

AMBC Freight Coverage Exclusions & Conditions

Main coverage points:

1. \$15,000.00 limit of coverage per item/container.
 - \$50,000.00 limit per load.
2. \$2,500.00 limit on household goods and personal effects.
 - Must be PROFESSIONALLY PACKED.
3. Fragile/breakable items should be double boxed with a minimum of 2"-3" or cushioning surrounding the inner box. Each item should be individually protected and cushioned in the center of the inner box.
4. Internal damage is not covered for computers & electronics.
5. Excluded Items: Accounts, bills, currency, cash in transit, evidence of debt, checks, money orders, cash on delivery (COD) payments, coins (collectible coins are not excluded), securities and other negotiable papers, tickets, deeds, notes, gift cards, manuscripts, documents, neon items, hazardous material (per UPS Hazardous Materials List), LCD monitors or screens, televisions (including LCD, plasma, CRT, projection, and similar), perishable cargo or similar property, eggs, any stone or ceramic slabs, automobiles, motorcycles, live animals, flowers, plants, seeds, cigarettes/cigars, cotton, tobacco, windows, plate glass, stained glass, float glass, laptop computers (including tablets computers, ipads, and similar electronics), mobile telephones (including cell phones, smart phones, messaging phones, android phones, iPhones, blackberry phones, and similar), computer chips and similar memory, and jewelry.
6. Excluded Countries: Shipments sent to Afghanistan, Angola, Bolivia, Burma, Congo, Cuba, Iran, Iraq, Ivory Coast (Cote d'Ivoire), Liberia, Nigeria, North Korea, Paraguay, Sierra Leone, Somalia, Sudan, Syria, Venezuela. Any location that would be in violation of any U.S. economic or trade sanctions including OFAC Restricted Countries. For shipments to Russian and other Commonwealth of Independent States countries (includes Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Russian Federation, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan) coverage ceases upon touchdown of the aircraft at the airport of destination or upon discharge from the overseas vessel at the destination discharge port.
7. Claims
 - Notify Shippersurance and the carrier as soon as possible and notate exceptions on the delivery receipt if there is any loss or damage.
 - All packaging material and damaged goods must be kept in the original form as received.
 - The Insured will provide all documents requested to process the claim to Shippersurance within one hundred and twenty (120) calendar days from the date of shipment.
 - Coverage is for actual cash value.

Continued On Next Page

Complete Coverage Exclusions and Conditions

Definitions:

The following terms have specific meanings and appear in bold face type throughout this program:

- A. **Carrier** means the company that is transporting the **parcel** or **freight** covered by this program.
- B. **Freight** means packages or shipments transported through commercial freight **Carriers**.
- C. **Insured** means the Shipper(s), individual(s) or companies who have elected to purchase insurance through this program.
- D. **Parcel** means packages or shipments transported through **parcel carriers**.
- E. **SHIPSURANCE** means the agent, Shippersurance Insurance Services.
- F. **Total Insured Value** means the total value of the item(s) declared for insurance coverage. Includes the **Carrier** provided coverage, if any.
- G. **We, us and our** means Voyager Indemnity Insurance Company.

EXCLUSIONS

This program does not provide coverage for the following:

