

Outline of Ocean Marine Cargo Insurance

-Important Notice-

The purpose of this document is to outline important terms of Ocean Marine Cargo Insurance. This Company would expect the Assureds to read this document thoroughly and understand the contents therein before signing to the application form.

*If you have any inquiries, please do not hesitate to contact this Company or its Agents.

*If a policyholder is not identical with the Assured, please make sure that both of them understand and agree to the terms and conditions of the policy and the contents of this document.

*This document is not designed to cover every detail of the contract. If you need further information, please refer to the terms and conditions of insurance policy.

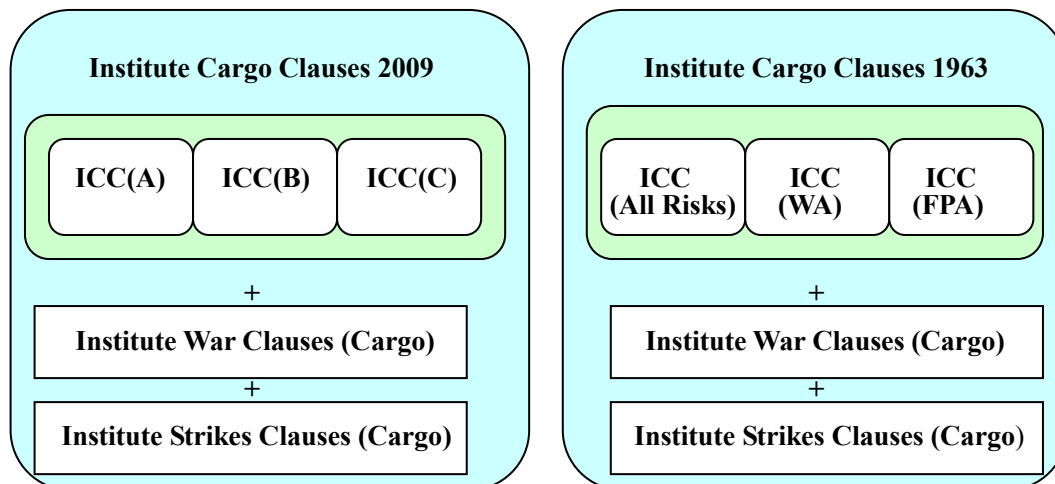
1. Ocean Marine Cargo Insurance Policy

Ocean Marine Cargo Insurance shall cover loss of or damage to the subject-matter insured caused by Marine Risks, War Risks, and S.R.C.C. Risks during transit.

Marine Risks are covered subject to the Institute Cargo Clauses, drafted by Lloyd's Market Association (LMA) and International Underwriting Association of London (IUA). There are two types of policy forms used today; one is the "Ships and Goods Policy Form (SG Form)," featuring clauses drafted in 1963, and the other is "Marine Policy Form (Mar Form)," which was introduced in 1982 and then revised in 2009. Both of them have basically three general conditions; Institute Cargo Clauses (A), (B), and (C) for Mar Form, corresponding to Institute Cargo Clauses (All Risks), (WA), (FPA) for SG Form, respectively. The Institute Cargo Clauses (A) covers all risks of loss of or damage to the subject-matter insured except as provided in the Clauses 4, 5, 6, and 7. The Institute Cargo Clauses (B) and (C) provide cover against named perils rather than all risks.

War Risks and S.R.C.C Risks are covered subject to the Institute War Clauses and Institute Strikes Clauses respectively, both of which are used in combination with the Institute Cargo Clauses.

<Constituent Parts of the Clauses>



*The "Marine Risks" contains the risks of loss of or damage to the subject-matter insured caused by fortuitous accidents during transit such as being sunk or stranded, fire, collision, breakage, theft, and natural disasters.

*The "War and S.R.C.C. Risks" contains the risks of loss of or damage to the subject-matter insured caused by war related activities, strikes, riots or civil commotion during maritime transportation.

*When an aircraft is used for a major leg of transit, Institute Cargo Clauses (Air) or Institute Air Cargo Clauses (All Risks) are applied instead of Institute Cargo Clauses (A).

