

## DTV Cargo Insurance Conditions 2000/2008

### (DTV Cargo 2000/2008)

## Open Policy

Sample terms and conditions of the GDV

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#### 1 Subject matter of the insurance

1.1 The insurance covers all kinds of goods or all goods of the class designated in the policy which the Insured is bound - in accordance with accepted commercial principles - to insure either for his own or for another's account. Accordingly, cover is not provided for goods, which the Insured has to insure due to his obligation without having own legal or economic interests, even if he receives a payment to do so.

1.2 If an insurable interest arises after commencement of the transport, cover is provided under the terms of this policy on condition that the Insured is aware neither of the occurrence of any loss events nor of the existence of material facts meriting disclosure.

1.3 The insurance does not cover goods that are not named in the policy unless the premium and the scope of cover were agreed before commencement of the transport.

#### 2 Open cover

2.1 The open cover policy obliges the Insured to declare as per No. 3 below any transport and storage named in the policy.

2.2 The Insurer provides cover for any transport and storages under the terms and conditions defined in the policy.

#### 3 Declaration procedure

##### 3.1 Individual declaration

3.1.1 The Insured shall declare immediately each individual transport and storage covered by the policy, giving details of the respective insured values. The declaration shall detail the commodity, type of packaging, means of transport and route, and also state whether the goods are loaded via lighter. The Insured shall further disclose all circumstances that the Insurer has queried expressly.

3.1.2 Goods returned following an insured loss recoverable under this policy need not to be declared.

3.1.3 The Insurer is discharged from liability without obligation to give notice of cancellation if the Insured fails to make a declaration or submits an erroneous declaration, unless it can be established that the Insured observed his duty as a prudent businessman and that he submitted or corrected the declaration immediately upon becoming aware of the error.

3.1.4 The Insurer is entitled to cancel the policy without notice if the Insured deliberately breaches his duty of declaration. The Insurer is entitled to the premiums that would have been payable up to cancellation had the contract not been breached.

3.1.5 Cover for the following risks is subject to prior written agreement:

- cover irrespective of who is carrying the risk;
- storage beyond the time defined in No. 9.1 of DTV Cargo 2000/2008
- increased value, DIC and/or DIL, contingency insurance, and the separate cover of the interests named in No. 1.1.3 of DTV Cargo 2000/2008 such as duty, freight etc.
- exhibitions, trade fairs and other events
- periods of storage or warehousing in packaging companies

##### 3.2 Summarised declaration

3.2.1 Where agreed, the Insured is not obliged to declare each individual shipment and period of storage. Depending on the agreed terms, he shall disclose his insured turnover in said transactions on a monthly, quarterly, half-yearly or yearly basis at the end of the respective period. The turnover may be broken down by country group or other category.

3.2.2 The provisions stated in Nos. 3.1.2 - 3.1.5 apply correspondingly.

3.2.3 At the beginning of the insurance, the Insurer is entitled to request advance payment of the annual premium based on an estimate of the Insured's annual turnover. This will be adjusted at the end of the policy year when the actual annual turnover is known.

## **4 Limits**

- 4.1. Maximum sum insured
- 4.1.1 The limits agreed are regarded as maximum sums insured. If the total sum insured of goods named in the policy on a single means of transport or in a single fire-protected separate store exceeds this limit, the individual sums insured are reduced in such proportion as the limit bears to the total sum insured.
- 4.1.2 This provision does not apply if, after inception of the policy, carriers or forwarders load various consignments together on a single means of transport or store them together in a single storage site and this was beyond the control of the Insured. The same applies if goods are additionally loaded or stored - beyond the Insured's control - in transit in a place of transshipment.
- The Insurer shall be informed without delay if the limit is exceeded.
- 4.1.3 Unless otherwise agreed, expenses and costs as well as any other damages shall not exceed the agreed limits. No. 2.3.3 of DTV Cargo 2000/2008 remains unaffected.
- 4.2 Limit of indemnity
- 4.2.1 Unless otherwise agreed, the limits defined in the contract are maximum limits of indemnity. Where No. 3.2 applies, the sum insured is understood to be the insured value as per No. 10 DTV Cargo 2000/2008.
- 4.2.2 The provisions under Nos. 4.1.2 and 4.1.3 apply correspondingly.

## **5 Premiums**

- 5.1 Individual declaration
- Premiums at the agreed rates, plus tax and ancillary costs, are invoiced at the end of each agreed period.
- 5.2 Summarised declaration
- Unless otherwise agreed, the Insurer provisionally invoices the Insured for the annual (quarterly) deposit premium based on the Insured's estimated annual turnover. The invoice includes premiums for covering political risks.
- A final invoice taking into account the deposit premium already paid is drawn up after the policy year.
- 5.3 Due date
- The right to the premium arises upon inception of the policy and is due upon issue of the invoice. The premium is payable at the latest within 14 days following receipt of the invoice.

## **6 Policy**

- 6.1 The terms of the open policy are considered approved by the Insured unless contested within a month of said policy's issue. The open cover is not considered a policy in either the legal sense or as per DTV Cargo 2000/2008.
- 6.2 The Insured is entitled to request the Insurer to provide a signed certificate documenting an individual transport (policy certificate). The certificate is considered a policy in both the legal sense and as per DTV Cargo 2000/2008. The provisions relating to the approval of terms, however, do not apply.

## **7 Notice of cancellation**

- 7.1 Cancellation to the end of the insurance period
- The policy will renew automatically for a further year unless cancelled by either party at the end of the insurance period with three months' prior notice.
- 7.2 Cancellation in the event of loss/damage
- Either party is entitled to cancel the policy in the event of an insured loss or damage. Notice of cancellation must be made in writing and reach the respective party not later than one month after the conclusion of negotiations on the indemnification. The Insurer must observe a period of notice of one month. If the Insured gives notice, he may decide whether cancellation is to take effect immediately or at a later date, at the latest, however, at the end of the current period of insurance.
- 7.3 State of war
- 7.3.1 If the open policy also covers the carriage or storage of goods to, from or into a region which is in a state of war or involved in war-like operations, the Insurer may cancel insurance cover for all perils of that region at any time by giving one week's written notice.
- The above does not, however, affect the right of the Insurer to cancel insurance cover for individual perils (eg war, strike, confiscation).
- 7.3.2 Within four weeks of such a cancellation by the Insurer, the Insured may cancel - for his own part - the entire insurance policy by giving one week's written notice.
- 7.4 Effective date of cancellation
- 7.4.1 Risks commenced before the cancellation came into effect remain in force until the termination of said risks.
- 7.4.2 The cancellation of cover for goods in storage (with the exception of storage in the ordinary course of transit) takes effect on the next expiry date, at the latest, however, one month after notice of cancellation.
- 7.5 Notice of cancellation
- If a broker receives a notice of cancellation from the Insurer, this declaration is considered as having been received by the Insured as well.

## **8 Insolvency of the Insurer**

The insurance relationship shall terminate one month after insolvency proceedings are instituted against the Insurer's assets. Until this time, it shall remain effective with regard to the insolvency assets.