Road transport liability insurance
Special terms and conditions
KU 06, valid as of 1 April 2020

Application of special clauses
The Special Clauses 2020 KU 06 (600–631) of Cargo Insurance shall be applied in connection with the Cargo Insurance, Terms and Conditions 2020 KU 05, and the International Terms and Conditions 2020 KU 07 of Cargo Insurance if the validity of the special clause has been agreed upon separately and an entry thereof has been made in the insurance policy or contract.

The insurance will be valid to the extent indicated in the insurance policy or contract.

These cargo insurance terms and conditions shall apply to companies’ and entrepreneurs’ deliveries within Finland, from a foreign country to Finland or from Finland to a foreign country, within and between foreign countries.

600 Exhibition and art exhibition
1 The insurance attaches and terminates as follows:
• The insurance attaches from the first time the insured object is moved, packed or otherwise prepared for the immediate commencement of actual transit
• The insurance continues to be in force during the ordinary course of transit covering ordinary transshipment, intermediate storage, loading and discharge connected therewith.
• The insurance is also valid during the exhibition and its related intermediate storage for 30 days from the start of the exhibition, unless otherwise specified in the policy document.
• The insurance terminates once the object of insurance has been moved to its destination and placed in its final place of exhibition, custody or storage immediately after transit.
• Unless otherwise specifically agreed and stated in the policy document, the insurance remains valid for no longer than 30 days.

2 Unless otherwise agreed, the insurance does not cover loss, damage or expense during the exhibition caused by:

2.1 exhibiting the goods or using them for the intended purpose
2.2 scratching, chafing, contamination, tearing or wear and tear, unless this can be proved to be caused by a coverable event
2.3 the fact that the exhibition goods have not been under surveillance or supervision on the exhibition premises or during loading and unloading
2.4 theft when collections, works of art and antique items, precious metals, pearls, precious stones, jewellery and other similar valuables have not been kept in locked glass cabinets, display cabinets or other equivalent safe place
2.5 property being left behind or disappearing
2.6 theft, loss or disappearance when said theft cannot be itemised or the loss or disappearance of an article is not detected until stocktaking.

3 If the exhibition takes place outdoors, the insurance only covers insurance events included in basic cover (KU05, clause 4), unless otherwise agreed and stated in the policy document or insurance contract.

601 Removal
1 Contrary to the insurance terms and conditions, the subject-matters insured also include works of art, valuable collections, valuable instruments and other valuables, up to EUR 5,000 per object but a maximum of EUR 20,000 per insurance event and insurance period. However, the insurance does not cover money, securities, precious metals and gemstones or jewellery made from them.

2 The insurance attaches and terminates as follows:
• For each parcel, the insurance attaches from the time the parcel leaves the premises for immediate loading into the means of transport for the commencement of the actual transit.
• The insurance continues to be in force during the ordinary course of transit covering ordinary transshipment, intermediate storage, loading and discharge connected therewith.
• The insurance terminates when the parcel has reached the final place of destination and has been discharged from the means of transport employed for the actual transit and moved into the premises.
3 Unless otherwise agreed, the insurance does not cover loss, damage or expense caused by:
3.1 packing the goods or releasing or discharging the goods on the installation site or fastening or installing the goods on the installation site.
3.2 scratching or chafing unless this can be proved to be caused by a coverable event.
3.3 the fact that the removal goods have not been under surveillance or supervision during transport or during loading and unloading.
3.4 theft, loss or disappearance when said theft cannot be itemised or the loss or disappearance of an article is not detected until stocktaking.

602 Breakage during loading or unloading
In addition to insurance events included in basic cover KU05, clause 4, the insurance covers loss caused to the insured goods by breakage due to tipping over or dropping during loading or unloading.

603 Live animals
In addition to insurance events included in basic cover KU05, clause 4, the insurance covers losses caused by
- accidental injury
- death through an injury, or putting down an animal due to an accidental injury
- disappearance
- theft.
In addition to the sum insured, reasonable veterinary costs are covered up to 20% of the value of the insured animal.

604 Limited breakage
In addition to insurance events included in basic cover KU05, clause 4, the insurance covers loss caused by breakage and destruction due to the insured goods tipping over, dropping or knocking an external object or obstacle.