<Two Types of Policies Used for Ocean Marine Cargo Insurance>

Type of Policy	Overview
Single Voyage Policy	You may effect a contract for each individual voyage. It is also known as facultative or single voyage policy.
Open Policy	You may effect an Open Policy, which is the method of placement that provides coverage for all shipments by or for account of the Assured, subject to pre-agreed terms and conditions.

2. Open Policy Contract

An open policy contract is an agreement between the Assured and this Company to ensure all shipments which fall within the terms and conditions agreed by both parties prior to actual shipments to be insured.

Once the contract takes effect, the Assured shall make definite declaration of each and every shipment details (subject matter insured, insured amount, and insured voyage, etc.) to the insurer promptly as soon as they become definite. This open cover is especially beneficial to those who transport goods frequently since it shall not be prejudiced by any omission of, error and/or delay in making declaration, except for those made intentionally or by gross negligence. Open Policy Contract contains Special Clauses for Open Policy of Ocean Marine Cargo Insurance which specifies methods of premium payments or declaration of shipment information, as well as the Institute Cargo Clauses.



3. Risks to be Covered

(1) Institute Cargo Clauses (MAR Form)

Risks	INSTITUTE CARGO CLAUSES(A) War & S.R.C.C.	INSTITUTE CARGO CLAUSES(Air) War & S.R.C.C.	INSTITUTE CARGO CLAUSES(B) War & S.R.C.C.	INSTITUTE CARGO CLAUSES(C) War & S.R.C.C.
Fire or Explosion	○	○	○	○
Vessel or craft being stranded or sunk	○	○	○	○
Overturning or derailment of land conveyance	○	○	○	○
Collision of conveyance	○	○	○	○
Total loss of any package lost overboard or dropped whilst loading onto, or unloading from vessel or craft	○	○	○	●
Entry of sea, lake or river water into vessel craft hold conveyance container or place of storage	○	○	○	●
Earthquake, volcanic eruption, or lightning	○	○	○	●
General average sacrifice	○	-	○	○
Salvage Charges	○	○	○	○
Extraneous risks (Sweat, Breakage, Bending, Denting, Theft, Leakage, Non-Delivery, Shortage, Contamination, etc.)	○	○	●	●
Loss damage or expense caused by insufficiency or unsuitability of packing by the third party	○	○	○	○
War, Civil War, Capture and Seizure	○	○	○	○
Strikes, Riots and Civil Commotions	○	○	○	○

○: Covered

●: Covered with a special clause

(2) Institute Cargo Clauses (S.G. Form)

Risks	INSTITUTE CARGO CLAUSE(All Risks)+ War & S.R.C.C.	IACC (All Risks)+ War & S.R.C.C.	INSTITUTE CARGO CLAUSE(WA) + War & S.R.C.C.	INSTITUTE CARGO CLAUSE(FPA) + War & S.R.C.C.
Fire or Explosion	○	○	○	○
Vessel or craft being stranded or sunk	○	○	○	○
Overturning or derailment of land conveyance	○	○	○	○
Collision of conveyance	○	○	○	○
Total loss of any package lost overboard or dropped whilst loading onto, or unloading from vessel or craft	○	○	○	○
Sea water damage	○	○	○*	△
Earthquake /Volcanic Eruption/ Lightning	○	○	●	●
General Average/ Salvage charges	○	-	○	○
Extraneous risks (Sweat, Breakage, Bending, Denting, Theft, Leakage, Non-Delivery, Shortage, Contamination, etc.)	○	○	●	●
Loss damage or expense caused by insufficiency or unsuitability of packing by the third party	×	×	×	×
War, Civil War, Capture and Seizure	○	○	○	○
Strikes, Riots and Civil Commotions	○	○	○	○

○: Covered

△: Covered only when the goods are totally lost

●: Covered with a special clause, if any

*: Covered with some deductions

"IACC" = Institute Air Cargo Clauses

×: Not Covered

4. Claims and Charges Recoverable under Ocean Marine Cargo Insurance

Ocean Marine Cargo Insurance covers the claims such as below.

(1) Claims for Damaged Cargo	Payments for loss of or damage to the subject-matter insured caused by the risks shown in the previous section (3), "Risks to be Covered."
(2) General Average and Salvage Charges	Payments for general average and salvage charges adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from the insured risks.
(3) Forwarding Charges	When the insured transit is terminated at a port or place other than that to which the subject-matter insured is covered, the insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading, storing, and forwarding the subject-matter insured.
(4) Other than above	Payments for cost and expense under the "Both to Blame Collision Clause," etc..

