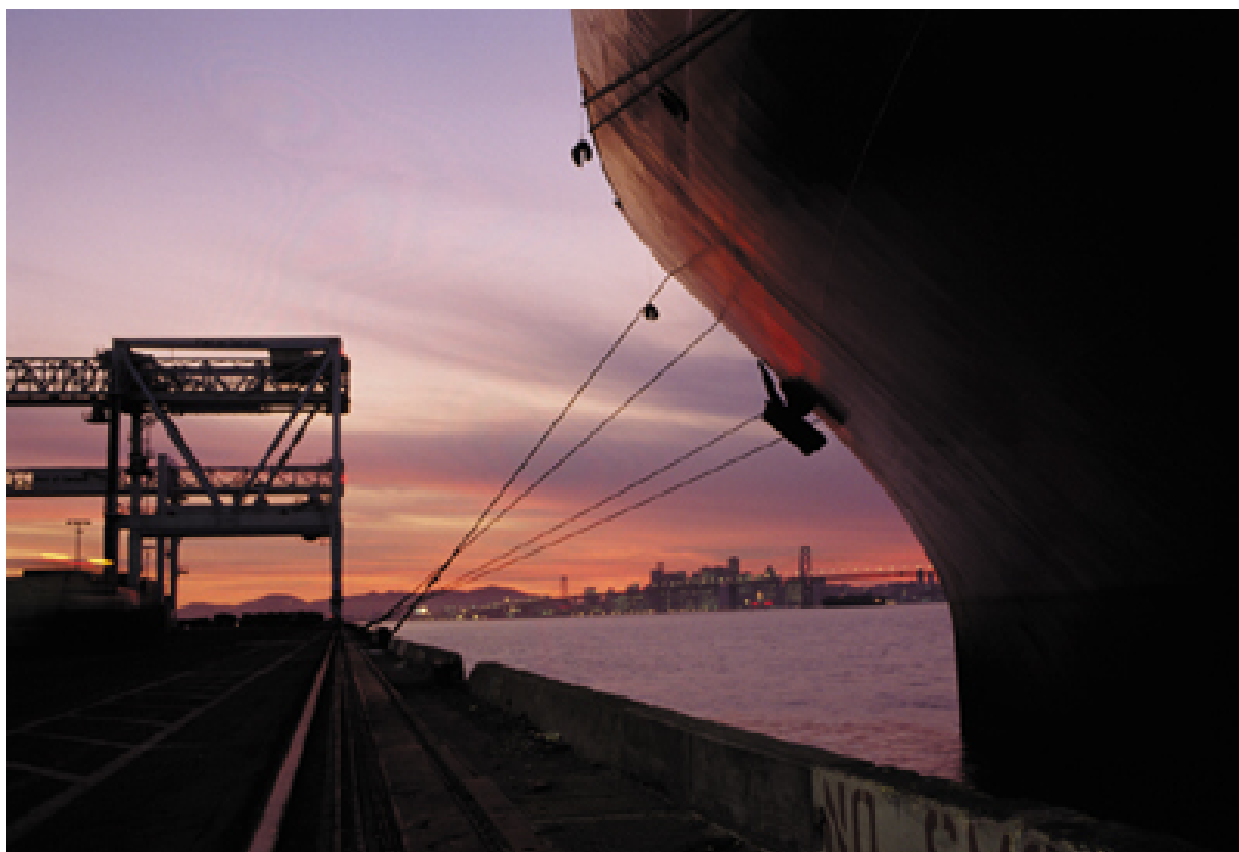




ZURICH

# Ocean Cargo Policy

Its Financial Services, LLC



McGriff, Seibels & Williams, Inc.  
1800 SW First Avenue, Suite 400  
Portland, OR 97201

Policy Number  
OC - 5845875



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**Declarations**

Ocean Cargo Open Policy

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The Company shown below herein called the Company, this Company or Insurers, in consideration of premium to be paid at rates as hereinafter provided does insure the Named Insured, for account of whom it may concern, subject to the terms and conditions as hereinafter stated and attached hereto.

Zurich American Insurance Company

<b>Named Insured and Address</b> ITS Financial Services, LLC 222 N. Plymouth Ave. New Plymouth, ID 83655		<b>Producer Name and Address</b> McGriff, Seibels & Williams, Inc. 1800 SW First Avenue, Suite 400 Portland, OR 97201	
<b>Policy Period</b>	<b>From (Mo - Day - Yr)</b> 02/23/2020	<b>To (Mo - Day - Yr)</b> 02/23/2021	<b>12:01 A.M. Standard Time at the address of the Named Insured as stated herein.</b>

**This insurance is subject to the following policy forms and endorsements:**

**Zurich American Insurance Company Open Cargo Insurance Policy**

- |   |                                     |
|---|-------------------------------------|
| War Risk Only Open Cargo Policy   | Annual Deposit Premium Endorsement  |
| AIMU: SR&CC with TRIA   | Domestic Inland Transit Endorsement |
| Cyber Exclusion Clause  | Refrigeration Coverage              |
| AIMU: Extended Radioactive Contamination Exclusion Clause With U.S.A. Endorsement | Schedule of Rates                   |

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**To attach upon all shipments of lawful goods and merchandise consisting principally of Freight of all kinds**

**Limits of Liability**

Unless otherwise provided herein, this Company shall not be liable under this policy of insurance for more than **as below** by any one conveyance, EXCEPT that in the following cases the amount shall be limited as follows:

- a. **\$50,000.** With respect to any one Bill of Lading for Less Than Truckload shipments, subject to conveyance limit of **\$250,000.** for multiple Bills of Lading.
- b. **\$100,000.** Any one Full Truck Load shipment.

**Deductible**

**\$1,000.** For Full Truck Load Shipments: \$250. Per Bill of Lading for LTL Shipments, except for shipments that are covered under the Special Insuring Conditions.

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Zurich American Insurance Company

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ITS Financial Services, LLC

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**1. Attachment**

This policy attaches to all shipments made on or after the inception date on the Declarations page of this policy, and prior to its cancellation date, or prior to midnight, standard time at place of issuance, on date of its expiration (if this policy is subject to an expiration date), whichever may first occur.

**2. Insurable Interest**

To cover all shipments made by or to the Insured for their own account as Principals or as Agents for others and in which they have an insurable interest; or for the account of others from whom written instructions to insure have been received prior to any known or reported loss, damage, or accident and prior to sailing of vessel.

**3. Valuation**

The said goods and merchandise to be valued and insured as follows:

- a. Under invoice, valued at including all charges in the invoice and including prepaid and/or guaranteed and/or advance freight, if any, plus 10%, or
- b. Not Under Invoice: valued at Fair Market Value.

**4. Geographic Limits**

At and from:

Places to and/or from the United States and Canada.

**5. Conveyances**

Shipped or to be shipped by: Domestic Land Conveyance

**6. Craft Clause**

Including transit by craft and/or lighter to and from the vessel. Each craft and/or lighter to be deemed a separate insurance. The insured is not to be prejudiced by any agreement exempting lightermen from liability.

**7. Goods Insured**

This insurance covers all lawful merchandise as stated on the Declarations page of this policy, or as provided elsewhere herein.

**8. Limits of Liability**

The Company shall not be liable for more than the limits stated on the Declarations page of this policy, or as provided elsewhere herein.

**9. Accumulation**

Should there be an accumulation of interests beyond the limits expressed in this policy by reason of any interruption of transit, or by reason of any casualty or other occurrence, or at a transshipping point, or on a connecting steamer or conveyance, this Company shall hold covered such excess interest and shall be liable for the full amount at risk (but in no event to exceed twice the policy limit, as expressed in the General Declarations of this policy) provided said accumulation is beyond the control of the insured and provided notice be given to this Company as soon as known to the insured.

## **AVERAGE CLAUSES**

**10. Unless otherwise specified below, all shipments of goods and/or merchandise are insured:**

**A. “All Risks”**

Unless otherwise specified below, this Policy insures new approved goods against “All Risks” of direct physical loss or damage from any external cause, except those excluded by the Clauses in Section 7 of this policy.

**Full Truckload Shipments: Each claim shall be subject to a deductible of \$1,000.**

**LTL Shipments: Each claim shall be subject to a deductible of \$250.**

***B. Special Insuring Conditions***

The following listed goods shall be subject to special conditions.

