

xChange Container Insurance Policy

Valid from August 2023



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01. Introduction

- a. The present General xChange Insurance Policy ("Policy") sets forth the terms and conditions of the applications of the xChange Insurance Plans for the leased equipment, for which insurance provider ("Insurer") agrees to provide insurance coverage to the insured party ("Insured" or "Claimant") for the protection of shipping containers owned or operated by the Insured Party.
- b. This policy outlines the scope of coverage, exclusions, conditions, and obligations of both the Insurer and the Insured.

02. Limit

- a. \$ 2,500,000 per conveyance and/or per single fire risk.

03. Basis of Insurance

- a. The following terms and clauses serve as the basis of Insurance:
 - i. German General Rules of Marine Insurance (ADS 1973-edition 1984)
 - ii. Special Conditions for Cargo (ADS Cargo 1973-edition 84)
 - iii. Special Conditions for Open Policies
 - iv. DTV Strikes Riots and Civil Commotion Clauses 1984
 - v. DTV War Clauses 1984
 - vi. Storage Risk Clause, Duration of Insurance 2002
 - vii. Amendment No. 1 to the Storage Risk Clause
 - viii. Duration of Insurance 2002
 - ix. Political Risk Clause 2002
 - x. Amendment No. 1 to the Political Risk Clause 2002
 - xi. Radioactive Contamination, Chemical, Biological, Biochemical and Electromagnetic Weapons Exclusive
 - xii. Clause AZ/2004
 - xiii. Sanction Limitation and Exclusion Clause
 - xiv. JH2010/009, 29th July 2010
- b. If in the event of a loss or damage the Institute Cargo Clauses (A) 1/1/82, the Institute War Clauses (Cargo) 1/1/82, the Institute Container Clauses – Time (CL. 338.), the Institute Container Clauses–Time (CL. 339.), the Institute War and Strike Clauses Containers–Time (CL. 340.) and the Institute Strike Clauses (Cargo) 1/1/82 are more advantageous for the Assured, these clauses shall apply.

- c. No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

04. Scope of Cover

- a. The assured can decide within the online platform how to insure the individual container by one of the following scopes of cover:

- i. Basic Insurance Plan

- 1. Full cover (all risks), but limited to Constructive Total Loss, Total Loss, General Average and Mysterious Disappearance. The Insured and their agents have to search for the missing container for 2 months before a claim can be filed.
- 2. After 2 months, an agent appointed by the Insurer has to search for the missing container for 1 month. After this period, if the retrieval of the missing equipment proves to be impossible, a container is considered as lost and the agreed upon insurance premium will be paid out by underwriters after deduction of a 25% deductible for any container for Mysterious Disappearance.

- ii. Premium Insurance Plan

- 1. Full cover (all risks), including Constructive Total Loss, Total Loss, General Average and Mysterious Disappearance. The Insured and their agents have to search for the missing container for 2 months before a claim can be filed.
- 2. After 2 months, an agent appointed by the Insurer has to search for the missing container for 1 month. After this period, if the retrieval of the missing equipment proves to be impossible, a container is considered as lost and the agreed upon insurance premium will be paid by underwriters after deduction of a 25% deductible for any container for Mysterious Disappearance. A deductible may apply in a case decided by the assured.

- b. The system will automatically produce a respective confirmation of cover in line with this policy for the Insured stating the scope of cover for the individual container.
- c. The geographical limit is set for world-wide coverage, with excluded coverage as defined by the insurance basis and exclusion clause.

05. Insurance Value

- a. For sections 1 and 2, the insurance value is either set as a fixed amount in accordance with the insurance policy rates or is agreed upon by parties involved in the leasing deal.
- b. For section 3, the insurance value is set at a maximum of 22,500 USD per tank container.

06. Indemnity

a. Basic Insurance Plan

Underwriters are liable for:

- a) Total Loss
- b) Constructive Total Loss
- c) General Average
- d) Mysterious Disappearance

b. Premium Insurance Plan

Underwriters are liable for:

- a) In-service-repairs approved by the surveyor in accordance with the set repair standard (up to IICL standard) including any necessary repairs of the container's insulation and cladding
- b) Survey costs for in-service-repairs
- c) Off-hire repairs approved by the surveyor on basis IICL/ITCO standard and/or the various in-house standards of different lessors of containers
- d) Survey costs for off-hire repairs
- e) Post repair survey costs
- f) Total Loss

- g) Constructive Total Loss
- h) Mysterious disappearance
- i) General Average

07. Obligations

- a.** Damages have to be surveyed by a surveyor appointed by underwriters. The user has to authorise the selected agent to survey the affected equipment in case of a claim.
- b.** Insurers are not liable for non-surveyed claims issued by the selected agent appointed by underwriters.
- c.** The Insured is obliged to pay the costs of insurance as part of the monthly invoices issued by Container xChange. Failure to pay the insurance costs for 6 consecutive months will result in immediate termination of any insurance coverage for the insured equipment without a separate notice.
- d.** The insolvency of the insured party will also result in the immediate termination of any insurance coverage for the insured equipment without a separate notice.
- e.** After the drop-off of the insured equipment, the Insured is obliged to report the drop-off date at their earliest convenience. The insurance continues to be in effect until the date the drop-off is reported.
- f.** The Insured is required to perform adequate due diligence on their partners to minimise the risk of fraud.