* In case the payment of claims is to be made abroad (outside of Japan), the amount of claim shall be paid in the foreign currency stated in the policy or certificate of insurance issued under this Open Policy.

* In case the payment of claims is made in Japan, the amount of claim in the foreign currency in which the declaration has been made shall be converted into Yen at the latest T.T. Selling Rate quoted by The Bank of Tokyo-Mitsubishi UFJ, Ltd., Tokyo, on the day before (or, if any quotation was not made on such day, the latest to) the day of settlement of the claim.

* You should refer to the terms and conditions of the policy for further details.

5. Limit of Liability

Limit of Liability and Location Limit are set in the Open Policy Contract.

<p>(1) Limit of Liability (per Any One Oversea Vessel)</p>	<p>The sum recoverable in respect of all loses of damages and other charges for the subject-matter insured loaded on any one oversea vessel sustained or incurred during any one voyage shall not exceed the limits specified in the Open Policy, unless a request is made by the Assured, prior to the attachment of the risk or before any known or reported loss of accident, for the increase of such limits and the special agreement thereto of this company is obtained.</p>
<p>(2) Location Limit</p>	<p>In case of loses of damages and other charges for the subject matter insured covered under this Open Policy on land in any one Locality, the sum recoverable, in respect of any one accident or series of accidents arising out of the same event (as for earthquake, accidents happening during the period or 72 consecutive hours to be considered as those arising out of the same event) shall not exceed the Location Limit specified in the Open Policy, unless a request is made by the Assured, prior to the happening of loss or accident, for the increase of such limits and the special agreement thereto of this company is obtained.</p>

* Limit of liability is the sum of claims for damaged cargo and any costs and/or charges.

* Limit of liability may be set in foreign currency.

6. Exclusions

Listed below are the major risks which shall not be covered under this Ocean Marine Cargo Insurance Policy and Institute Cargo Clauses.

Loss, damage or expense caused by or attributable to

- (1) Inherent vice or nature of the subject-matter insured such as decay, deterioration or rust.
- (2) Insufficient or unsuitable packing or preparation carried out by the assured or their parties
- (3) Delay of the shipments
- (4) Willful misconduct of the assured
- (5) Consequential Loss (i.e. penalties or compensations)
- (6) War risks while the subject-matter insured is on land

- (7) Rejection of subject-matter insured by the quarantine inspection
- (8) Atomic or nuclear fission
- (9) Radioactive contamination, chemical, biological, bio-chemical, or electromagnetic weapons
- (10) Any act of terrorism while the subject-matter insured is not in the ordinary course of transit
- (11) Usage of the vessel which does not meet the ISM standards
- (12) When a provision of cover or payment of claims are exposed to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, Japan, United Kingdom or the United States of America.

* These are not exhaustive and there can be more excluded risks in the policy.

* Please refer to your insurance policy for further details.

7. Special Clauses

The following Special Clauses may be applied in combination with the Institute Cargo Clauses.

(1) Special clauses automatically applied for all cargoes

- Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause

- This clause shall be paramount and in no case shall this insurance cover loss damage liability or expense caused by such risks above.

- Termination of Transit Clause (Terrorism) 2009

- This clause shall be paramount and it provides that claims for loss of or damage to the subject-matter insured caused by acts of terrorism are recoverable only if they are incurred during the ordinary course of transit.

- Wild Fauna and Flora Clause

- This clause provides that no claim shall be paid unless the trades of the goods covered are lawful in the light of any rules, regulations, and/or laws enforced in compliance with the Convention on International Trade in Endangered species of Wild Fauna and Flora (CITES, so called "Washington Convention") in each country of origin, export, re-export, or import.

- Cargo ISM Endorsement

- This clause provides that in no case shall this insurance cover loss, damage or expense when the Assured is aware of the fact that the subject-matter insured is carried by a vessel which is not certified to the ISM Code at the time of loading.

- Institute Classification Clause

- This clause ensures that the cover (rate, terms, and conditions) of the Ocean Marine Cargo Insurance is provided on the assumption that the carriage is by approved vessels defined in this clause. When a vessel used is not approved by IACS, an additional premium may be charged.

