



# Cargo Insurance

## Special clauses

KU 06, valid as of 1 January 2024

### Application of special clauses

The Special clauses 2024 KU 06 (600–634) of the Cargo insurance are applied in connection with the Cargo insurance terms and conditions 2024 KU 05 and the International terms and conditions 2024 KU 07 of the 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 is valid to the extent of the insurance cover specified in the insurance policy or contract.

These cargo insurance terms and conditions apply to deliveries made by companies and entrepreneurs within Finland, from a foreign country to Finland or from Finland to a foreign country, as well as 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 the transport
- The insurance will remain in force during the ordinary course of the transport, covering any ordinary shipments and intermediate storage periods as well as any loading and unloading operations connected to these intermediate storage periods.
- The insurance will also remain valid during an 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 insured object has been moved to its destination and placed in its final place of exhibition, custody or storage immediately after transport.
- Unless otherwise specifically agreed and specified in the insurance policy, the insurance will remain valid for up to 30 days.

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

2.1 exhibiting the goods or using them for their intended purpose

2.2 scratching, chafing, staining, tearing or wear and tear, unless this can be proven to have been caused by an event that is covered by the insurance

2.3 a situation where the exhibited goods were not 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 stored in a locked glass cabinet, display cabinet or some other equivalent secure storage space

2.5 property being forgotten or lost

2.6 theft, loss or disappearance when said theft cannot be itemised or the loss or disappearance of an article is detected only during stocktaking.

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

### 601 Removals

1 Contrary to the insurance terms and conditions, the objects of insurance also include works of art, valuable collections, valuable instruments and other valuables, up to EUR 5,000 per object, but limited to 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 any 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 transport equipment for the commencement of the actual transport.
- The insurance will remain in force during the ordinary course of the transport, covering any ordinary shipments and intermediate storage periods as well as any loading and unloading operations connected to these intermediate storage periods.

- The insurance terminates when the parcel has reached its final place of destination and has been unloaded from the transport equipment employed for the actual transport and moved into the premises.

3 Unless otherwise agreed, the insurance does not cover any loss, damage or expense caused by

3.1 packing goods or releasing or unloading goods on an installation site, or fastening or installing goods on an installation site.

3.2 scratching or chafing unless this can be proven to have been caused by a coverable event.

3.3 a situation where the removal goods were not 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 detected only during stocktaking.

## 602 Breakage during loading or unloading

In addition to the insurance events specified in basic cover KU05 clause 4, the insurance covers breakages caused by insured goods being tipped over or dropped during loading or unloading.

## 603 Live animals

In addition to the insurance events specified 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 expenses are covered for up to 20% of the insurable value of the animal.

## 604 Limited breakage

The insurance covers breakage that can be demonstrated to have been caused during transport.

## 605 Vandalism

In addition to the insurance events specified in basic cover KU05 clause 4, the insurance covers losses caused by a wilful act of damage inflicted by a party other than the policyholder or the insured.

## 606 Impurities

In addition to the insurance events specified in basic cover KU05 clause 4, the insurance covers losses caused by

- impurity fallen off from the rest of the cargo
- impurity originating from the transport equipment or the container
- impurity caused by animals
- impurity penetrating into the transport equipment or the container.

## 607 Contamination

In addition to the insurance events specified in basic cover KU05 clause 4, the insurance covers losses 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 losses caused by goods becoming wet as a result of sweating or moisture condensation (condensation water) within the cargo space of the transport equipment or the container.

## 609 Rain

In addition, the insurance covers losses 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' susceptibility to damage and their transport, handling and storage conditions.

## 610 Corrosion

In addition to the insurance events specified in basic cover KU05 clause 4, the insurance covers losses caused to the goods by rust or other forms of corrosion.

The insurance will be valid provided that the goods have been appropriately packed and protected, in view of the goods' susceptibility to damage and their transport, handling and storage conditions.

## 611 Salmonella

In addition to the insurance events specified in basic cover KU05 clause 4, the insurance covers any loss, damage or costs caused by a situation where the cargo inspection authorities, on the basis of salmonella contamination, ban the import of the goods or order the disposal or return of the goods.

If the authorities accept the import of the goods on the condition that the goods are reconditioned by heating or disinfection, the insurance will cover any resulting reasonable costs.