08. Raising and Settlement of Insurance Claims

- a.** The Insured shall have the right to initiate the insurance process by submitting an insurance claim in accordance with the xChange Claims Terms and Conditions. These claims can be filed exclusively for units that fall under the insurance coverage.
- b.** The xChange Claims Terms and Conditions act as the standard claim resolution policy for claims and are applicable for claims and consequential settlements for affected equipment.
- c.** The version of the xChange Claims Terms and Conditions that was valid at the time of the acceptance of the agreed lease terms or insurance deal shall be used and can be found under:
<https://www.container-xchange.com/claims-terms-and-conditions/>

09. Payment of Claims

- a. In the case of an insurance event raised through xChange, all involved parties agree to handle all payments through the xChange wallet. As such, all claims from the loss or damage of the equipment are assigned to xChange Services GmbH for the purpose of handling the insurance case including all related payments.

10. Exclusion Clause

- a. The Insurance Provider shall in no case be liable for loss and/or damage caused by:
 - i. Faulty design of the container or tank container
 - ii. Manufacturing or defects in materials in individual parts. Loss and/or damage caused thereby to other parts shall remain insured
 - iii. The nature of the cargo of the container or tank container unless the loss and/or damage has been occasioned by an accident with the conveyance or by stranding; if this can be proven
- b. The Insurance Provider is not liable for:
 - i. Ordinary wear & tear, scratching, chipping of paint, gradual warping or ordinary use based on the repair standard agreed (for section 1 and 2) and on the ITCO tank standard (for section 3)
 - ii. Any pre-existing damage, other than new impact damage
 - iii. All cleaning activities including but not limited to steam cleaning, chemical cleaning, contamination and damage due to cargo spillage as well as costs for cleaning certificates
- c. The Insurance Provider is not liable for loss and/or damage in cases of:
 - i. Insolvency or fraud by one of the contracting parties
 - ii. Indirect loss and/or damage of all kinds or losses from/for previous voyages
- d. The Insurance Provider does not provide insurance coverage in case of war and warlike events on land as well as confiscation due to war exclusion clauses.
 - i. This includes, but is not limited to, the exclusion of all claims in Russia, Belarus and Ukraine, which are suspended until further notice.

- e. Additionally the following is excluded for section 3:
 - i. Rust, oxidation, rotting based on ITCO tank standard
 - ii. Overpressure or underpressure
 - iii. Contamination
 - iv. Losses of or damages to the tank container's steam and/or electrical parts unless attributable to an event as per Stranding Cover

11. Insurance Rates

a. Basic Insurance Rate (Section 1)¹

The xChange insurance service has global coverage for total loss, constructive total loss, and mysterious disappearance and aims at increasing the level of trust when doing business on a one way basis.

Container Type	Price per container <i>per container for the insurance cycle of 60 days</i>	DRV per container <i>Unless otherwise agreed in the transaction on xChange</i>
20 DC	\$2.50	\$2,150
20' Reefer	\$5.00	\$17,000
20' Flatrack, Open Top, Side Door, Double Door, Hard Top	\$3.75	\$3,450
20' Pallet wide	\$2.50	\$3,000
20 HC	\$2.75	\$2,300
20 HC Reefer	\$5.50	\$19,000
20 HC Flatrack, Open Top, Side Door, Double Door, Hard Top	\$4.10	\$3,825
20 HC Pallet wide	\$2.75	\$3,300
40/45 DC	\$2.90	\$3,500
40/45' Reefer	\$5.80	\$20,000
40/45' Flatrack, Open Top, Side Door, Double Door, Hard Top	\$4.35	\$5,440
40/45' Pallet wide	\$2.90	\$4,900
40/45 HC	\$3.30	\$4,750
40/45 HC Reefer	\$6.60	\$23,250
40/45 HC Flatrack, Open Top, Side Door, Double Door, Hard Top	\$4.80	\$6,838
40/45 HC Pallet wide	\$3.20	\$6,125

¹ Costs for the insurance will be billed monthly. The insurance is valid for one-way moves up to 60 days after pick-up (per container). The insurance will be automatically renewed for another 60 days after the initial 60 days unless the containers are reported as empty returned on xChange. Claiming damage or a total loss can be done by reaching out to conops@container-xchange.com, a surveyor will then be tasked with assessing the damage and accepting the claim.

b. Premium Insurance Rate (Section 2a, Deductible - USD 100.00)²

The xChange Premium Insurance has full coverage (all risks and damages), including Constructive Total Loss, Total Loss, General Average and Mysterious Disappearance, with a deductible of USD 100.00. The Insured is liable for any repair costs between the agreed DPP and the deductible.

