

三井住友海上火灾保险（中国）有限公司

SPECIAL CLAUSE FOR MIS-DELIVERY-RELATED EXPENSE

Article 1 (Risks Covered)

Notwithstanding anything contained herein to the contrary contained in this policy, it is specially understood and agreed that if it becomes necessary for the Assured, as a result of mis-delivery of the cargo to somewhere other than the designated place stated in the contract of carriage (hereinafter “designated place”) due to the misstatement of delivery information or mark, or wrongful arrangement of conveyance, or wrongful loading and unloading operation, or errors and omissions of the Assured or people arranged by the Assured who carry on delivery work (including actual delivery, loading/unloading, packaging, storing and customs clearance, etc.), to forward the cargo to the designated place, this insurance, **with the Insurer’s prior consent**, shall pay for the below mentioned losses and expenses.

(1) Forwarding Charge

Forwarding charge includes freight, loading/unloading cost, re-packing fee, storage charge, tallying fee and other reasonable supplementary costs caused by mis-delivery for the purpose of forwarding the mis-delivered cargo or cargo clearly stated as mis-delivered (hereinafter “mis-delivered cargo”) by the contracted conveyance to the designated place, which also includes duty charge, quarantine inspection fee, fumigation fee and other public tax charges related to mis-delivery.

(2) Expediting Cost for Substitution

Expediting cost for substitution includes expenses of forwarding the necessary and minimal substitution by air or other urgent conveyance, loading/unloading cost, re-packing fee, storage charge, tallying fee and other expediting cost during the transit of substitution as a result of failure to forward the mis-delivered cargo by contracted conveyance to the designated place within the agreed date which might cause further loss to shipper or consignee, such expenses should also include duty charge, quarantine inspection fee, fumigation fee and other public tax charges during the shipment of the substitution.

(3) Return Cost

Return cost includes freight, other fees related to freight, duty charge and other public tax charges to send the mis-delivered cargo back to the place of shipment or other place approved by the Insurer because expediting shipment of substitution has been already shipped and as a result, the mis-delivered cargo no longer needs to be sent to the designated place. **But the return goods shall be delivered by a conveyance other than the air, and the return cost shall be limited to actual amount.**

(4) Scraping Cost

Scraping cost includes expenses of scraping the mis-delivered cargo, **but excludes the cost to eliminate, wash, clean and remove the total or partial portion of the mis-delivered cargo from soil, atmosphere, waterway, river, lake, swamp, ocean and etc.**

(5) Loss Prevention Cost

Loss prevention cost includes, with prior approval of the Insurer, relevant expenses, co-operative cost and cost for litigation, arbitration, mediation and settlement, which are related to the obligation of the Assured to prevent loss from happening or to mitigate the loss.

The aforementioned co-operative cost means the reasonable cost because of the cooperation with the Insurer by the Assured relating to Article 6 (Company's Direct Settlement of Claim) of Cargo Indemnity Insurance Clauses.

(6) Indemnity for Loss of Goods

This includes loss attributable to the Assured's legal liability to indemnify or contracted liability to indemnify in the contract of carriage to the owner of Goods due to the scraping of the mis-delivered cargo.

Article 2 (Exclusions)

In no case shall the Insurer cover any loss of or damage to the subject-matter insured arising from any of the following matters:

- (1) Expenses attributable to the Assured which are not related to mis-delivery.**
- (2) Incidents attributable to the misconduct and ambiguous instruction of Shipper or Consignee such as alteration of the delivery location after shipment.**

Article 3 (Limit of Liability)

(1) The amount of expenses and claims recoverable subject to item (1) to (5) of Article 1 of this special clause shall not exceed the amount listed in the policy. In any event where a claim is covered under other special clause, the aggregated amount of all claims shall not exceed the limit of liability per any one accident agreed in this policy.

(2) The amount of expenses and claims recoverable subject to item (6) of Article 1 of this special clause shall not exceed the amount listed in the policy.

(3) The deductible agreed in this policy does not apply to the abovementioned limit of liability in item (1) and (2) of Article 3.

(4) Other losses and expenses provided in this special clause, except the Loss Prevention Cost mentioned in item (5) of Article 1, shall apply to 10% of loss amount as deductible per any one accident.

Article 4 (Relations to other clauses)

Other terms and conditions shall be subject to the main clause and other special clauses of this policy, provided being not in conflict with this special clause. This special clause shall override anything inconsistent therewith contained in the main clause of this policy.