**1. USED AND/OR RECONDITIONED HEAVY MACHINERY AND EQUIPMENT** are insured against “All Risks” of physical loss or damage from any external cause, except as excluded by the Clauses in Section 7 of this Policy. Coverage is further subject to the following:

- Excluding rust, oxidation, discoloration, marring, chipping, scratching and cost of repainting.
- Each claim shall be subject to a deductible of \$2,500 for Full Truckload shipments and \$250 for any LTL shipments.
- Claims shall be settled at fair market value of the goods transported, but not to exceed \$100,000 for Full Truckload shipments and \$50,000 per Bill of Lading and \$250,000 per conveyance for LTL shipments
- Subject to the Secondhand Replacement Clause: In the event of a claim for loss of or damage to any part or parts of the interest insured, in consequence of a peril covered by this policy, the amount recoverable hereunder shall not exceed such proportion of the cost of replacement of the part or parts lost or damaged as the insured value bears to the value of a new machine plus additional charges for forwarding and refitting the new part or parts if incurred. In no case shall the liability of Underwriters exceed the insured value of the complete article.

**2. ALL OTHER USED GOODS** are insured, except as excluded by the Clauses in Section 7 of this Policy, for loss or damage to the subject-matter insured reasonably attributed to the risks of collision, derailment, fire, lightning, sprinkler leakage, wind, hail, flood, earthquake, landslide, volcanic eruption, aircraft, objects falling from aircraft, the rising of navigable waters, or any accident to the conveyance and/or collapse and/or subsidence of docks and/or structures, and to theft and/or non-delivery of an entire shipping package, and to pay loss or damage caused thereby.

**3. FROZEN FOODS and CHILLED Goods** are insured against “All Risks” of physical loss or damage from any external cause except as excluded by the Clauses in Section 7 of this Policy, and further excluding gradual deterioration. It is however, agreed that while the goods insured are under refrigeration, this insurance is extended to cover loss, damage or deterioration due to, or caused by derangement, breakdown or stoppage of refrigerating machinery or refrigerating plant or insulation provided such derangement, breakdown, or stoppage continues for a period not less than Four (4) consecutive hours.

**Each claim shall be subject to a deductible of \$2,500 for Full Truckload shipments and \$250 for LTL shipments**

**Warranted by the Assured that the interest insured hereunder is in sound condition at the time of the commencement of risk.**

- 1. STEEL AND STEEL PRODUCTS are insured against "All Risks" of physical loss or damage from any external cause, except as excluded by the Clauses in Section 7 of this Policy, and further excluding the risks of rust, oxidation, and discoloration. Coverage for non-crated pipe, tube, rods, beams or similar merchandise to further exclude the risks of bending, twisting, and end damage.**

**Each claim shall be subject to a deductible of \$1,000 for Full Truckload shipments and \$250 for LTL shipments.**

### **11. Deductible**

Unless otherwise provided herein, all claims are subject to deductible(s) as stated on the Declarations page of this policy.

### **12. Warehouse to Warehouse and Marine Extension Clause**

Notwithstanding anything to the contrary contained in or endorsed on this policy it is understood and agreed that in consideration of premium as agreed the following terms and conditions shall apply to all shipments which become at risk hereunder.

- I. This insurance attaches from the time the goods leave the warehouse at the place named in the policy, certificate or declaration for the commencement of the transit and continues during the ordinary course of transit until the goods are delivered to the final warehouse at the destination named in the policy, certificate or declaration, or a substituted destination as provided in Clause III hereunder.
- II. This insurance specially to cover the goods during
  - (i) deviation, delay, forced discharge, re-shipment and transshipment;
  - (ii) any other variation of the adventure arising from the exercise of a liberty granted to the ship owner or charterer under the Contract of Affreightment.
- III. In the event of the exercise of any liberty granted to the shipowner or charterer under the Contract of Affreightment whereby such contract is terminated at a port or place other than the original insured destination, the insurance continues until the goods are sold and delivered at such port or place; or, if the goods be not sold but are forwarded to the original insured destination or to any other destination this insurance continues until the goods have arrived at final warehouse as provided in Clause I.
- IV. If while this insurance is still in force and before the expiry of fifteen (15) days from midnight of the day on which the discharge overside of the goods hereby insured from the overseas vessel at the final port of discharge is completed, the goods are re-sold (not being a sale within the terms of Clause III) and are to be forwarded to a destination other than that covered by this insurance, the goods are covered hereunder while deposited at such port of discharge until again in transit or until the expiry of the aforementioned fifteen (15) days whichever shall first occur. If a sale is effected after the expiry of the aforementioned fifteen (15) days while this insurance is still in force, the protection afforded hereunder shall cease as from the time of the sale.
- V. Held covered at a premium to be arranged in case of change of voyage or of any omission or error in the description of the interest, vessel or voyage.

- VI. This insurance shall in no case be deemed to extend to cover loss, damage or expense proximately caused by delay or inherent vice or nature of the subject-matter insured.
- VII. It is a condition of this insurance that there shall be no interruption or suspension of transit unless due to circumstances beyond the control of the insured.

All other terms and conditions of the policy not in conflict with the foregoing remain unchanged, it being particularly understood and agreed that the F.C. & S. Warranty remains in full force and effect, and that nothing in the foregoing shall be construed as extending this insurance to cover any risks of war or consequences of hostilities.

### **13. Deviation**

This insurance shall not be vitiated by any unintentional error in description of vessel, voyage or interest, or by deviation, over-carriage, change of voyage, transshipment or any other interruption of the ordinary course of transit, from causes beyond the control of the insured. It is agreed, however, that any such error, deviation or other occurrence mentioned above shall be reported to the Company as soon as known to the insured, and additional premium paid if required.

### **14. South American Endorsement (Dec. 1948)**

With respect to shipments of goods and merchandise insured in U.S. Currency and shipped to South America, notwithstanding anything contained elsewhere herein to the contrary (particularly the Warehouse to Warehouse and Marine Extension Clauses), the insurance provided hereunder shall continue to cover for sixty (60) days, (ninety [90] days on shipments via the Magdalena River), after completion of discharge of the overseas vessel at port of destination or until the goods are delivered to the final warehouse at destination, whichever may first occur, and shall then terminate.

The time limits referred to above to be reckoned from midnight of the day on which the discharge of the overseas vessel is completed.

### **15. Bill of Lading Clause**

The insured is not to be prejudiced by the presence of the negligence clause and/or latent defect clause in the Bills of Lading and/or Charter Party. The seaworthiness of the vessel as between the insured and these Insurers is hereby admitted and the wrongful act or misconduct of the ship owner or his servants causing a loss is not to defeat the recovery by an innocent insured if the loss in the absence of such wrongful act or misconduct would have been a loss recoverable under the policy. With leave to sail with or without pilots, and to tow and assist vessels or craft in all situations, and to be towed.

### **16. Fraudulent Bills of Lading**

If the terms of this policy include loss due to the peril of theft, then it is understood and agreed that theft is also deemed to include direct physical loss or damage due to fraud or deceit by person(s) representing themselves to be the proper party to accept goods and/or merchandise for shipment or delivery

### **17. Insufficiency of Packing**

In the event of a claim being made for loss or damage which is alleged to be caused by insufficiency or unsuitability of packing, this Company will not use such insufficiency or unsuitability as a defense against the claim provided the packing or preparation was carried out by a party other than the named Insured and the insufficiency or unsuitability arose entirely without the named Insured's privity, knowledge or direction.



For the purpose of this clause "packing" shall be deemed to include stowage in a container or liftvan.

**18. Machinery Clause**

When the property insured under this policy includes a machine consisting when complete for sale or use of several parts, then in case of loss or damage covered by this insurance to any part of such machine, these insurers shall be liable only for the proportion of the insured value of the part lost or damaged, or at the insured's option, for the cost and expense, including labor and forwarding charges, of replacing or repairing the lost or damaged part; but in no event shall these insurers be liable for more than the insured value of the complete machine.

**19. Refused Shipments**

This insurance to cover all shipments, as originally insured under this policy, which may be refused at time of delivery by the consignee(s), and/or the insured while awaiting shipment or reshipment and until received by the consignee(s) and/or the insured. Notwithstanding the above, coverage hereunder terminates upon the expiration of sixty (60) days from the date of refusal and/or until received by the consignee(s) and/or the insured, whichever first occurs. The insured warrants to report all such shipments as soon as practicable after they have knowledge of the refusal and to pay premium thereon at rates to be agreed.