- Break-Up Vessel Clause

- This clause provides that the quoted terms and conditions including rates of premium for the insured shipment shall be altered in case the carrying vessel is scheduled to be broken up at the time of sailing.

- Institute War Cancellation Clause

- This clause provides that the cover against War Risks as defined in the Institute War Clauses may be canceled by either the Company or the Assured except in respect of any insurance which shall have attached in accordance with the conditions of the Institute War Clause before the cancellation becomes effective. Such cancellation shall however only become effective on the expiry of 7 days from midnight of the day on which the cancellation notice is issued by or to the Company.

- Strikes Cancellation Clause

- This clause provides that the cover against Strikes Risks as defined in the Institute Strikes Clause may be cancelled by either the Company or the Assured except in respect of any insurance which shall have attached in accordance with the conditions of the Institute Strikes Clause before the cancellation becomes effective. Such cancellation shall however only become effective on the expiry of 7 days (or 48 hours in respect of sending to or from the U.S.A.) from midnight of the day on which the cancellation notice is issued by or to the Company.

(2) Special clauses automatically applied for the imported cargoes

- On-Deck Clause

- This clause provides that in the event of the subject-matter insured or any part thereof being carried on deck, whether by the exercise of a liberty granted to ship owners or charterers under the contract of affreightment or not, the conditions on such deck load shall be subject to the Institute Cargo Clauses (C) including the risk of washing overboard, as from the commencement of this insurance.

- Open-Yard Storage Clause

- This clause provides that in the event of subject-matter insured or any part thereof being stored in the open-yard at the port of landing named in the policy, the liability for such goods shall be subject to the Institute Cargo Clauses (C) so long as they are so stored, provided, however, that the foregoing shall not apply in case of the Assured having given a previous notice of such storage to this Company and agreed to pay an additional premium required.

(3) Special clauses applied for specific cargoes

(a) For machinery

- Institute Replacement Clause

- This clause provides that in the event of loss of or damage to any parts of an insured machine caused by a peril covered by this insurance, the sum recoverable shall not exceed the cost of

replacement or repair of such parts plus labor for refitting and carriage costs. Duty incurred in the provision of replacement or repaired parts shall also be recoverable provided that the full duty payable on the insured machine or manufactured item is included in the amount insured. The total liability of Insurers shall in no event exceed the amount insured of the machine or manufactured items.

(b) For canned or bottled goods

- Label Clause

- This clause provides that in case of damage from perils insured against affecting labels only, loss to be limited to an amount sufficient to pay the cost of reconditioning, cost of new labels and relabeling the goods, provided the damage will have amounted to a claim under the conditions of the policy.

(c) For container cargo

- Under Deck or On Deck Clause

- This clause provides that in consideration of an additional premium, goods shipped in containers are insured subject to the provisions of this policy applying to under deck shipments even though stowed on deck, provided such shipments are carried under an optional Bill of Lading permitting the carrier to stow containers under deck or on deck. Furthermore, coverage afforded under this clause shall include loss of or damage to the goods in containers jettisoned or lost overboard.

(4) Special Clauses optionally applied

- Extended Transit Clause

- This clause is to extend the duration of coverage, which is originally stipulated in the Transit Clause of Institute Cargo Clauses. It enables us to match the duration of your insurance coverage with individual logistics structure.

- Duty Clause

-This clause provides that subject to the conditions of the policy, this Company is liable to pay partial loss sustained on duty imposed on the goods insured, and also to pay total loss if the goods are totally lost after the duty is paid.

- Special Replacement Clause (Air Freight)

- This clause provides that charges for forwarding parts for replacement or repair provided in the Institute Replacement Clause attached shall include those for forwarding by air.

- Special Replacement Clause (Duty)

-This clause provides that notwithstanding the provision in the Institute Replacement Clause attached, this Company shall be liable to pay for loss, if any, sustained by payment of duty on parts for replacement or repair in case the full duty is not included in the amount insured.

- * Please refer to the terms and conditions of your insurance policy for further details.
- * These are not exhaustive and there can be other clauses attached to your Open Policy.
- * If you need further information, please contact this Company or its Agent.

