nmu

K C Shipping Group Ltd – Open Marine Cargo Insurance

Open Cargo Insurance policy where KC are able to arrange marine cargo insurance on behalf of third-party customers.

This MUST be done online via the platform and within the insurance policy coverage.

The online insurance certificate is the agreement in place you have with the customer and the insurance, without it there is no cover in place, it must be completed prior to the cargo moving.

When being asked to insure anything there should be certain red flags to consider upon any request:

Does this customer already have marine cargo insurance?

Most entities who are regularly involved in road transit, import/export already have their own marine cargo policy in force.

If they have why are they asking KC to provide insurance when they already have cover in place?

Reasons can be

- Cargo is fragile, high chance of damage
- Cargo is theft attractive
- Cargo is high value
- The countries involved are high hazard https://watchlists.ihsmarkit.com/watchlists-viewer
- The countries involved are sanctioned
- Is the company based in the UK
- Are you taking instruction from the cargo owner or is it a third party

Unfortunately, a lot of "red flag" cargo is chosen to be insured under a freight forwarders open policy.

Referral Process, the policy ethos is there to cover normal standard freight going to low-risk countries within the policy limits. We can consider anything outside the box, for us to quickly review and answer the following information would greatly assist:

Subject Matter Insured:
Insured Value:
Country to/from:
Means of conveyance:
Date of Shipment if known:
Customer requesting the cover:
Any other accompanying information, we don't mind a data dump:
Send to: david.roome@nmu.co.uk

What the current policy in force covers and doesn't cover you for:

Cargo limits: Any one:

vessel, aircraft or conveyance	£250,000
location in the ordinary course of transit	£250,000
vehicle owned or operated by the Policyholder	£250,000

Charges/rates:

New Approved general merchandise	Rate/Premium	
United Kingdom to or from:	**Land or Sea**	**Air**
United Kingdom	0.05%	0.03%
Europe	0.10%	0.07%
North America, Australasia and Oceania	0.15%	0.10%
Asia and Far East	0.15%	0.10%
Middle East and South Africa	0.25%	0.18%
Rest of the World (other than Excluded Voyages)	0.258%	0.138%
Minimum premium, per shipment	**£15.00**	**£15.00**
NMU documentation fee for letter of credit policy (£25.00 per subsequent amendment)	£25.00	£25.00

(£100,000 of Pillowcases going to USA by air - £100,000 x 0.10% = £100.00)

What is New Approved general merchandise

New Approved General Merchandise as defined herein, meaning goods that

- attract no special hazard in regard to stowage, handling and packing, or
- during their customary method of transit or by their inherent nature are not more than normally susceptible to theft, damage or any form of deterioration;

other than **Excluded Goods** as defined herein, all suitably packed and protected to withstand the normal rigours of transit;

What is Excluded:

Excluded Goods

Goods or merchandise for which we do not provide cover unless declared by the Assured and agreed by Underwriters prior to shipment:

1. Precious metals, diamonds and other stones;
2. Bullion, money, credit cards, debit cards, ATM cards, cash-replacement cards, store and gift vouchers and cards, travellers' cheques, securities, bonds, deeds, bank notes, treasury notes, stamps, and similar cash substitutes;
3. Documents, manuscripts, plans, designs, photographic negatives, patterns, moulds, and the like;
4. Antiques, paintings, statues and other objets d'art;
5. Weapons and explosives of all kinds;
6. Live animals and plants;
7. Furs, leathers, skins and the like;
8. Wines, spirits, beers, cigars, cigarettes, tobacco and similar high-duty items;
9. Temperature controlled cargoes, fresh foodstuffs, bagged foodstuffs;
10. Drugs, pharmaceuticals and medicines;
11. Audio, visual, and audio-visual equipment or accessories, including all such portable or hand-held devices;

    photographic equipment and cameras of every description, lenses;

    computer and peripheral equipment of every description, and software licences;

    laptop and handheld computers, including PDAs and multi-purpose devices;

    satellite navigation and speed camera detection or warning equipment;

    game consoles and portable electronic games;

    mobile or satellite telephones, pre-paid mobile phone vouchers, SIM cards;

    and any components, parts, accessories, or associated software;
12. Non-ferrous metals and scrap metals
13. Second-hand goods, rejected goods and returned goods;
14. Timber, cement and other building materials;
15. Bulk cargoes;
16. Unpacked and unprotected goods;
17. Household goods and personal effects; motor vehicles.

Excluded Countries:

Excluded Voyages

Shipments that are prohibited by international sanctions, as per the Sanction Limitation and Exclusion clause herein. Reference sources include:

- ☐ www.gov.uk/sanctions-embargoes-and-restrictions
- ☐ www.treasury.gov/resourcecenter/sanctions/Programs/Pages/Programs.aspx

Shipments to, from or within the geographical areas as rated as Severe in the Global CargoWatch List (GCWL), at the time transit commences, which can be found at:

- ☐ www.ihs.com/info/all/jccwatchlist.html .

Shipments to, from or within any country where insurance of those shipments outside that country is prohibited by local legislation.

Countries to, from or within which we do not provide cover unless declared by the Assured and agreed by Underwriters prior to shipment:

Afghanistan
Angola
Armenia
Azerbaijan
Belarus
Burundi*
Cambodia*
Colombia
DR Congo* (formerly Zaire)
Eritrea
Ethiopia*
Georgia
Guinea-Bissau
Haiti
Iran
Iraq
Kazakhstan
Kyrgyzstan
Lebanon (other than Tripoli & Beirut)
Liberia*
FYR Macedonia
Malawi
Republic of Moldova
Nigeria*
Paraguay
Russian Federation
Rwanda*
Serbia & Montenegro
Sierra Leone*
Somalia*
Sudan*
Syrian Arab Republic*
Tajikistan
Turkmenistan
Uganda*
Ukraine
Uzbekistan
Yemen*
Zambia

Note

This insurance automatically provides cover only for those transits specifically detailed in the Premium Basis.

*Countries indicated by * have legislation which may require insurance of imports from or exports to be arranged within that country.*

As the risks presented by shipment to various territories change from time to time, cover may not always be available to other countries in addition to those listed above.

If you are in any doubt, please refer to your insurance advisor.