605 Malicious damage
In addition to insurance events included in basic cover KU05, clause 4, the insurance covers loss due to malicious damage caused by a party other than the policyholder or the insured.

606 Impurities
In addition to insurance events included in basic cover KU05, clause 4, the insurance covers loss caused by
- impurity loosed from the rest of the cargo
- impurity originating from the means of transport or the container
- impurity caused by animals
- impurity penetrating into the means of transport or the container.

607 Contamination
In addition to insurance events included in basic cover KU05, clause 4, the insurance covers loss caused by the contamination of the bulk cargo transported.
The insurance will be valid provided that the goods have been examined by the insurance company or an accredited international cargo surveyor before loading and after unloading.

608 Sweating (condensation water)
In addition, the insurance covers loss caused by goods becoming wet as a result of sweating or moisture condensation (condensation water) within the cargo space or container.

609 Rain, snowfall or hail
In addition, the insurance covers loss caused to the goods by snowfall, rain or hail.
The insurance will be valid provided that the goods have been appropriately packed and protected against damage caused by goods becoming wet, in view of the goods’ proneness to damage and transport, handling and storage conditions.

610 Corrosion
In addition to insurance events included in basic cover KU05, clause 4, the insurance covers loss caused to the goods by rust or other corrosion.
The insurance will be valid provided that the goods have been appropriately packed and protected, in view of the goods’ proneness to damage and transport, handling and storage conditions.

611 Salmonella
In addition to insurance events included in basic cover KU05, clause 4, the insurance covers loss, damage or costs caused by the fact that the cargo inspection authorities ban the import of goods on the basis of salmonella contamination, order the disposal or return of the contaminated goods.
If the authorities accept the import of the goods on the condition that the goods are reconditioned by heating or disinfecting them, the insurance will cover any resulting reasonable costs, provided that before the attachment of the insurance the goods were inspected by either a public food inspection body under the import country’s regulations or an inspection body of the country of origin, whose inspections are approved by the import country’s authorities.
The related inspection report must be submitted when claiming damages.
Compensation does not cover goods which are dispatched from the export country after an import ban on these goods has taken effect in the import country. With respect to goods shipped before the entry into force of an import ban, this special clause covers only costs arising from transporting the goods back to the other country of
destination. However, said compensation will be paid only if the import ban has been imposed by the aforementioned inspection body.

612 Rejection of goods
In addition, the insurance covers losses caused by the fact that the cargo inspection authorities ban the import of goods and order the disposal or return of the goods. The insurable value is

- the cargo’s commercial invoice value in the place in which the insurance attaches
- transport costs that are the responsibility of the insured and
- insurance premium calculated on the combined amount of the aforementioned items.

Trading profit cannot be insured. Compensation is payable provided that before the attachment of the insurance the goods were inspected by either a public food inspection body under the import country’s regulations or an inspection body of the country of origin, whose inspections are approved by the import country’s authorities.

The related inspection report must be submitted when claiming damages.

Compensation does not cover goods which are dispatched from the export country after an import ban has taken effect in the import country. With respect to goods shipped before the entry into force of an import ban, this special clause covers only costs arising from transporting the goods back to the other country of destination. However, said compensation will be paid only if the import ban has been imposed by the aforementioned inspection body.

613 Coal
In addition, the insurance covers damage or loss caused by explosion, fire or heating due to the self-ignition of goods or some inherent vice in the goods.

The insurance also covers any such transit or storage of the goods in lighters as is an ordinary part of a sea transit not exceeding a period of 30 days counting from the day of loading the goods into the lighter. However, the insurance terminates

- upon expiry of 30 days counting from midnight of the day of discharge of the goods from the seagoing vessel at the final port of discharge, or
- upon expiry of 8 days counting from midnight of the day of discharge of the goods from a means of transport other than seagoing vessel at a customs-house, railway station or other cargo terminal at the place of destination.

The insurance covers a cargo discharged as a result of damage under general average, or goods shipped to replace said cargo, in terms of the same quality and quantity. Any resulting additional cost or damage to the goods will be handled as an insurance event and in general average as an expense to be reimbursed.