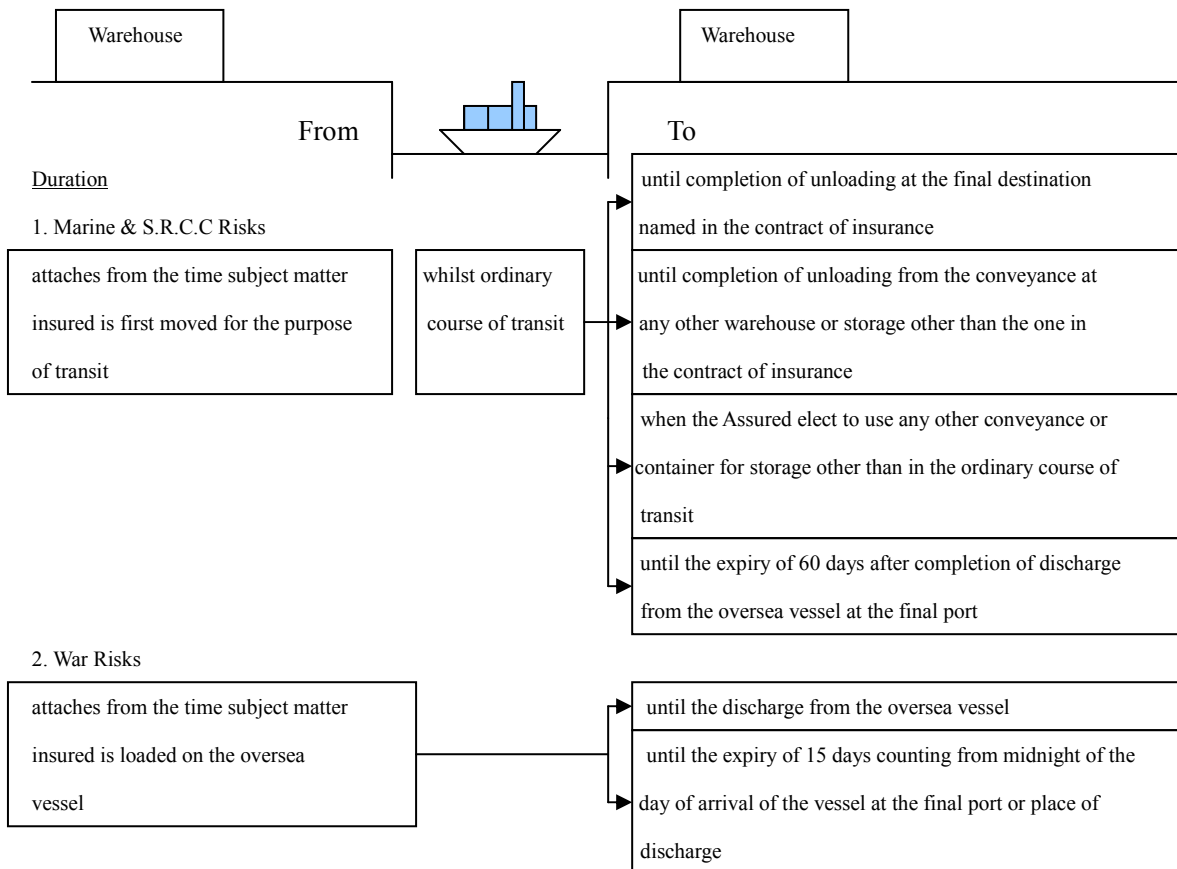
8. Duration of Coverage

This insurance attaches from the time when the subject-matter insured is first moved in the warehouse or at the place of storage for the purpose of the immediate loading into or onto the carrying vessel or other conveyance for the commencement of the transit, and continues during the ordinary course of transit, and terminates either

- (1) On completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of this insurance.
- (2) On completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of this insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution.
- (3) When the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit.
- (4) On the expiry of 60 days after completion of discharge overseas of the subject-matter insured from the overseas vessel at the final port of discharge, or 30 days after completion of unloading from an aircraft.