Container Type	Price per container <i>per container for the initial 60 days</i>	Renewal <i>daily per container after 60 days</i>	DRV per container <i>Unless otherwise agreed in the transaction on xChange</i>
20 DC	\$12.00	\$0.21	\$2,150
20' Reefer	\$95.00	\$1.50	\$17,000
20' Flatrack, Open Top, Side Door, Double Door, Hard Top	\$18.75	\$0.35	\$3,450
20' Pallet wide	\$12.00	\$0.21	\$3,000
20 HC	\$13.75	\$0.25	\$2,300
20 HC Reefer	\$95.00	\$1.50	\$19,000
20 HC Flatrack, Open Top, Side Door, Double Door, Hard Top	\$20.50	\$0.41	\$3,825
20 HC Pallet wide	\$13.75	\$0.25	\$3,300
40/45 DC	\$12.90	\$0.23	\$3,500
40/45' Reefer	\$140.00	\$3.00	\$20,000
40/45' Flatrack, Open Top, Side Door, Double Door, Hard Top	\$19.35	\$0.37	\$5,440
40/45' Pallet wide	\$12.90	\$0.23	\$4,900
40/45 HC	\$15.40	\$0.27	\$4,750
40/45 HC Reefer	\$140.00	\$3.00	\$23,250
40/45 HC Flatrack, Open Top, Side Door, Double Door, Hard Top	\$22.45	\$0.44	\$6,838
40/45 HC Pallet wide	\$16.50	\$0.29	\$6,125

² Costs for the insurance will be billed monthly. The insurance is valid for one-way moves up to 60 days after pick-up (per container). The insurance will be automatically renewed on a per-day basis after 60 days unless the containers are reported as empty returned on xChange. Claiming a damage or a total loss can be done by reaching out to conops@container-xchange.com, a surveyor will then be tasked with assessing the damage and accepting the claim.

c. Premium Insurance Rate (Section 2b, Deductible - USD 50.00)³

The xChange Premium Insurance has full coverage (all risks and damages), including Constructive Total Loss, Total Loss, General Average and Mysterious Disappearance, with a deductible of USD 50.00. The Insured is liable for any repair costs between the agreed DPP and the deductible.

Container Type	Price per container <i>per container for the initial 60 days</i>	Renewal <i>daily per container after 60 days</i>	DRV per container <i>Unless otherwise agreed in the transaction on xChange</i>
20 DC	\$18.00	\$0.32	\$2,150
20' Reefer	\$135.00	\$2.25	\$17,000
20' Flatrack, Open Top, Side Door, Double Door, Hard Top	\$26.50	\$0.45	\$3,450
20' Pallet wide	\$17.00	\$0.29	\$3,000
20 HC	\$19.50	\$0.33	\$2,300
20 HC Reefer	\$135.00	\$2.25	\$19,000
20 HC Flatrack, Open Top, Side Door, Double Door, Hard Top	\$29.00	\$0.49	\$3,825
20 HC Pallet wide	\$19.50	\$0.33	\$3,300
40/45 DC	\$21.00	\$0.31	\$3,500
40/45' Reefer	\$200.00	\$3.34	\$20,000
40/45' Flatrack, Open Top, Side Door, Double Door, Hard Top	\$27.80	\$0.47	\$5,440
40/45' Pallet wide	\$21.00	\$0.31	\$4,900
40/45 HC	\$23.40	\$0.37	\$4,750
40/45 HC Reefer	\$200.00	\$3.34	\$23,250
40/45 HC Flatrack, Open Top, Side Door, Double Door, Hard Top	\$32.10	\$0.54	\$6,838
40/45 HC Pallet wide	\$23.40	\$0.40	\$6,125

³ Costs for the insurance will be billed monthly. The insurance is valid for one-way moves up to 60 days after pick-up (per container). The insurance will be automatically renewed on a per-day basis after 60 days unless the containers are reported as empty returned on xChange. Claiming a damage or a total loss can be done by reaching out to conops@container-xchange.com, a surveyor will then be tasked with assessing the damage and accepting the claim.

d. Premium Insurance Rate for Tank Container Types (Section 3)⁴

The xChange Premium Insurance has full coverage (all risks and damages), including Constructive Total Loss, Total Loss, General Average and Mysterious Disappearance, with a deductible of US\$ 200.00. The Insured is liable for any repair costs between the agreed DPP and the deductible.

Container Type	Price per container <i>per container for the initial 60 days</i>	Renewal <i>daily per container after 60 days</i>	DRV per container <i>Maximum DRV covered under insurance</i>
All tank container types	\$120.00	\$2.50	\$22,500

⁴ Costs for the insurance will be billed monthly. The insurance is valid for one-way moves up to 60 days after pick-up (per container). The insurance will be automatically renewed on a per-day basis after 60 days unless the containers are reported as empty returned on xChange. Claiming a damage or a total loss can be done by reaching out to conops@container-xchange.com, a surveyor will then be tasked with assessing the damage and accepting the claim.