**20. Certificate of Insurance**

Authority is hereby granted the insured to countersign and issue the form of Certificate of Insurance furnished by the Company, in respect to merchandise covered under this policy. The

insured warrants that said Certificate of Insurance when issued will be in accordance with the terms and conditions of this policy. The Insured further warrants and agrees to deliver to the Company or its Representatives copies of all such Certificates of Insurance (not issued electronically via the Company's systems) as soon as may be practicable.

Notwithstanding anything to the contrary contained herein, the permission may be revoked at any time by written notice from this company and the insured agrees thereupon to return immediately all unused Certificates of Insurance.

**INSURING CONDITIONS**

**21. Perils Clause**

Touching the adventures and perils which the Company is contented to bear, and take upon itself, they are of the seas, fires, assailing thieves, jettisons, barratry of the Master or Mariners, and all other like perils, losses or misfortunes that have or shall come to the hurt, detriment or damage of the said goods and merchandise, or any part thereof, except as may be otherwise provided for herein or endorsed hereon.

**22. Explosion Clause**

The risks covered by this policy include loss, damage or expense resulting from explosion howsoever or wheresoever occurring, irrespective of percentage, unless excluded by the F.C. & S. and/or S.R. & C.C. Warranties set forth elsewhere in this policy.

**23. Shore Clause**

Where this insurance by its terms covers while on docks, wharves or elsewhere on shore, and/or during land transportation, it shall include the risks of collision, derailment, overturning or other

accident to the conveyance, fire, lightning, sprinkler leakage, cyclones, hurricanes, earthquakes, floods (meaning the rising of navigable waters), and/or collapse or subsidence of docks or wharves, even though the insurance be otherwise free from particular average.

**24. Fumigation Clause**

In the event the vessel or other place is fumigated by order of properly constituted authority and direct physical loss or damage to goods or merchandise insured hereunder results therefrom, the Company agrees to indemnify the insured for such loss or damage and the insured agrees to subrogate to the Company any recourse that they may have for recovery of such loss or damage from others.

**25. Inchmaree Clause**

This insurance is also specially to cover any loss of or damage to the interest insured hereunder, through the bursting of boilers, breakage of shafts or through any latent defect in the machinery, hull or appurtenances, or from faults or errors in the navigation and/or management of the vessel by the master, mariners, mates, engineers or pilots.

**26. Both to Blame Clause**

Where goods are shipped under a Bill of Lading containing the so-called "Both to Blame Collision" Clause, these insurers agree as to all losses covered by this insurance, to indemnify the insured for this policy's proportion of any amount (not exceeding the amount insured) which the insured

may be legally bound to pay to the ship owners under such clause. In the event that such liability is asserted, the insured agrees to notify these insurers who shall have the right at their own cost and expense to defend the insured against such claim.

**27. Warehousing & Forwarding Charges, Packages Totally Lost in Loading, Etc.**

Notwithstanding any average warranty contained herein, these insurers agree to pay any landing, warehousing, forwarding and special charges for which this policy in the absence of such warranty would be liable. Also to pay the insured value of any package or packages which may be totally lost in loading, transshipment or discharge.

**28. Labels Clause**

In case of damage affecting labels, capsules, wrappers or cartons these insurers, if liable therefor under the terms of this policy, shall not be liable for more than an amount sufficient to pay the cost of new labels, capsules, wrappers or cartons and the cost of reconditioning the goods, but in no event shall these insurers be liable for more than the insured value of the damaged merchandise.

**29. Brands or Trademarks**

At the option of the Insured, in case of damage to property bearing a brand or trademark, the sale of which carries or implies a guarantee of the supplier or the Insured, the salvage value of such damaged property shall be determined after the removal in the customary manner of all brands or trademarks. On packages where the brand or trademark cannot be removed, the contents shall be transferred to plain packages. Where removal is impractical, the Company and Insured shall consult as to how the loss may be minimized. All reasonable expenses incidental thereto shall be part of the claim, but not exceeding, in all, the insured value of the damaged property.

**ADDITIONAL COVERAGES****30. Import Duty**

The insurance also covers, subject to policy terms of average, the risk of partial loss by reason of perils insured against on the duties imposed on goods and insured hereunder, it being understood

and agreed, however, that when the risk upon the goods continues beyond the time of landing from the overseas vessel, the increased value, consequent upon the payment of such duties, shall attach as an additional insurance upon the goods from the time such duty is paid or becomes due, to the extent of the amounts thereof actually paid or payable.

Any limit of liability expressed in this policy shall be applied separately to such increased value.

The Insured warrants that on all risks insured hereunder a separate amount shall be reported sufficient to cover the said duty, upon which the rate of premium shall be an agreed percentage of the merchandise rate, unless otherwise agreed herein.

The Insured will, in all cases, use reasonable efforts to obtain abatement or refund of duties paid or claimed in respect of goods lost, damaged or destroyed. It is further agreed that the Insured shall, when this Company elects, surrender the merchandise to the customs authorities and recover duties thereon as provided by law, in which event the claim under this policy shall be only for a total loss of the merchandise so surrendered and expenses.

This insurance on duty and/or increased value shall terminate at the end of the import movement covered under this policy (including the Warehouse to Warehouse and Marine Extension Clause).

### **31. Deliberate Damage - Pollution Hazard Clause**

This insurance also covers (but only while the property insured is on board a waterborne conveyance) loss of or damage to said property directly caused by governmental authorities acting for the public welfare to prevent or mitigate a pollution hazard or threat thereof, provided that the accident or occurrence creating the situation which required such governmental action would have resulted in a recoverable claim under the policy (subject to all of its terms, conditions and warranties) if the property insured would have sustained physical loss or damage as a direct result of such accident or occurrence.

This clause shall not increase the limits of liability provided for elsewhere herein.

### **32. Deliberate Damage – Customs**

This insurance is extended to cover direct physical loss or damage to goods insured caused by the actions of Customs inspectors in the course of their inspection duties.

### **33. Concealed Damage**

With respect to shipments of merchandise covered herein, should the opening of any package after arrival to the Insured be delayed, and direct physical loss or damage which can reasonably be shown to have occurred prior to delivery to final destination be found when packages are eventually opened, but not later than 5 [five] days after arrival at final destination, such loss shall be adjusted and paid by the Insurer in the same manner as though the packages had been

immediately opened upon arrival, provided such loss or damage is otherwise recoverable under the terms and conditions of the open policy to which this endorsement is attached.

Packages showing external evidence of damage are to be opened immediately or coverage provided herein shall not apply to such packages.

In the event that packages are not to be opened within the above mentioned limit, additional time may be granted at rates to be agreed, provided notice be given to the Insurer prior to the expiration of the time limit agreed upon.

**34. Consolidation Clause**

Notwithstanding anything contained herein to the contrary (particularly the Warehouse to Warehouse and Marine Extension Clause) this policy is extended, subject to the Average terms, conditions and limits contained elsewhere herein, to cover the property insured hereunder whenever said property is temporarily interrupted from due course of transit either before embarkation or after debarkation from the overseas conveyance for the purpose of consolidation, deconsolidation, packing, repacking, containerization or decontainerization on or at the premises of Freight Forwarders, Consolidators or Truckers.

The extension of due course of transit offered by this clause shall cease at 12:01 a.m. Local Time of the thirtieth (30th) day after receipt of the insured merchandise at the premises of the Freight Forwarder, Consolidator or Trucker. Held covered in excess of this time limit subject to approval of these Insurers and the payment of additional premium, if any.

Nothing contained in this endorsement shall be construed to modify or supersede any warranty contained elsewhere in this policy, particularly any endorsements pertaining to warehousing, processing or any storage risks.

**35. Debris Removal**

This Policy also covers expenses incurred for the removal of all debris of the property covered hereunder or for its destruction which may be occasioned by loss caused by any of the perils insured against under this Policy but limited to 10% of insured value of the damaged goods or merchandise.

This coverage shall be contingent upon the default or failure of the Carrier or Bailee to meet their customary or legal obligations with respect to such expenses.

This clause shall only apply while the shipment of goods and/or merchandise is in the due course of transit and does not apply while insured under any other warehouse or processing endorsement attached hereto.