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 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 the costs arising from transporting the goods back to another 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 the losses caused by a situation where the cargo inspection authorities ban the import of the 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
- the transport costs that are the responsibility of the insured, and
- the insurance premium calculated on the basis of 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 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 the costs arising from transporting the goods back to another 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 any damage or loss caused by an explosion, fire or heating due to the self-ignition of goods or some inherent property of the goods.

The insurance also covers any such transport or storage of the goods in lighters that constitutes an ordinary part of sea transport not exceeding a period of 30 days counting from the day the goods were loaded into the lighter.

However, the insurance terminates

- upon the expiry of the 30-day period that began after the day the goods were unloaded from the seagoing vessel at the final port of discharge, or
- upon the expiry of the 8-day period that began after the day of the goods were unloaded from a transport equipment other than a seagoing vessel at a customs-house, railway station or some other cargo terminal at the place of destination.

The insurance covers any cargo that is unloaded as a result of damage that is to be processed under the general average, or goods of the same quality and quantity shipped to replace said cargo. Any resulting additional costs 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 will account for 3% of the total sum insured of the shipment. Insurance events covered under the basic cover or the equivalent extended ICC (C) condition do not include a deductible.

## 614 Self-ignition

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

The insurance attaches when the goods have been loaded into the transport equipment or container. The insurance will remain in force during the ordinary course of the transport, covering any ordinary transshipments and intermediate storage periods and any loading and unloading operations connected to these intermediate storage periods.

The insurance terminates when the goods have reached the final place of destination specified in the insurance contract and unloaded there from the transport equipment or container employed for the actual transport.

The insurance does not cover any damage caused by a rise in the temperature of the goods during transport.

## 615 Disappearance of the transport equipment or container

In addition, the insurance covers any loss caused by the disappearance of the entire transport equipment or container during transport.

Here, the term disappearance refers to a situation where, owing to an event referred to in the policy, the goods have not arrived at the destination referred to in the insurance contract, it is not known where the goods are, or their location cannot be ascertained within a reasonable time.

The transport equipment 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 any damage caused to towed insured goods 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 any damage caused by breakage and destruction during loading and unloading to towed insured goods due to their dropping, tipping over, colliding with or knocking an external object or obstacle.

In addition, the insurance covers any 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 required to safely conduct the towing operation. The vessel used for transport must have been

inspected and its carrying capacity 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 the transport.

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

## 618 Haulage and lifting

In addition, the insurance covers losses 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 the goods from the storage or installation site into the transport equipment or container for the commencement of the actual transport begins, and continues until the goods have been loaded into the transport equipment or container, or
- the unloading of the 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 have been transferred immediately after unloading to their storage or installation site.

## 619 Destruction or cleaning

In addition, the insurance covers any costs arising from

- the removal or destruction of damaged goods
- the cleaning of the transport equipment 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, maximum compensation is limited to EUR 50,000 per insurance event and period.

## 620 Taxes and fiscal charges

In addition, the insurance covers any costs incurred by the policyholder or the insured in the event 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, maximum compensation is limited to EUR 50,000 per insurance event and period.

## 621 Additional expenses

In addition, the insurance covers any extra freight costs or other transport-related costs incurred as a result of expediting the delivery to its original destination, which arise from

- the transport equipment suffering an accident or breakage
- a coverable event under the War and Strike Clauses governing the transport equipment
- general average
- participating in a rescue operation related to a marine casualty.

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

## 622 ISPS forwarding charges clause JC 2004/050b of 4 November 2004

For use only with the 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 the unloading, storing and forwarding of the object of insurance to the destination to which it is insured hereunder, following the release of the 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 a 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 any extra repair costs arising from

- a non-standard way or method of repairing damage
- extra freight costs or other charges for express repair services
- any testing, measurement, trial run or installation charges for the purpose of determining damage and ensuring performance.

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

## 624 Currency

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

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

## 625 Market value

In addition, the insurance covers any loss caused by a reduction in the value of goods due to a change in the market prices of the goods publicly quoted on international commodities exchanges at the time of the payment of compensation in comparison to the value of the goods shown by the commercial invoice at the time when the insurance attached.

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

## 626 Delay

In addition, the insurance covers any loss caused by a reduction in the value of the 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 the transportation process
- 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 transport equipment has become broken or damaged in such a way that the delivery of the goods to the recipient is delayed
- the transport of goods via ports, waterways, roads, airports, railway stations, terminals or similar operating points is prevented due to their destruction, closure or a 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

Subject to terms and conditions of the open cover, the Insured is indemnified for loss of or damage to the goods which are on the other party's responsibility in the event of the other party's failure to insure goods or its insurance company refusing to settle the claim that is recoverable under the other party's marine insurance policy, resulting in the trade price not being paid to the Insured.