- * The Assured must be interested in the subject-matter insured at the time of the loss under Incoterms or other trade terms, which is requisite for claims settlement.
- * Please note that the Institute War Clauses attach only as the interest insured and as to any part thereof is loaded on an overseas vessel, and terminates either as the interest and as to any part thereof is discharged from an overseas vessel at the final port or place of discharge, or on expiry of 15 days counting from midnight of the day of arrival of the vessel at the final port or place of discharge, whichever shall first occur.

<Duration of Coverage>



9. Insured Amount

In common practice, Insured Amount is set to fully cover Insured Value, which is commonly described as the invoice value (plus freight and/or insurance charges if not included in the invoice value) plus ten percent uplift to cover the buyer's administration cost and notional profit, unless otherwise agreed by this Company prior to the attachment of the risk. A policy which specifies the agreed value of subject matter insured is defined as a valued policy.

* Insured value is the monetary amount which subject matter insured is valued at. The insured value is the maximum amount of loss the Assured can potentially incur from a specified consignment.

* Insured amount is the maximum amount which this Company shall be liable to pay in case loss of or damage to the subject matter insured occurs resulting from insured perils.

* It is also possible to agree Insured Amount based on FOB Value.

10. Impact of Fluctuation in Foreign Exchange Rates

In case of any claim payable in Japan, the amount of claim in the foreign currency in which the declaration has been made shall be converted into Yen at the latest T.T. Selling Rate quoted by The Bank of Tokyo Mitsubishi UFJ, Ltd., Tokyo, on the day before (or, if any quotation was not made on such day, the latest to) the day of settlement of the claim. Therefore, please note that there is a risk of depreciation in the currency.

11. Rate of Premium

Rate of premium consists of Marine Rate and War & S.R.C.C. Rates.

Marine Rate is proposed considering various factors, such as description and nature of subject-matter insured, packing, terms and conditions, conveyance, insured voyage, season of voyage, stowage plan, past statistics for the type of cargo and past loss ratio of the Assured, etc.

* Please note that the carrying vessel is an important factor in pricing a risk, and therefore, quoted conditions and rates is assumed to apply only when the carrying vessel satisfies the requirements of the Institution Classification Clause. If the carrying vessel is not approved by the Institute Classification Clause, the conditions and rates for marine risks quoted are subject to alternation at any time without any notice being given.

* Please note that for War & S.R.C.C. Risks, the conditions and rates at the date of sailing from the loading port of the vessel shall be applied.

12. Declaration

The Assured shall make definite declaration of each and every shipment covered by this Open Policy without exception to this Company as soon as the risks covered by this Open Policy attaches, advising all the requisite particulars of the shipments as follows:

1. Subject-matter insured (description, quantities, marks and numbers)
2. Insured value and insured amount
3. Insured voyage
4. Name of the conveyance and the date of shipment
5. Conditions of insurance
6. Date of attachment of risk

In the event of any particulars as enumerated above not being known at the time of attachment of the risk;

1. The Assured shall beforehand make provisional declaration with such particulars as are available
2. Definite declaration by the Assured shall be made as soon afterwards as practicable.

* This Company will issue the insurance policy or certificate after receipt of declaration.

* It is agreed that this Open Policy shall not be prejudiced by any omission of, error and/or delay in making declaration, except for those made intentionally or by gross negligence, provided prompt notice be given to this Company as soon as the said omission, error and/or delay has become known to the Assured and subject to the adjustment of premium if and as required.

* Declaration could be made on a monthly basis.

13. Payment of Premium

The premium shall be calculated by multiplying the insured amount and rate of premium together. Please note that the minimum premium for each policy is 3,000 Yen, or equivalent to 3,000 Yen in case the premium is paid in foreign currency.

* Premium shall be paid monthly directly or through its Agent, if any, to this Company immediately after receipt of the monthly statement of account from this Company or, at the latest, by the end of the month in which the above statement of account is received by the Assured in case of the failure of immediate payment for some justifiable reason.

14. Co-Insurance

A policy is issued by Tokio Marine & Nichido Fire Insurance Co., Ltd. on behalf of the co-insurers who, each for itself and not one for the others, are severally and independently liable for their respective subscriptions specified in this policy. This Company receives the premium, pays the claim, and handling any relevant matters in accordance with Co-Insurance Clause on behalf of other co-insurers.