Nothing contained herein shall be construed to cover any clean up expenses resulting from pollution or for which the Insured may be liable under any pollution statute.

**36. Shortage from Containers**

With respect to shipments of goods in containers, in consideration of premium as agreed, this policy is also to pay for shortage of contents, meaning thereby the difference between

- a. the number of packages or units loaded or said to be loaded in the container as per the shipper's or supplier's invoice or packing list and
- b. the number of packages or units unloaded from the container by the insured or consignee or their agent.

**37. Expediting Expenses**

This insurance is extended to cover reasonable extra expenses not otherwise covered hereunder for the Insured to expedite, by airfreight or otherwise, repairs to or replacement of merchandise insured necessitated by a physical loss or damage covered under this policy. In no event shall this Company's liability under this clause exceed more than \$50,000 or 10% of the insured value of the merchandise, whichever is less.

**38. F.O.B., F.A.S. Sales**

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**Ocean Cargo Open Policy (continued)**

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This insurance is extended to cover, subject to its terms and conditions, export shipments sold by the Insured on F.O.B., F.A.S., C&F or similar terms of sale which do not obligate them to provide insurance for the overseas movement.

Insurance provided by this clause shall cover physical loss or damage which would have been recoverable under this policy had the goods been sold on C.I.F. terms and insured according to the terms customarily used in respect to the goods at risk.

Goods insured under this coverage shall be valued at the amount of the Insured's invoice, plus freight and other charges (if not included in the invoice).

This insurance attaches from the time the goods leave the warehouse at the place named in the policy, certificate, or declaration for the commencement of transit and continues while the goods are in the ordinary course of transit until the Insured's interest ceases or at the time of transfer of title, whichever shall first occur, but in no event beyond the time of loading aboard the overseas conveyance.

The insurance provided under this clause shall not cover any loss or damage which at the time of the happening of such loss or damage is insured by or would but for the existence of this insurance be insured by any other policy or policies, except for the excess beyond the amount which would have been payable under such other policy or policies had this insurance not been effected, and in no event shall it inure to the benefit buyers, consignees or any other party.

The Insured agrees to report in accordance with the reporting terms of this policy the insured values of all such shipments and to pay premium thereon at rates as agreed.

**39. F.O.B., F.A.S., C&F Sales (Contingency)**

This policy is extended to cover, subject to its terms and conditions, export shipments against physical loss or damage sold on F.O.B., F.A.S., C&F or similar terms of sale whereby the Insured is not required to provide marine insurance for the overseas movement.

Insurance under this clause shall be valued at the amount of the Insured's invoice, plus freight or other charges (if not included in the invoice).

It is the intent of this insurance to protect the interests of the Insured for:

- a. risks borne by them as seller from commencement of transit to the point determined by the terms of sale at which the risks are to be borne by the buyer, and
- b. beyond such point while in due course of transit (the interests of the Insured being admitted) until the insured has been paid, or at the expiry of thirty days after discharge from the vessel, whichever shall first occur.

In the event of non-payment by the buyer because of physical loss or damage of the property insured, this Company agrees to advance as a loan such sum as would be recoverable under this policy had the merchandise been sold on C.I.F. terms and insured according to the terms of this policy customarily used in respect to the commodity at risk, such loan to be repayable upon remittance of the purchase price by the buyer or to the extent of any recovery received by the Insured from insurance effected by the buyer or otherwise.

This insurance to be for the sole account of the Insured and in no event is it to inure to the benefit of buyers, consignees or any other party.

The Insured shall preserve all of its rights against the buyer or other parties, and, upon receipt of payment from this Company, shall subrogate to the Company all of such rights and shall give all assistance, other than pecuniary, in enforcing them.

The Insured agrees to report in accordance with the reporting terms of this policy the insured values of all such shipments and to pay premium thereon at rates as agreed.

#### **40. Difference In Conditions/Guarantee of Collectibility**

This insurance shall also cover all shipments imported by the insured purchased on CIF or similar terms for the difference in conditions between the terms and conditions of this policy and the terms of insurance provided by the shipper and/or seller.

This insurance also guarantees the collection in full of all losses which otherwise would come within the terms of this insurance and the Company is to advance the amount as a loan repayable only to the extent of any recovery.

### **PARAMOUNT WARRANTIES**

**41. The following Warranties shall be paramount and shall not be modified or superseded by any other provision included herein or stamped or endorsed hereon unless such other provision refers specifically to the risks excluded by these Warranties and expressly assumes the said risks.**

#### **41(A). F.C. &S. Warranty**

Notwithstanding anything contained herein to the contrary this insurance is warranted free from:-

- 1) capture, seizure, arrest, restraint, detainment, confiscation, preemption, requisition or nationalization, and the consequences thereof or any attempt thereat, whether in time of peace or war and whether lawful or otherwise;
- 2) all loss, damage or expense, whether in time of peace or war, caused by (i) any weapon of war employing atomic or nuclear fission and/or fusion or other reaction or radioactive force or matter or (ii) any mine or torpedo;
- 3) all consequences of hostilities or warlike operations (whether there be a declaration of war or not), but this warranty shall not exclude collision or contact with aircraft, or with rockets or similar missiles (other than weapons of war) or with any fixed or floating object (other than a mine or torpedo), stranding, heavy weather, fire or explosion unless caused directly (and independently of the nature of voyage or service which the vessel concerned or, in the case of a collision, any other vessel involved therein, is performing) by a hostile act by or against a belligerent power; and for the purposes of this warranty "power" includes any authority maintaining naval, military or air forces in association with a power;
- 4) the consequences of civil war, revolution, rebellion, insurrection, or civil strife arising therefrom; or from the consequences of the imposition of martial law, military or usurped power; or piracy.

**41(B). S.R. & CC Warranty**

Notwithstanding anything herein contained to the contrary, this insurance is warranted free from loss, damage or expense caused by or resulting from:

- 1) strikes, lockouts, labor disturbances, riots, civil commotions, or the acts of any person or persons taking part in any such occurrences or disorders.
- 2) vandalism, sabotage or malicious act, which shall be deemed also to encompass the act or acts of one or more persons, whether or not agents of a sovereign power, carried out for political, terroristic or ideological purposes and whether any loss, damage or expense resulting therefrom is accidental or intentional.

**41(C). Delay Warranty**

Warranted free of claim for loss of market or for loss, damage or deterioration arising from delay, whether caused by a peril insured against or otherwise, unless expressly assumed in writing elsewhere in this policy.

**41(D). Nuclear Exclusion Warranty**

Notwithstanding anything to the contrary herein, it is hereby understood and agreed that this policy shall not apply to any loss, damage or expense due to or arising out of, whether directly or indirectly, nuclear reaction, radiation or radioactive contamination, regardless of how it was caused. However, subject to all provisions of this policy, if this policy insures against fire, then direct physical damage to the property insured located within the United States or any territory of the United States or Puerto Rico by fire directly caused by the above excluded perils is insured provided that the nuclear reaction, radiation, or radioactive contamination was not caused, whether directly or indirectly, by any of the perils excluded by the F. C. & S. Warranty of this policy.

Nothing in this clause shall be construed to cover any loss, damage, liability or expense caused by nuclear reaction, radiation or radioactive contamination arising directly or indirectly from the peril of fire mentioned above.

**41(E). Chemical, Biological, Biochemical, and Electromagnetic Terrorism Exclusion Clause (March 1, 2003)**

In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to or arising from an actual or threatened act involving a chemical, biological, biochemical or electromagnetic weapon, device, agent or material when used in an intentionally hostile manner.

**41(F). Assignment Warranty**

This policy shall be void if assigned or transferred without the written consent of this Company.

**41(G). Misrepresentation and Fraud Warranty**

This policy shall be void if the insured has concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof or in case of any fraud, attempted fraud or false swearing by the insured touching any matter relating to this insurance or the subject thereof, whether before or after a loss.

**41(H). Illicit Trade**

Warranted free from any charge, expense, damage or loss which may arise in consequence of a seizure or detention for or on an account of any illicit or prohibited trade or any trade in articles contraband of war or in violation of any port rule or regulations.

**41(I). AIMU U.S. ECONOMIC AND TRADE SANCTIONS EXCLUSION (Cargo)**

Whenever coverage provided by this policy would be in violation of any U.S. economic or trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage shall be null and void.

Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance for any shipment or claim in violation of U.S. economic or trade sanctions as described above shall also be null and void.

