified under the provision 'Maximum Limit of Liability'.
- ✓ A certificate against each declaration of consignment/dispatch is issued based on the pre-agreed terms and conditions of the Open Cover.
- ✓ Certificate can be assigned to any party along with transfer of title to the consignment/goods.
- ✓ If assigned to a Bank, the bank has the right to lodge a claim under the certificate for their respective rights and interests.

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.
- Insured shall take all reasonable precautions to prevent or minimize loss or damage to the property insured.
- In order to receive the right amount of compensation in an event of a claim, Insured should ensure that the property is insured to its current market value.

Claims Procedure and Required Documents:

1. In the event of damage to, or loss of the interest under this policy, no claim will be admitted by the Company unless prompt notice given to the Company and/or to the Surveyors named in the schedule/certificate.
2. On discharge the goods should be examined at the port. In case there are visible signs of damage, do not give a clean receipt, but immediately hold the carriers responsible and invite them to inspect the goods and also have the Surveyor present. Except on the instructions of the surveyor, these inspections should be held before clearing the goods from the port of discharge.
3. If there is known to be short-landing on discharge, request the carriers for a certificate letter confirming the short landing in lieu of the survey report.
4. To avoid loss and/or damage, do not allow the goods to remain on the quay or in the port warehouse any longer than is strictly necessary. Bring the goods into the safety of your warehouse as quickly as possible.
5. In the event of loss and/or damage being discovered subsequent to delivery of cargo in external sound condition, stop opening the balance and immediate notice be given to the Company/to the Surveyor. Opening of such packages should commence within three days of clearance of cargo.
6. If it is clear that the damages and/or loss occurrence while the goods were in the hands of local carrier he should immediately, be held responsible.

Documents required;

1. Original policy or certificate of insurance.
2. Original copy or copy of shipping invoices, together with shipping specifications and/or weight notes.
3. Original Bill of Lading and/or other contract of carriage.
4. Survey report or other documentary evidence to show the extent of the loss or damage.
5. Landing account and weight notes at final designation.
6. Correspondent exchanged with the carriers and other parties regarding their liability for the loss or damage.
7. Entry reflecting duty paid if duty is covered under the policy/duty paid receipt.
8. Short-landing certificate
9. Repair estimate.

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,BethesdaPlace,Colombo05
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

- The due observance and fulfilment of the terms and conditions of this Policy shall be conditions precedent to any liability of the Insurer to make any payment under this policy.
- Insured shall take all reasonable precautions to prevent or minimize loss or damage to the property insured.
- In order to receive the right amount of compensation in an event of a claim, Insured should ensure that the property is insured to its current market value.

Cancellation of the Open cover

Open Cover can be cancelled by either the Insured or the Company, in accordance with the Cancellation Clause.

This cover may be cancelled upon Thirty (30) days previous notice in writing being given by either party, except for the risks of War for which the notice is Seven (07) days and Strikes, Riots and Civil Commotion's for which the notice is Forty Eight (48) hrs. This Clause will not be applicable for those Risks and/or voyages, which have already commenced.

Cancellation of Certificate:

Request for cancellation can be made to the Company prior to attachment of the insured risk. Such request should be made by the Policy Holder in writing (by way of a letter or email) and the original certificate should be returned to the Company. If the certificate has been assigned to a bank, confirmation from the bank that they have no objection for cancellation of the certificate should be submitted to the Company. If the Insured has complied with all of the requirements relating to the cancellation the policy will be cancelled with effect from its inception and the full premium will be refunded.

No refund is allowed for covers purchased from the NITF unless cancelled at the sole discretion of the Company.

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