15. Alternations of the Contract

This Company reserves the right to alter rates, conditions or other items contained in this Open Policy by giving a thirty days previous notice in writing to the Assured. Such alternation shall become effective on the expiry of thirty days counting from midnight of the day on which such

notice is given by this Company, but shall not apply to any shipment by the vessel which shall have sailed from the port of loading (or by the aircraft which shall have taken off the airport of loading) before such alternation becomes effective.

Notwithstanding the above, either this Company or the Assured reserves the right to cancel War & S.R.C.C. Risks by giving a seven days (or 48 hours in respect of S.R.C.C. Risks for shipments to or from the U.S.A.) previous written notice.

16. Cancellation of an Open Policy Contract

The Assured and this Company reserve the right to cancel this insurance by giving to the other party a thirty days previous notice in writing. Such cancellation shall become effective on the expiry of thirty days counting from midnight of the day on which such notice is given by or to this Company, but it shall not apply to any shipment for which the risk shall have attached before such cancellation becomes effective.

* If you cancel the Open Policy Contract, please contact us.

17. Refund and Dividend upon the Expiry of the Contract

There is no refund or dividend upon the expiry of the contract.

18. Refund upon the Cancellation of Contract

There is no refund upon the cancellation of contract.

Contact Information

If you have any questions, please contact the production department of this Company or its Agents.

Ocean Marine Cargo Insurance

-Important Notes-

The purpose of this statement is to draw your attentions to a number of important notes in terms of the Ocean Marine Cargo Insurance policy since there might be some unfavorable provisions included in the Open Policy. If you need further details, please refer to your insurance policy.

1. Cooling-Off

There is no legal cooling-off period for an insurance contract concluded for your operational or business purpose, nor an insurance contract with a period of less than a year. If you are uncertain whether you are entitled to legal cooling-off, or need detailed cooling-off procedures, please contact this Company. You can annul the contract not later than the expiry of eight days from either the date of application for the contract or the date of your receipt of this document, whichever is later.

2. Duty of Disclosure

The Assured shall have the duty of disclosure, and shall be required to fill in accurate information in the application form. If the information provided proves to be false, this Company reserves the right to cancel the contract and you may lose the right to receive the payment for the claim.

3. Duty to Notify

The Assured shall make definite declaration of any alternations in the following items without any exceptions to this Company directly (or through its Agents if any) as soon as any alternations arise. Failure to do so may lead to the suspension of the claim payment.

1. Information incorporated in the policy form
2. Any material increase or change in the risk which takes place after taking out the contract
3. Subject matter insured is transported by a different mode of conveyance than that incorporated in the insurance policy

* The Assured is also required to make declaration of any changes of address.

4. Information not Mentioned in the Insurance Policy

The following items of information may not be set out in the insurance policy.

1. Name of the policy holders
2. Amount of the premium and its payment method
3. Date of this insurance contract
4. Signature and seal of representative of this Company
5. Declarations pertaining to the Insurance Law 29.1.1

5. Claims Procedure

In the event of any loss of or damage to the subject matter insured which may involve a claim under this insurance, immediate notice of such loss or damage should be given to this Company, its Agents, or the Claim Agents of this Company shown on the insurance policy. It is also the duty of the Assured to immediately submit the Notice of Claim in a document form to the carriers to enable claims to be dealt with promptly.

* Items of information to be notified:

1. Insurance Policy Number
2. Details of the Loss or Damage (subject-matter insured, survey report or other documentary evidence to show the extent of the loss of or damage, name of the vessel, etc.)
3. Storage Location of Damaged Goods

* This Company may request additional information as the case may be.

6. Proprietary Rights of Damaged Goods

Where the Insurer pays for loss of or damage to the subject-matter insured, rights of ownership and/or any other proprietary rights of the Assured in remains of the subject-matter insured shall not transfer to the Insurer, unless the Insurer agrees in writing to take over such rights at the time of payment for the loss of or damage to the subject-matter insured.

7. Effective Date of the Open Policy

The Open Policy Contract is effected to insure all shipments to be made on and after the effective date as specified in the insurance policy subject to the special clauses and other terms and conditions, and such coverage shall not apply to any shipments made before it becomes effective.

8. Major Exclusions

Listed below are the major exclusions under the Ocean Marine Cargo Insurance Policy and Institute Cargo Clauses.