**LOSS CLAUSES****42. Notice of Loss**

In case of loss or damage which may give rise to a claim under this policy same shall be reported as soon as practicable to the Company or its designated representatives. Failure to report loss or damage promptly shall invalidate any claim under this policy.

**43. Loss Payable**

Loss, if any, payable to the Insured or order.

**44. Payment of Loss**

In case of loss, such loss is to be paid within thirty (30) days after proof of loss, proof of interest, and adjustment thereof (the amount of the premium, if unpaid, and all sums due to the Company from the insured when such loss becomes due being first deducted, and all sums coming due being first paid or secured to the satisfaction of this Company). Proof of loss to be authenticated by the Company or its designated representatives, and the insured and/or Certificate Holder agree to be examined under oath if so requested by the Company.

**45. Partial Loss**

In the case of partial loss by perils insured against, the proportion of loss shall be determined by a separation of the damaged portion of the insured property from the sound and by agreed estimate (by survey) of the percentage of damage on such portion; or if such agreement is not practicable, then by public sale of such damaged portion for the account of the owner of the property and by

comparison of the amount so realized with the sound market value on the day of sale, but in no event to exceed the applicable limit of liability.

**46. General Average Clause**

General Average and Salvage charges payable according to United States laws and usage and/or as per Foreign Statement and/or as per York-Antwerp Rules (as prescribed in whole or in part) if in accordance with the Contract of Affreightment.

This Company shall be liable for only such proportion of General Average and Salvage Charges as the amount declared for insurance purposes (less particular average for which this Company is



liable hereunder, if any) bears to the contributory value of the property insured, but in no event to exceed the applicable limit of liability.

**47. Duty of Insured**

It is the duty of the Insured and their Agents, in all cases, to take such measures as may be reasonable for the purpose of averting or minimizing a loss and to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised.

**48. Sue and Labor**

In case of any loss or misfortune arising from an insured peril, it shall be lawful and necessary to and for the Insured, his or their factors, servants and assigns, to sue, labor and travel for, in and about the defense, safeguard and recovery of the goods and merchandise, or any part thereof without prejudice to this insurance; nor shall the acts of the insured or the Company in recovering, saving and preserving the property insured in case of disaster be considered a waiver or an acceptance of abandonment; to the charges whereof the Company will contribute in proportion to the sum hereby insured.

**49. Subrogation**

It is a condition of this insurance that upon payment of any loss the Company is to be subrogated to all the rights and claims of the insured arising out of such loss, against any person, corporation or government whatsoever. The insured shall permit suit to be brought in its name but at this Company's expense, and the insured further agrees to render all reasonable assistance in the prosecution of said suit or suits. All recoveries effected from third parties, whether received in the first instance by the insured or this Company, shall be the property of the insurance company up to the amount paid under this policy.

**50. Carrier**

Warranted that this insurance shall not inure, directly or indirectly, to the benefit of any carrier or bailee.

**51. Impairment of Recovery**

In case of any agreement or act by the insured whether prior, simultaneous or subsequent hereto, whereby any such right of recovery of the insured for loss of or damage to any property insured hereunder is released, lost or impaired, which would, except for such agreement or act, upon acceptance of abandonment or payment of a loss by the Company have inured to its benefit, the Company shall not be bound to pay any loss, but its right to retain or recover the premium shall not be affected. Warranted by the insured that this insurance shall be free from liability for loss or damage to property insured hereunder in the possession of any carrier or other bailee who may be liable therefor, either under Bills of Lading or otherwise. However, the Company agrees to pay to the insured the difference between the amount which would be collectible under this policy if it did not contain this warranty and the amount recoverable by the insured from such carrier or bailee, plus the costs and expenses of prosecuting the claim against such carrier or bailee. Pending collection from such carrier or bailee the Company agrees to advance to the insured as a loan without interest such amount as would be a claim under this policy if it did not contain this warranty, the repayment of which shall be conditional upon and only to the extent of any net recovery from such carrier or bailee.

**52. Other Insurance**

- a. If an interest insured hereunder is covered by other insurance which attached prior to the coverage provided by this policy, then this Company shall be liable for the amount in excess of such prior insurance; the Company to return to the insured premium equivalent to the cost of the prior insurance at this Company's rates.

If an interest insured hereunder is covered by other insurance which attached subsequent to the coverage provided by this policy, then this Company shall nevertheless be liable for the full amount of the insurance without right to claim contribution from the subsequent insurers.

- b. Other insurance upon the property of same attaching date as the coverage provided by this policy shall be deemed simultaneous, and this Company will be liable only for a ratable contribution to the loss or damage in proportion to the amount for which this company would otherwise be liable under this policy, and will return to the insured an amount of premium proportionate to such reduction of liability.

**53. Constructive Total Loss Clause**

No recovery for Constructive Total Loss shall be had hereunder unless the property insured is reasonably abandoned on account of its actual total loss appearing to be unavoidable or because it cannot be preserved from actual total loss without an expenditure which would exceed its value when the expenditure had been incurred.

**54. Time for Suit**

It is a condition of this policy that no suit, action or proceeding on this policy for the recovery of any claim shall be sustainable in any Court of law or equity unless the insured shall have fully complied with all the requirements of this policy and unless commenced within twelve (12) months next after the calendar date of the happening of the physical loss or damage out of which the said claim arose, provided that where such limitation of time is prohibited by the laws of the place wherein this policy is issued, then, and in the event, no suit, action or proceeding under this policy shall be sustainable, unless commenced within the shortest limitation permitted under the laws of such place.

**55. Choice of Law**

The terms of this policy shall be construed pursuant to, and the rights of the parties hereto shall be governed and controlled by, the general maritime law of the United States; in the absence thereof, the laws of the State of New York shall apply hereto.

**REPORTS, PREMIUMS AND CANCELLATION****56. Inspection of Records**

The Company, or its Representative, shall have the privilege, at any time during business hours, to inspect the records of the insured as respects all shipments as long as this policy remains in force, and for a reasonable time, not less than one year, thereafter.

**57. Return Premium**

It is agreed that there shall be no return of premium if the interest insured be lost by perils not insured against hereunder.

**58. Errors and Omissions**

This policy shall not be prejudiced by any unintentional delay or omission in the reporting hereunder or any unintentional error in the amount or description of the interest, vessel or voyage, or if the subject matter of the insurance be shipped by any other vessel, provided notice be given this Company as soon as practicable after said facts become known to the insured and deficiency of premium, if any, made good.

**59. Reporting and Payment of Premiums**

It is warranted by the insured to declare to the producer of record named herein for transmission to the Company or its representatives on the date of receiving advice thereof, or as soon thereafter as practicable, all shipments to which this policy attaches. The insured shall pay premiums at rates set forth in the schedules attached hereto on all shipments covered by this policy, whether reported or not. Such premiums shall be paid monthly upon all shipments made during the preceding month. Should the insured willfully fail to report shipments covered by this policy, then the policy shall, at the Company's option, become null and void as and from the date of first failure.

**60. Full Value Reporting**

It is warranted that if the total value at risk exceeds that limit of liability provided by this policy, the insured shall report to this Company the full amount at risk and shall pay full premium thereon. The acceptance by this Company of such reports and premium shall not increase the limits of this Company's liability, and this Company shall be liable for the full amount of loss up to but not exceeding the applicable limit of liability as expressed on the Declarations page.

**61. Agent of Insured**

a) It is understood that for the purposes of this insurance the insured's Producer of Record is

**McGriff, Seibels & Williams, Inc.  
1800 SW First Avenue, Suite 400  
Portland, OR 97201**

b) It is a condition of this policy that the above Producer shall be deemed to be exclusively the agent(s) of the insured and not of this Company in any and all matters related to, connected with, or affecting this insurance. Any notice given or mailed by or on behalf of this Company to the above producer in connection with or affecting this insurance, or its cancellation, shall be deemed to have been delivered to the insured.

**62. Cancellation**

This policy to be deemed continuous and to continue in force until, canceled by either party having given the other thirty (30) days' written notice (unless otherwise agreed upon), but such cancellation shall not prejudice any risk or risks which shall have attached at the time said cancellation becomes effective.

**63. Headings and Captions**

The headings and captions to the clauses set forth herein are for reference purposes only and shall not be deemed to form part of this policy.

