

## **Unpaid Vendor Clause**

### **Scope:**

This policy is extended to cover the insured's interest as an unpaid vendor for loss or damage (as per policy) to shipments sold by the Insured on terms other than CIF, whereby the Insured is not obligated to furnish marine insurance by virtue of terms of sale.

The goods described in this policy are insured subject to the attached clauses against the risk specified, but this insurance covers seller's interest only and is to cease when property passes to the buyer.

### **Special Conditions & Warranties:**

The insured hereby agrees to use all reasonable means to collect the full amount due from the buyer.

It is further declared and agreed that after settlement of any claim, the insurers shall be at liberty to proceed against the buyer, as per commercial law and practice. The insured shall also subrogate his insurers in his rights against the buyers, their insurers and/or other responsible third parties and assist his insurers, at their request and their expenses, in their recovery action.

The assignment of the policy or of any interest or claim shall discharge underwriters from all liability whatsoever. The insured must advise underwriters immediately of the occurrence of any of the contingencies.

It is understood and agreed that in no event shall this insurance inure to the benefit of the buyer, or their insurer(s).

Warranted this insurance not to be deemed a double insurance.

### **Duration of Cover:**

For the purpose of this insurance (seller's interest) the cover shall commence with the loading on to the ship/aircraft and terminate immediately after the goods have been offloaded at the port of the destination.

### **Claims:**

Claims in respect of loss of or damage to the goods shall be payable hereunder only if and up to the extent that the buyer fails to pay for such lost or damaged goods.

Shipment insured under this cover are to be valued at the insured's sales invoice as per contract of sale.

Claim shall be payable in Pak Rupee in Pakistan. Survey Fee (if any) would be paid by the insured at destination which would be reimbursed in PKR in Pakistan along with the claim amount if claim becomes payable as per the terms and conditions of the cover.

### **General Average Guarantee:**

*Although the policy covers general average however, this strictly warrants all payments to be made to the insured only in Pakistan. Hence, the insurers in case of general average are not liable to provide the Average Guarantees warranting payments to be made outside Pakistan. In such cases, the insured himself is responsible to arrange the required Average Guarantees to be provided for release of the cargo for onward delivery to the consignee. Any costs incurred by insured towards their contributory share in general average can only be reimbursed to them in PKR in Pakistan following receipt of final GA Adjustment to be issued by the appointed Average Adjuster. Needless to mention that the provision of General Average Guarantee is subject to all the terms and conditions of this clause and the policy.*