- A. Accounts, bills, currency, cash in transit, evidence of debt, checks, money orders, cash on delivery (COD) payments, coins (collectible coins are not excluded), securities and other negotiable papers, tickets, deeds, notes, gift cards, manuscripts, documents, neon items, hazardous material (per UPS Hazardous Materials List), LCD monitors or screens, televisions (including LCD, plasma, CRT, projection, and similar), perishable cargo or similar property, eggs, any stone or ceramic slabs, automobiles, motorcycles, live animals, flowers, plants, seeds, cigarettes/cigars, cotton, tobacco, windows, plate glass, stained glass, float glass, laptop computers (including tablets computers, ipads, and similar electronics), and mobile telephones (including cell phones, smart phones, messaging phones, android phones, iPhones, blackberry phones, and similar)
- B. Shipments sent to Afghanistan, Angola, Bolivia, Burma, Congo, Cuba, Iran, Iraq, Ivory Coast (Cote d'Ivoire), Liberia, Nigeria, North Korea, Paraguay, Sierra Leone, Somalia, Sudan, Syria, Venezuela. Any location that would be in violation of any U.S. economic or trade sanctions including OFAC Restricted Countries. For shipments to Russian and other Commonwealth of Independent States countries (includes Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Russian Federation, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan) coverage ceases upon touchdown of the aircraft at the airport of destination or upon discharge from the overseas vessel at the destination discharge port.
- C. **Parcel(s) or freight** that require a signature confirmation or signature required service that are not sent using the required signature service are excluded from coverage.
- D. Loss, damage, shortage, or non-arrival of any **parcel** or **freight** and its contents which is addressed incorrectly or packed insufficiently to withstand the normal rigors of transit.
- E. Loss, damage, shortage, or non-arrival of any **parcel** or **freight** and its contents when it bears a descriptive label or packaging which describes, or alludes to, the nature of the contents. This includes the manufacturer packaging. International shipments that contain customs declarations are NOT excluded from coverage.
- F. Loss, damage, shortage, or non-arrival of any **parcel** or **freight** and the contents when it is obtained by trick, false pretense, or other fraudulent schemes.
- G. Loss, damage, shortage arising out of loss of market, delay, loss of use, clean-up costs, decay, inherent vice, or other deterioration, any remote or consequential loss, whether or not arising out of a peril insured against or changes in temperature or humidity.
- H. War Exclusion, Atomic and Nuclear Exclusion:

In no case shall this program cover loss damage or expense caused by:

- 1) War, civil war, revolution, rebellion, insurrection, or civil strife arising from, or any hostile act by or against a belligerent power;
- 2) Capture, seizure, arrest, restraint or detainment (piracy excepted), and the consequences of or any attempt of;
- 3) Derelict mines, torpedoes, bombs, or other derelict weapons of war. In no case shall this program cover loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission, fusion or other like reaction or radioactive force or matter.
- I. Mechanical and Electrical Derangement or Mechanical Breakdown - Loss of or damage due to mechanical, electrical, electronic derangement or refrigerated breakdown unless there is evidence of external damage to the **parcel** or its packaging. Data files and installed computer programs are not covered for erasure, corruption, or loss.
- J. American Institute of Marine Underwriters Extended Radioactive Contamination Exclusion clause.
- K. American Institute of Marine Underwriters Chemical, Biological, Bio-Chemical, Electromagnetic, and Cyber Weapons Exclusion clause.
- L. Shipments involving illegal or controlled substances are excluded from coverage.
- M. Pollution

This program does not apply to any damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to pollution, however caused.

Pollution includes the actual, alleged or potential presence in or introduction into the environment of any substance if such substance has or is alleged to have, the effect of making the environment impure, harmful, or dangerous. Environment includes any air, land, structure or the air therein, watercourse or water, including underground water. **We** will have no duty to defend any suit arising out of or in any way related to pollution.

- N. Shipments sent through owned, leased or rented vehicles that are not commercial **parcel** or **freight** businesses.
- O. Commodity Specific Exclusions
 - 1. Household Goods & Personal Effects: Loss or damage due to moths, vermin, wear and tear, and gradual deterioration. Loss or damage due to climatic or atmospheric conditions or extremes of temperatures. Shipments that are owner packed (must be professionally packed for coverage). Shipments sent without a valued itemized inventory list. Maximum coverage per entire shipment is \$2,500.00 (Per Conveyance Limit of Liability).
 - 2. Steel Products – Rust, oxidation, and discoloration. Non crated pipe, tube, rods, beams or similar exclude the risk of bending, twisting, and end damage.

CONDITIONS

- A. CLAIM DISPUTES
This program shall be construed and interpreted in accordance with the laws of the State of California.

The parties agree that any and all claims or disputes arising out of the program or the performance of the program shall be brought in Los Angeles County, California.