**64. Separability**

The terms of this policy shall be separable, and if any part or term hereof shall be held invalid, such holding shall not affect the validity or enforceability of any other part or term thereof.

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

Policy Number  
WR- 5845875

## **AIMU War Risk Only Open Policy (Cargo) (December 2, 1993)**

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### **Zurich American Insurance Company**

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THIS POLICY OF INSURANCE WITNESSETH, that in consideration of premiums as agreed to be paid,

the Assurer does make insurance and cause **Its Financial Services, LLC** to be insured, lost or not lost, for account of whom it may concern, against War Risks only, in accordance with the terms and conditions hereinafter set forth.

To apply to shipments made on or after **02/23/2019**

This Company shall not be liable hereunder for more than **Nil** by any one vessel.

In cases where the total value(s) at risk on anyone vessel exceed(s) the limit of liability as set forth in this Policy, the Assured agrees, nevertheless, to report to the Assurer full value(s) at risk and to pay premium thereon at the agreed rates. The Assured further agrees that acceptance of such reports and premium by the Assurer shall not serve to revoke or to overrule the limit of liability set forth in this Policy; however, subject to the limit of liability, the Assurer in accepting these reports does agree to pay partial losses covered by this Policy without reduction by reason of any coinsurance which otherwise may have existed in the absence of this special agreement.

Subject to the provisions of Clause 4 of this Policy, should there be an accumulation of interests exceeding the above limit of liability by reason of any interruption of transit beyond the control of the Assured or by reason of any casualty, and/or after the interests have been discharged from the incoming overseas Vessel at an intermediate port or place for on-carriage from that or any other port or place by another overseas Vessel, and/or on the on-carrying overseas Vessel, this Policy shall attach for the full amount at risk (but in no event for more than twice the Policy limit which would be applicable to anyone Vessel) provided written notice be given to this Assurer as soon as known to the Assured.

This Policy shall cover only those shipments which are insured against marine risks under **Policy No5845875** of this Company, it being agreed that the description of such shipments, the valuations thereof, the voyage, the designation of the overseas Vessel (which shall be construed to include aircraft if included under the marine policy) on which the goods are to be carried and the ports and/or places of loading and discharge, as reported under the said Policy against marine risks, shall be deemed incorporated herein. Notwithstanding the foregoing, this policy shall not cover purely domestic shipments by air between points in the United States of America (excluding Alaska and Hawaii).

Any loss payable hereunder shall be payable in funds current in the United States, to the order of Assured or Order thirty days after full proofs of loss and proofs of interest have been filed with the Assurer.

1. (a) This insurance is only against the risks of capture, seizure, destruction or damage by men-of-war, piracy, takings at sea, arrests, restraints, detentions and other warlike operations and acts of kings, princes and peoples in prosecution of hostilities or in the application of sanctions under international agreements, whether before or after declaration of war and whether by a belligerent or otherwise, including factions engaged in civil war, revolution, rebellion or insurrection, or civil strife arising therefrom; the imposition of martial law, military or usurped power, and including the risks of aerial bombardment, floating or stationary mines and stray or derelict torpedoes. Warranted not to abandon (on any ground other than physical damage to ship or cargo) until after condemnation of the property insured.

- (b) This insurance also covers, but only while the property insured is on board a waterborne conveyance, loss of or damage to said property directly caused by governmental authorities acting for the public welfare to prevent or mitigate a pollution hazard or threat thereof, provided that the accident or occurrence creating the situation which required such governmental action would have resulted in a recoverable claim under this Policy (subject to all of its terms, conditions and warranties) if the property insured would have sustained physical loss or damage as a direct result of such accident or occurrence.
2. Warranted free from any claim based upon loss of, or frustration of, the insured voyage or adventure caused by arrests, restraints or detainments.
3. This insurance does not cover any loss, damage or expense directly or indirectly arising from, contributed to, or caused by any of the following, whether due to a peril insured against or otherwise:
- (a) commandeering, preemption, requisition or nationalization by the government (defacto or otherwise) of the country to or from which the goods are insured.
  - (b) Seizure or destruction under quarantine, environmental or customs regulations.
  - (c) Delay, deterioration and/or loss of market.
  - (d) Nuclear reaction, radiation or radioactive contamination, regardless of how it was caused.
4. (a) The insurance against the risks enumerated in clause 1, except the risks of floating or stationary mines and stray or derelict torpedoes, floating or submerged referred to in (b) below, shall not attach to the interest hereby insured or to any part thereof:
- (i) prior to being on board an overseas Vessel (For the purpose of this Clause 4 an overseas Vessel shall be deemed to mean a Vessel carrying the interest from one port or place to another where such voyage involves a sea passage by that Vessel);
  - (ii) after being discharged overside from an overseas Vessel at the intended port or place of discharge,  
or  
after the expiry of 15 days from midnight of the day of arrival of the overseas Vessel at the intended port or place of discharge, whichever shall first occur;
  - (iii) after expiry of 15 days from midnight of the day of arrival of the overseas Vessel at an intermediate port or place to discharge the interest for on-carriage from that or any other port or place by another overseas Vessel, but shall reattach as the interest is loaded on the on-carrying overseas Vessel. During the said period of 15 days the insurance remains in force whether the interest is awaiting transit or in transit between the overseas Vessels.
  - (iv) For the purpose of this Clause 4 arrival at the intended port or place of discharge shall be deemed to mean that time when the overseas Vessel first berths, anchors, moors or is secured in an area subject to regulation by the authorities of such port or place.
- (b) The insurance against the risks of floating or stationary mines and stray or derelict torpedoes, floating or submerged, attaches as the interest hereby insured is first loaded on a lighter, craft or vessel after leaving the warehouse at point of shipment in transit for the destination declared hereunder, and ceases to attach as the interest is finally landed from the vessel, craft or lighter prior to delivery to warehouse at such destination.
  - (c) If the contract of affreightment is terminated at a port or place other than the destination named therein such port or place shall be deemed the intended port or place of discharge for the purpose of this Clause
  - (d) Shipments by mail, if covered by this Policy are insured continuously from the time of leaving the sender's premises until delivered to the place of address.

- (e) Shipments by air (other than by air mail) if covered by this Policy are insured subject to the same terms and conditions as shipments by overseas Vessel.
  - (f) It is a condition of this insurance that the Assured shall act with reasonable dispatch in all circumstances within their control.
  - (g) If anything contained in this Policy shall be inconsistent with this Clause 4 it shall to the extent of such inconsistency be null and void.
5. This insurance shall not be vitiated by deviation, overcarriage, change of voyage, or by any error or unintentional omission in the description of interest, vessel or voyage provided the same be communicated to the Assurer as soon as known to the Assured and an additional premium paid if required.
  6. And in case of any loss or misfortune, it shall be lawful and necessary to and for the Assured his or their factors, servants and assigns, to sue, labor and travel for, in and about the defense, safeguard and recovery of the said goods, and merchandises, or any part thereof, without prejudice to this insurance; nor shall the acts of the Assured or Assurers, in recovering, saving and preserving the property insured, in case of disaster, be considered a waiver or an acceptance of an abandonment; and to the charges whereof, the said Assurers will contribute according to the rate and quantity of the sum hereby insured.
  7. General Average and salvage Charges payable according to United states laws and usage and/or as per Foreign Statement and/or as per York-Antwerp Rules (as prescribed in whole or in part) if in accordance with the Contract of Affreightment.
  8. It is agreed that the reports of shipments made under the Policy against marine risks mentioned above shall be deemed to be reports under this Policy also, and the Assured agrees to pay premiums on all shipments insured under this Policy at the war risk rates of the Assurer as fixed from time to time.
  9. No claim shall be payable hereunder which arises from collision, contact with any fixed or floating object ( other than a mine or torpedo), stranding, heavy weather or fire unless caused directly (and independently of the nature of the voyage or service which the Vessel concerned or, in the case of a collision, any other Vessel involved therein, is performing) by a hostile act by or against a belligerent power; and for the purpose of this paragraph "power" includes any authority maintaining naval, military or air forces in association with a power.
  10. No recovery for a Constructive Total Loss shall be had hereunder unless the property insured is reasonably abandoned on account of its actual total loss appearing to be unavoidable, or because it cannot be preserved from actual total loss without an expenditure which would exceed its value if the expenditure had been incurred.
  11. It is agreed that this Policy is a separate and wholly independent contract and is not subject to any terms or conditions of the Policy against marine risks above mentioned (whether physically attached thereto or not) except as such terms or conditions shall have been expressly incorporated herein by reference.
  12. This insurance may be canceled by either party upon forty-eight hours written, telegraphic or telefaxed notice to the other party, but such cancellation shall not affect any shipment on which this insurance has attached under the terms of Clause 4 hereof prior to the effective date of such notice. Shipments on which this insurance has not so attached but for which, prior to the effective date of such notice, bills of lading have been issued and (in the case of exports) Certificates or special policies have been issued and negotiated, shall be covered from the time of loading on the overseas Vessel, as provided in Clause 4, at the rates of the Assurer, provided that, prior to said effective date, such shipments were at the risk of the Assured and were covered under the said Policy against marine risks.