Deductible
For insurance events covered under the insurance terms and conditions, the policyholder’s deductible accounts for 3% of the total sum insured of the shipment. Insurance events covered under Basic Cover or the equivalent extended ICC (C) condition do not include a deductible.

614 Self-ignition
In addition, the insurance covers damage or loss caused by the self-ignition of goods.

The insurance attaches when the goods have been loaded into the means of transport or container. The insurance continues to be in force during the ordinary course of transit covering ordinary transshipment, intermediate storage, loading and discharge connected therewith.

The insurance terminates when the goods have reached the final place of destination named in the insurance contract and discharged there from the means of transport or container employed for the actual transit.

The insurance does not cover damage caused by a rise in the goods' temperature.

615 Disappearance of means of transport or container
In addition, the insurance covers loss caused by the disappearance of the entire means of transport or container during transit.

By disappearance we mean that, owing to an event referred to in the policy, the goods have not arrived at the destination referred to in the insurance contract, clause 4, it is not known where the goods are, or their location cannot be ascertained within a reasonable time.

The means of transport or container, owing to an event referred to in the policy, has not arrived at its destination within 60 days of the agreed or estimated arrival date of the insured cargo and there is no knowledge of its whereabouts.

616 Towing in land transport
In addition, the insurance covers damage caused to the insured goods towed due to their tipping over, dropping, swerving off the road or colliding with an external object or obstacle.

617 Towing in sea transport
In addition, the insurance covers damage caused by breakage and destruction during loading and unloading to the insured goods towed due to their dropping, tipping over, colliding with or knocking an external object or obstacle.

In addition, the insurance covers reasonable salvage costs. The insurance will be valid provided that the towboat is approved by the relevant authorities and is inspected and has the machine power sufficient for safe towing. The vessel used for transport must have been inspected and its tonnage and stability must be sufficient with respect to the weight and size of the insured cargo.
The insurance will be valid provided that the wind velocity does not exceed 10 m/s and the wave height does not exceed 1.5 metres before the beginning of transport.

In addition, the policyholder must follow the cargo fastening, reinforcement and towing plan and the safety regulations separately issued by the insurance company.

618 Haulage and lifting
In addition, the insurance covers loss caused by breakage and destruction due to the insured goods tipping over, dropping or knocking an external object or obstacle. The insurance is valid from the time when

- the loading of goods from the storage or installation site into the means of transport or container for the commencement of the actual transit begins, and continues until the goods have been loaded into the transport equipment or container

or

- the unloading of goods from the actual transport equipment or container begins for the immediate transfer of the goods onto their storage or installation site

or

- the goods are immediately moved from their storage or installation site elsewhere than into a transport equipment or container within the company’s business location.

However, the insurance terminates no later than when the goods have been loaded onto the transport equipment or container, or transferred immediately after unloading to their storage or installation site.

619 Destruction or cleaning
In addition, the insurance covers costs arising from

- the removal or destruction of damaged goods

- the cleaning of the means of transport or container

- the cleaning of a temporary place of storage into which the goods were discharged before the insurance terminated.

Compensation is payable provided that

- the law requires the policyholder or the insured to defray these costs and the costs are not covered under any other insurance

- the loss is caused by a coverable event.

Unless otherwise agreed separately, the maximum compensation amounts to EUR 50,000 per insurance event and period.

620 Taxes and fiscal charges
In addition, the insurance covers costs incurred by the policyholder or the insured due to the fact that

- the law requires the policyholder or the insured to pay customs duties, taxes or other similar charges set by the authorities and these are not covered under any other insurance

- the loss is caused by a coverable event.

Unless otherwise agreed separately, the maximum compensation amounts to EUR 50,000 per insurance event and period.

621 Additional expenses
In addition, the insurance covers extra freight costs or other transport-related costs incurred due to expediting delivery to the original destination, which arise from

- the means of transport suffering an accident or breakage

- the coverable event under war or strikes clauses governing the means of transport

- general average

- the participation in rescue operations related to marine casualty.

Unless otherwise agreed separately, the maximum compensation amounts to EUR 50,000 per insurance event and period.

622 ISPS Forwarding Charges Clause (JC2004/050b) of 4 November 2004
For use only with ISPS Code for the Security of Ships and Port Facilities.