Loss, damage or expense caused by or attributable to

- (1) Inherent vice or nature of the subject-matter insured such as decay, deterioration or rust.
- (2) Insufficient or unsuitable packing or preparation carried out by the Assured or their parties
- (3) Delay of the shipments
- (4) Willful misconduct of the Assured
- (5) Consequential Loss (i.e. penalties or compensations)
- (6) War risks while the subject-matter insured are on land
- (7) Rejection of subject-matter insured by the quarantine inspection at customs clearance
- (8) Atomic or nuclear fission
- (9) Radioactive contamination, chemical, biological, bio-chemical, or electromagnetic weapons
- (10) Any act of terrorism while the subject-matter insured is not in the ordinary course of transit
- (11) Usage of the vessel which does not meet the ISM standards
- (12) When a provision of cover or payment of claims are exposed to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, Japan, United Kingdom or United States of America.

* These are not exhaustive and there can be more exclusions depending on the type of clauses.

* Please refer to your insurance policy for details.

9. Payment of Premium

Once an Open Policy takes effect, this Company shall issue a monthly statement of account for declaration of shipments it has received. Premium shall be paid monthly directly or through its Agent, if any, to this Company by the end of the following month in which a declaration is accepted (and booked) by this Company.

10. Refund upon the Cancellation of the Contract

This Company and the Assured reserve the right to cancel the Open Policy by giving a notice of cancellation in writing to the other party. There is no surrender value upon cancellation of this contract.

11. Co-Insurance

In case of a co-insurance contract, the liability of each insurer under the contract is several and not joint with other insurers party to the contract, and only for the proportion of liability each insurer has underwritten. A leading insurer is authorized to represent and act on behalf of following insurers.

12. Statutory Lien

In an insurance policy with liability clause, the injured party, who has the right to claim against the Assured, has the statutory lien of the Assureds' right of insurance claim (except expenses) against this Company. The statutory lien means the injured party's right to have his/her own claim satisfied prior to other obligees. (Insurance Act, Article 22-1)

The Assureds' right to claim shall be limited to the amount paid to the injured party to meet his/her obligations, or the amount the injured party agreed, as defined in the Insurance Act, Article 22-2.

Please note that this Company shall be liable to pay except expenses only in the following cases;

- (1) The Assured has already indemnified the injured party for the loses
- (2) The injured party agreed with insurance payment against the Assured
- (3) This Company pays the insurance claim directly to the injured party as per the Assureds' instructions

13. Bankruptcy of this Company

In the events where the Company suffers insolvency or runs into financial difficulty, all the payments such as claims or return premiums could be temporarily suspended or reduced depending on the financial circumstances of the Company.

When a policyholder is an individual, or small corporation, which is a company with not more than 20 employees or a condominium management union, it is covered by "Non-Life Insurance Policy-holders Protection Corporation of Japan" scheme. Under this scheme, all the payments such as claims or return premium would be guaranteed up to 80%. Notwithstanding the above, claims are fully paid in case the claims occur within 3 months after the events where the Company has been suspended.

* Foreign companies falling within the scope are limited to those policies which were concluded by Japanese branches.

14. Others

- * Please keep insurance policy documents carefully unless they are properly transferred to the others.
- * This Company entrusts Agent with the task of concluding the insurance contract, receiving premium, delivering receipt of premium, and office management, etc. based on the consignment contract between them. A contract concluded through our agent is considered as it were directly effected by this Company.
- * When there are any other valid insurance policies which overlap with coverage of this policy, the payment amount shall be proportionally apportioned.
- * When you would like to arrange an open cover, Open Contract is also available other than Open Policy. If you need further information, please contact us.

15. Handling of Personal Information

This Company handles personal information in compliance with the Personal Information Protection Law and other relevant laws and ordinances, the Personal Information Protection Guidelines in the financial sector, and the Personal Information Protection Guidelines of Non-Life Insurance Companies, issued by the General Insurance Association of Japan. This Company takes appropriate measures to ensure that personal information is secure and makes every effort to train insurance agents and employees in the proper handling of information.

For more details regarding the handling of personal information, please visit our website below.
(<http://www.tokiomarine-nichido.co.jp/en/privacy.html>)