In case of damage to or loss of the goods which the other party under the trade agreement has been obliged to insure, this insurance also covers the loss incurred to the Insured as a result of the other party's failure to insure the goods as defined by the INCOTERMS® 2020 or by other trade terms applicable.

This insurance also covers any difference of limit and/or conditions between the insurance cover provided by the

sellers and the terms and conditions of the Master policy warranted that the insured have duly presented their claim under the cover provided by the seller before claiming the difference under this insurance.

Any assignment of this cover or of any interest or claim hereunder shall discharge the Insurer from this liability under this clause.

This clause shall immediately be considered null and void, if the Insured discloses the existence of the same or transfers the benefit thereof to the contracting party, the primary insurer or any third party.

## 628 Insurance policy commitment

The policyholder undertakes to promptly pay the insurance company any indemnities that the insurance company has had to pay to the party suffering a loss or another party entitled to an 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 compensations or rejections.

Unless the policyholder has fulfilled the payment liability specified in their commitment within thirty (30) days of the date when the insurer presented a written demand for payment, a penalty interest will be calculated on the basis of 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.

## 630 Regardless of terms of delivery

This insurance remains valid regardless of terms of delivery.

## 631 Handling costs

Costs of discharge, storing, sorting and all other charges incurred in connection with the ascertainment of the extent of loss of and/or damage to and disposal of damaged goods shall be recoverable hereunder irrespective of whether or not the damage is ultimately found to have been caused by the operation of an insured peril. The compensation paid under this clause is in excess of any other compensation paid from this insurance. Coverage is limited to 10% of the insured value of the individual shipment and to a maximum of EUR 50,000 per shipment



## 632 Expediting Expenses

This insurance shall include extra freight and additional expenses reasonably incurred by or on behalf of the Insured in respect of expediting the delivery of their shipments, materials, equipment or parts thereof to the original place of destination, mitigating the effects of delay which are necessarily incurred by the Insured for the purpose of continuing the business operations of the Insured, but only to the extent such expenses are incurred as a consequence of:

The vessel, vehicle or craft on which any of the property is being carried or is intended to be carried, being involved in, or encountering

1. Any accident or breakdown of the carrying vessel, vehicle or craft or delays resulting there from
2. Loss or damage which would be covered by the Institute War and Strikes Clauses Hulls Voyage
3. A General Average Act
4. A salvage or lifesaving operation

The protection afforded by this insurance shall operate in respect of vessels or craft from the time that the vessel or craft comes alongside the berth or mooring point at which the property is to be loaded thereon, (including any casualties or incidents arising during such berthing or mooring), and in respect of conveyances from the time that the conveyance arrives at the place where the goods are to be loaded thereon.

### Limit

The coverage under this insurance is operational after an incurred or anticipated delay of 14 days in the ordinary course of transit and limited to 10% of the original insured value of the shipments involved in the casualty with a maximum liability of EUR 50 000 each incident.

## 633 Replacements by air

Irrespective of the original method of shipping the Insurers agree in the case of loss or damage to a sales transport to cover additional costs incurred the Insured by forwarding replacement by air in order to avoid fines, or penalties and/or to meet project timetable. Coverage is limited to 10% of the insured value of the individual shipment and to a maximum of EUR 100.000 per shipment.

Insurance is not extended to shipments covered under the Buyer's/Seller's Interest.

Coverage to terminate immediately after unloading from the final means of conveyance.

## 634 Intermediate and/or intentional Storage

Notwithstanding the Transit Clause of the Institute Cargo Clauses (A) this insurance covers intermediate and/or intentional storage of the Insured goods arranged in the name of the Insured at locations worldwide for a period of 60 days up to the policy limits. The period of cover at the final place of destination to be calculated from the date of discharge from the ocean vessel or from other means of conveyance. Including the risks covered under the Institute Strikes Clauses (Cargo).

Delivery of replacement subject to a waiting period of seven days from the date carriers have in writing confirmed their inability to trace lost goods.

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Domicile: Helsinki, main line of business: insurance

Regulatory authority: Finnish Financial Supervisory Authority, [www.fiva.fi](http://www.fiva.fi)