The **Insured** agrees to INDEMNIFY AND HOLD HARMLESS **SHIPSURANCE** and **us** from any loss, liability, damage or costs, including court costs and attorney fees that they may incur due to misreading, misunderstanding, and not following the coverage requirements provided by this program and any applicable endorsements.

Continued On Next Page

B. CLAIM REQUIREMENTS

- 1) All packaging material and damaged goods must be kept in the original form as received. Packaging and damaged goods should not be disposed of or released to the **carrier** before a claim is completed as photographs will be required. Failure to comply will result in the denial of the claim due to insufficient packing.
- 2) Concealed damage allows for the discovery of loss or damage up to 15 days after final delivery. The loss is deemed to have possibly occurred during the insured transit. Discovery of loss or damage occurring 16 days or later after final delivery is deemed to have occurred while the shipment was NOT in transit, and therefore, is not covered.
- 3) In case of loss or damage to the covered **parcel** or **freight** the following must be completed:
 - a) The **Insured** will file immediate notice of non-delivery, damage, or shortage with the **Carrier** and with **SHIPSURANCE**;
 - b) The recipient will take proper exceptions on the delivery receipt when any loss or damage is apparent at the time of delivery;
 - c) The **Insured** will complete a **SHIPSURANCE** claim form and provide all required documents to **SHIPSURANCE** within one hundred and twenty (120) calendar days from the date of shipment. If the **Carrier** has liability and their remittance (**Carrier's** claim check and stub) or response has not been received by the **Insured** within the 120 day timeframe, all other claim paperwork must be received by **SHIPSURANCE** within one hundred and twenty (120) calendar days from the date of shipment.
 - d) A complete claim submission must include a **SHIPSURANCE** claim form, a copy of the **carrier's** tracer form, a copy of the invoice or recent appraisal, photos of damaged goods and packaging, a repair estimate, a claim statement signed by the recipient (or intended recipient), and any other documentation requested by **SHIPSURANCE**. Failure to complete the claim form and follow all claim instructions could lead to non-settlement of claim.
 - e) If the shipment is sent by the United States Postal Service (USPS) or consolidators, complete claims must be submitted and received by **SHIPSURANCE** within one hundred and twenty (120) calendar days of the shipment date. If the claim is for loss the **Insured** must wait twenty (20) calendar days (Domestic shipments) or 40 calendar days (International shipments) before filing claim with **SHIPSURANCE**.
- 4) Any damage to **parcel** or **freight** that was not repaired must be made available to **us** or **SHIPSURANCE**, if requested.
- 5) Once a claim has been accepted and approved by **us**, prompt payment will be made to the **Insured**.
- 6) **We** and **SHIPSURANCE** will rely on the determination of responsibility made by the original **Carrier** to assist in substantiating the loss.

C. CONFORMITY TO STATUTE

Any provision of this program that is not in conformity with the laws of the state in which this program is issued, is amended to comply with the minimum requirements of such law.

D. OTHER INSURANCE

This program is excess coverage if there is other insurance coverage. After the other insurance has paid up to its limit, **our** program will provide coverage up to its limit, but not exceeding the remainder of the loss.

E. VALUATION

We shall be liable for the invoice value of **parcel** or **freight** lost, destroyed or damaged, however, in the event there is no invoice, **we** shall be liable for the actual cash value of the **parcel** or **freight**. Claims for repairs shall be payable for the fair market costs of such repairs. In no event shall claims exceed the value declared prior to shipment and declared for premium purposes.

SHIPSURANCE reserves the right to disallow any user to purchase SHIPSURANCE insurance at any time with 10 days written, certified notice.

By purchasing shipping insurance online, you certify that all information provided is accurate and truthful. The submission of a false, fictitious, or fraudulent statement may result in imprisonment of up to 5 years and a fine of up to \$10,000 (18 USC 1001). In addition, a civil penalty of up to \$5,000 and an assessment of twice the amount falsely claimed may be imposed (31 USC 3802). Warning: any fraudulent claims will make the shipper and/or consignee liable for any prosecution for mail fraud under federal crime code.