This insurance is extended to reimburse the policyholder, up to the limit of the sum insured for the voyage, for any extra charges properly and reasonably incurred in unloading, storing and forwarding the subject-matter to the destination to which it is insured hereunder, following release of cargo from a vessel arrested or detained at or diverted to any other port or place (other than the intended port of destination) where the voyage is terminated due to such vessel not being certified in accordance with the ISPS Code as required under the SOLAS Convention 1974 as amended.

623 Repair costs
In addition, the insurance covers extra repair costs arising from

- a non-standard way or method of repairing damage

- extra freight costs or other charges for express repair service

- charges for testing, measurement, trial run or installation for the purpose of discovering damage and ensuring performance.

Unless otherwise agreed separately, the maximum compensation amounts to EUR 50,000 per insurance event and period.

624 Currency
In addition, the insurance covers loss caused by a reduction in the value of goods due to a change in foreign exchange rates at the time of payment of compensation in comparison with the value of goods shown by the commercial invoice at the time when the insurance attaches.

Unless otherwise agreed separately, the maximum compensation amounts to EUR 50,000 per insurance event and period.
625 Market value
In addition, the insurance covers loss caused by a reduction in the value of goods due to a change in market prices of goods publicly quoted on international commodities exchanges at the time of payment of compensation in comparison with the value of goods shown by the commercial invoice at the time when the insurance attaches.
Unless otherwise agreed separately, the maximum compensation amounts to EUR 50,000 per insurance event and period.

626 Delay
In addition, the insurance covers loss caused by a reduction in the value of goods due to their delayed delivery, or by the destruction of the goods, provided that
• the delivery is delayed for a minimum of 14 days of the agreed delivery date and
• the insurance has been valid throughout transportation
• the delay is caused by an event covered by the insurance in force or caused by insufficient or misleading instructions or orders issued by the carrier or some other third party
• the means of transport has become broken or damaged in such a way that the delivery of goods to the consignee is delayed
• transport of goods via ports, waterways, roads, airports, railway stations, terminals or similar operating points is prevented due to their destruction, closure or blockade
• the loss is not associated with any previous insurance event for which the insurance company is not liable.

627 Buyer’s/seller’s interest clause
Contrary to Clause 16 of the Cargo Insurance, General Terms and Conditions 2020 KU 05 or Clause CC 13 of the International Terms and Conditions 2020 KU 07 of Cargo Insurance, the insurance is valid if
• the party to the sale other than the policyholder carries the risk of loss of damaged goods and the other party to the sale has not underwritten a cargo insurance policy
• the insurance company of the other party to the sale refuses to indemnify although the insurance event is coverable under the insurance contract and, as a result, the policyholder does not receive the sale price, or part thereof, of the goods sold
• the other party to the sale fails to fulfil his obligation to record Incoterms or other similar trade terms included in the cargo insurance, or with respect to the obligation to insure included in the sales contract.
Transferring this buyer’s/seller’s interest clause or any interest related thereto or the right of claims for the benefit of a third party will discharge the insurance company from all liability.
When the insurance company has paid compensation for any loss or damage, the policyholder’s rights towards the buyer or seller or other third parties transfer to the insurance company.
This special clause may not be brought to the attention of the other party to the sale.
This insurance may not be regarded as double insurance.

628 Insurance policy commitment
The policyholder undertakes to promptly pay the insurance company indemnities which the insurance company has had to pay to the party suffering loss or another party entitled to indemnity due to the fact that
• at the policyholder’s express request the insurance company has drawn up an insurance policy that differs from the terms and conditions and regulations of the insurance contract, or
• the policyholder, whom the insurance company has authorised to draw up insurance policies, has drawn up an insurance policy that differs from the terms and conditions and regulations of the insurance contract.
In addition, the policyholder is liable to compensate the insurance company for any costs and losses arising from damage, claims handling and compensation or rejection.
Unless the policyholder has fulfilled his liability to pay under this commitment within thirty (30) days of the date when the insurer presented a written demand for payment, penalty interest will be calculated on the demanded amounts, in accordance with the applicable legislation.

629 Policy fee
If the insurance company draws up a separate Marine Insurance Policy or Certificate at the policyholder’s request, it will charge EUR 70 for each document.