In the event of loss which may give rise to a claim under this Policy, prompt notice shall be given to this Company.

Zurich American Insurance Company



Endorsement No. 1 attaching to and forming part of Policy No. OC 5845875

Insured: Its Financial Services, LLC

Producer: McGriff, Seibels & Williams, Inc.

Endorsement effective date: 2/23/2019

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**AMERICAN INSTITUTE of MARINE UNDERWRITERS  
ENDORSEMENT FOR OPEN POLICIES (CARGO)  
STRIKES, RIOTS & CIVIL COMMOTIONS (FORM 12A)  
(JANUARY 1, 2008)**

THIS INSURANCE ALSO COVERS:

- (1) Physical loss of or damage to property insured directly caused by strikers, locked-out workmen, or persons taking part in labor disturbances or riots or civil commotions;
- (2) Physical loss of or damage to the property insured directly caused by vandalism, sabotage or malicious acts; and,
- (3) Physical loss of or damage to the property insured directly caused by the act or acts of one or more persons, whether or not agents of a sovereign power, carried out for political, terroristic or ideological purposes and whether any loss, damage or expense resulting therefrom is accidental or intentional; PROVIDED that any claim to be recoverable under this subsection (3) be not excluded by the Free of Capture & Seizure Warranty, Extended Radioactive Contamination Exclusion Clause (Extended RACE Clause) or Chemical, Biological, Bio-Chemical and Electromagnetic Exclusion Clause (CBE Clause) in the Policy to which this endorsement is attached. Notwithstanding the foregoing, coverage under this subsection (3) is conditional upon the property insured being in the ordinary course of transit and, in any event, **shall terminate**:
  - (a) As per the Warehouse to Warehouse Clause, Marine Extension Clause, 60 Day South American Clause and any other clauses relating to duration of transit contained in or endorsed onto the Policy; or,
  - (b) on delivery to the consignee's or other final warehouse or place of storage at the destination named herein; or,
  - (c) on delivery to any warehouse or place of storage whether prior to or at the destination named herein, which the Assured elects to use either for storage other than in the ordinary course of transit or for allocation or distribution; or,
  - (d) in respect of marine transits, on the expiry of 60 days after completion of discharge overside of the property insured from the vessel at the port of discharge; or,
  - (e) in respect of air transits, on the expiry of 30 days after unloading the property insured from the aircraft at the place of discharge; **whichever shall first occur.**

Notwithstanding the foregoing, nothing in this clause excludes coverage for insured losses, which are otherwise covered by this insurance, caused by certified acts of terrorism, as defined in the Terrorism Risk Insurance Act (P.L. #107-297), or any subsequent amendments or endorsements to the Act.



**Zurich American Insurance Company**



While the property insured is at risk under the terms and conditions of this insurance within the United States of America, the Commonwealth of Puerto Rico, the U.S. Virgin Islands and Canada, this insurance is extended to cover physical loss of or damage to the property insured directly caused by acts committed by an agent of any government, party or faction engaged in war, hostilities or other warlike operations, provided such agent is acting secretly and not in connection with any operation of military or naval armed forces in the country where the described property is situated.

Nothing in this endorsement shall be construed to cover any loss, damage or expense directly or indirectly arising from, contributed to or caused by any of the following, whether due to a peril insured against or otherwise:

- (a) change in temperature or humidity;
- (b) the absence, shortage, or withholding of power, fuel, or labor of any description whatsoever during any strike, lockout, labor disturbance, riot or civil commotion;
- (c) loss of market or loss, damage or deterioration arising from delay;
- (d) hostilities, warlike operations, civil war, revolution, rebellion or insurrection, or civil strife arising therefrom, except to the limited extent that the acts of certain agents acting secretly have been expressly covered above; or,
- (e) nuclear reaction, radiation or radioactive contamination, as per Extended RACE Clause;
- (f) chemical, biological, bio-chemical or electromagnetic weapon, device, agent or material, as per CBE Clause.

The Assured agrees to report all shipments attaching under this cover and to pay premiums therefore at the rates established by the Assurer from time to time.

This endorsement may be canceled by either party upon forty-eight hours written, telegraphic, telefaxed, or electronic notice to the other party, but such cancellation shall not affect any risks which have already attached hereunder.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**Zurich American Insurance Company**



Endorsement No. 2 attaching to and forming part of Policy No. OC 5845875

Insured: Its Financial Services, LLC

Producer: McGriff, Seibels & Williams, Inc.

Endorsement effective date: 2/23/2019

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**American  
Institute** CYBER  
EXCLUSION CLAUSE  
(11/06/2015)

**This clause shall be paramount and shall override anything contained in this insurance (including any endorsement(s)) inconsistent therewith.**

In no case shall this insurance cover loss, damage, liability, or expense directly or indirectly caused by or contributed to or arising from

1. any "malicious act" involving the use of any "computer system", "electronic data communications system", "computer virus", or process or any other electronic system; and/or
2. any access to or disclosure of any "personally identifiable information" or any person's or organization's confidential information, including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, or any other type of nonpublic information; and/or
3. any action or omission that violates or is alleged to violate any federal, state or local statute that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating, or distribution of any written or electronic material or information.

Where this policy provides coverage for War Risks, section 1 above shall not operate to exclude losses which would otherwise be covered by such War Risks coverage.

**Definitions**

"Computer system" means computer hardware of any kind; "electronic computer program"; "electronic data processing media"; operating system; media microchip; microprocessor (computer chip); integrated circuit or similar device; computer network and networking equipment; firmware; server; website; extranet; and all input, output, processing, storage, and off-line media libraries.

"Computer virus" means any corrupting, harmful or otherwise unauthorized instructions or code including, but not limited to, any maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a "computer system" or network of whatsoever nature.

"Electronic computer program" means computer software, application software, and other recorded instructions for the processing, sequencing, collecting, transmitting, recording, retrieval, or storage of "electronic data".

"Electronic data" means information or knowledge recorded or transmitted in a form usable in a "computer system", microchip, integrated circuit or similar device in non-computer equipment, and which can be stored on "electronic data processing media" for use by an "electronic computer program".

"Electronic data communications system" means any communication system, including a "computer system" and the internet, which provides the Assured with access to another "computer system", microchip, integrated circuit or similar device in non-computer

Endorsement No. 2 (cont'd)

equipment, or which provides any party access to the Assured's "computer system", microchips, integrated circuits or similar devices in non-computer equipment.

"Electronic data processing media" means punch cards, paper tapes, floppy disks, CD-ROM, hard drives, magnetic tapes, magnetic discs or any other tangible personal property on which "Electronic data" or "electronic computer programs" are recorded or transmitted, but not the "electronic data" or "electronic computer programs" themselves. Money or securities are not "electronic data processing media".

"Malicious act" shall mean the intentional and wrongful action or actions of one or more persons, whether or not agents of a sovereign power.

"Personally identifiable information" shall mean information, whether printed or digital, encrypted or unencrypted, in the care custody or control of any Assured which alone or in conjunction with other information can be used to uniquely identify an individual. However, "personally identifiable information" does not include information which is lawfully available to the general public.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**Zurich American Insurance Company**



Endorsement No. 3 attaching to and forming part of Policy No. OC 5845875

Insured: Its Financial Services, LLC

Producer: McGriff, Seibels & Williams, Inc.

Endorsement effective date: 2/23/2019

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**AIMU**

**EXTENDED RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE  
WITH U.S.A. ENDORSEMENT  
(March 1, 2003)**

**This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.**

1. In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from
  - 1.1 ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
  - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
  - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
  - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.

**RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE  
(U.S.A. ENDORSEMENT)**

This insurance is subject to the Institute Extended Radioactive Contamination Exclusion Clause (March 1, 2003) provided that

if fire is an insured peril

and

where the subject matter insured or, in the case of a reinsurance, the subject matter insured by the original insurance, is within the U.S.A., its islands, onshore territories or possessions

and

a fire arises directly or indirectly from one or more of the causes detailed in Sub-Clauses 1.1, 1.2, and 1.4 of the Extended Radioactive Contamination Exclusion Clause March 1, 2003 any loss or damage arising directly from that fire shall, subject to the provisions of this insurance, be covered, EXCLUDING however any loss, damage, liability or expense caused by nuclear reaction, nuclear radiation, or radioactive contamination arising directly or indirectly from that fire.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**Zurich American Insurance Company**



Endorsement No. 4 attaching to and forming part of Policy No. OC 5845875

Insured: Its Financial Services, LLC

Producer: McGriff, Seibels & Williams, Inc.

Endorsement effective date: 2/23/2019

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**DOMESTIC TRANSIT ENDORSEMENT**

1. In consideration of premium at rates as agreed, this policy subject to its terms and conditions and in accordance with the following provisions, is extended to cover property in the ordinary course of transit by land or air within the forty-eight (48) contiguous states of the United States and Canada.
2. Property Insured:  
This policy insures property owned by the Insured or held by them in trust or on commission or on consignment or on which they have made advances, or sold but not delivered.
3. Valuation:  
The said goods and merchandise to be valued and insured as follows:
  - a. Under invoice, valued at including all charges in the invoice and including prepaid and/or guaranteed \ and/or advance freight, if any, plus 10%, or
  - b. Not Under Invoice: valued at Fair Market Value.
4. Limit of Liability:  
This Company's liability under this policy shall not exceed:

(a) <b>\$100,000</b>	Any one Full Truck Load
(b) <b>\$ 50,000</b>	Less Than Truck Load per Bill of Lading, subject to a \$250,000 Maximum per Truck
5. Deductible:  
\$1,000 for Full Truck Load Shipments: \$250 Per Bill of Lading for LTL shipments that are covered under the submitted Special Insuring Conditions.
6. Perils Insured:  
This policy insures against all risks of physical loss or damage to the insured property from any external cause except as excluded below.
7. Perils Excluded:  
This policy does not insure against:
  - A. Loss or damage due to delay, loss of market, loss of use, inherent vice, gradual deterioration, interruption of business or consequential loss of any nature;
  - B. Loss or damage resulting from misappropriation, secretion, conversion, infidelity or any dishonest act done by or at the instigation of the Insured or other party of interest, or their employees or agents;
  - C. Loss or damage caused by or resulting from:
    - (1) hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending, or expected attack

Endorsement No. 4 (cont'd.)

- (a) by any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces; or
    - (b) by military, naval or air forces; or
    - (c) by any agent of any such government, power, authority or forces;
  - (2) any weapon of war employing atomic fission or radioactive force whether in time of peace or war;
  - (3) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence, seizure or destruction under quarantine or Customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade;
- D. Loss or damage by nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, or due to any act or condition incident to any of the foregoing, whether such loss be direct or indirect, proximate or remote, or be in whole or part caused by, contributed to, or aggravated by any of the perils insured against by this policy; however, subject to the foregoing and all provisions of this policy, if this policy insures against the peril of fire, then direct loss by fire resulting from nuclear reaction, or nuclear radiation or radioactive contamination is insured against by this policy.
- E. Loss, damage or expense caused by or resulting from:
- (1) strikes, lockouts, labor disturbances, riots, civil commotions, or the acts of any person or persons taking part in any such occurrences or disorders.
  - (2) vandalism, sabotage or malicious act, which shall be deemed also to encompass the act or acts of one or more persons, whether or not agents of a sovereign power, carried out for political, terroristic or ideological purposes and whether any loss, damage or expense resulting therefrom is accidental or intentional.
- F. Loss, damage, liability or expense directly or indirectly caused by or contributed to or arising from an actual or threatened act involving a chemical, biological, bio-chemical or electromagnetic weapon, device, agent or material when used in an intentionally hostile manner.
8. Attachment & Termination:  
This insurance attaches from the time the property commences transit at the initial point of shipment and continues while the property is in the ordinary course of transit until delivered at destination.
9. Reports and Premium:  
The Insured agrees to report in accordance with the reporting terms of this policy the insured values of all shipments and to pay premium thereon at rates as agreed.
10. The Insured, by acceptance of this policy, warrants and agrees that no special agreement will be made releasing or limiting the liability of any carrier or bailee, except as hereinafter provided.
- (a) Privilege is hereby granted that the Insured accept the ordinary bills of lading or receipts issued by the carrier but it is agreed that the Insured shall not enter into any special agreement releasing the carrier from its common law or statutory liability.
11. Cancellation:  
In the event of cancellation of the policy to which this endorsement is attached, the insurance provided for hereunder shall terminate automatically as of the date of such cancellation, but such cancellation shall not prejudice any risk or risks which shall have attached at the time said cancellation becomes effective.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**Zurich American Insurance Company**



Endorsement No. 5 attaching to and forming part of Policy No. OC 5845875

Insured: Its Financial Services, LLC

Producer: McGriff, Seibels & Williams, Inc.

Endorsement effective date: 2/23/2019

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**REFRIGERATION COVERAGE**

It is hereby understood and agreed that this policy is extended to cover shipments requiring temperature control against all risks of direct physical loss or damage from any external cause, irrespective of percentage, but excluding the risk of loss or damage arising out of or resulting from deterioration howsoever caused.

- a) Notwithstanding the foregoing, this insurance is extended to cover deterioration of the insured goods provided such deterioration shall have resulted from:
  - i) A general average act;
  - ii) A disablement and thereby delay of the carrying vessel caused by breakdown or derangement of the vessel's propelling machinery, rudder or stern post;
  - iii) A breakdown or derangement of refrigerating machinery and/or plant or insulation.
- b) Under no circumstances shall claim for deterioration be payable hereunder unless the breakdown, derangement or delay has lasted at least **four (4) consecutive hours** as evidenced by engineer's or other appropriate ship's log or by approved temperature recording device.
- c) It is warranted by the insured that the interest is in good condition and properly dressed, cooled and/or frozen at the time of attachment of this insurance.
- d) It is warranted by the insured that no claims for loss or damage shall attach unless, immediately on the first discovery of any loss or damage, notice shall have been given to this Company and arrangements made for a survey. It is further warranted that the Insured must immediately file a claim in writing against the vessel or other carrier, a copy of which must accompany any claim presented under this insurance.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

## Unapproved Commodity Index

Endorsement to be attached to and made a part of Policy Number: OC 5845875  
 Issued to: Its Financial Services, LLC

UNAPPROVED COMMODITIES: The following commodities are insurable under limited conditions – ocean shipments insured under FPA conditions, excluding Theft, Pilferage and Non-Delivery. Air shipments at rate terms and conditions to be agreed prior to shipment. If "All Risk" terms are required, please refer to your broker or agent for specific terms, conditions and rates.

Airplanes, Autos and Motorcycles (unless packed and crated)	Eggs in the shell	Meat and Produce not under refrigeration, also no coverage for refrigerated berries and soft fruit, unless shipped frozen
Fine Arts and Antiques	Chinaware and Porcelain Products	Cash, Coins, Securities and other Negotiable Instruments
Newsprint & craft paper in rolls	Furs	Personal Household Goods and Personal Effects
Computer Memory Modules, Cards and Processors	Jewelry, Watches, Precious Stones and Metals	Statuary
Cellular telephones	Live plants and animals	Tin plate
Ceramic blocks, slabs	Marble and/or stone slabs	Tobacco Products
Computer +/-or Electric Components Assembled on Racks	Rolling Stock	
Laptop computers	Pharmaceutical Drugs	Windows, Plate glass Glass Products
Gaming Systems and Handheld Devices and Games	Personal Digital Assistants (PDA)	Yachts and Boats





# CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Insureds Name	Policy Number	Effective Date	Endorsement Number
Its Financial Services, LLC	OC 5845875	2/23/2020	12

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies your insurance:

Ocean Cargo Coverage

## A. Cap on Losses From Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a calendar year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

## B. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.