SUMMARY

SHIPPER’S INTEREST ALL-RISK CARGO INSURANCE : PART A

AVAILABLE TO: Customers of Matson Logistics, Inc. and/or their Agents.

COVERS: Surface transportation of General Commodities of Matson Logistics, Inc. customers in containers or trailers except as excluded and/or agreed.

INSURER: Zurich American Insurance Company

INSURING TERMS:

“All Risks” of physical loss or damage from any external cause, excluding:

- Loss or damage due to delay, loss of market, loss of use, interruption of business or consequential loss of any nature.
- Wear, tear, gradual deterioration, inherent vice (the inherent physical properties of goods which may cause them to suffer deterioration or damage without outside influence), latent defect (a defect that is not discoverable by reasonable or customary inspection).
- Loss or damage due to nuclear reaction, radiation, etc., as per standard exclusion.
- Loss or damage due to hostile or warlike action in time of peace or war.
- Loss or damage to property on flat bed trailers due to water, rust, oxidation, cosmetic denting, discoloration, marring and scratching.
- Loss or damage to scrap metal due to rust, oxidation, discoloration, bending, twisting, marring, denting, chipping, scratching and loss of weight.
- Loss or damage due to infidelity/dishonesty of Matson Logistics, Inc. or customer.
- Waterborne goods that i.) are on a through bill of lading and / or ii.) have not been devanned and inspected for loss or damage at a U.S. Port of Entry.

LIMITS:

$500,000 per any one container or trailer general commodities.

VALUATION:

Insured goods and/or merchandise shall be valued at invoice amount or the amount declared. In the event that there is no invoice or amount declared, the goods shall be valued at the actual cash value of the property lost or damaged at the time the loss or damage occurs, including freight.

This is a summary only. Refer to the actual policy for a complete statement of terms, conditions, exclusions and limitations regarding coverage.
POLICY TERRITORY:
Between places within the 48 contiguous United States including Alaska and Canada.

EXCLUDED COMMODITIES/SHIPMENTS:
- Accounts, bills, deeds, evidences of debt, notes, securities, currency, money, coins or stamps;
- Transportation equipment (for example, empty chassis, containers or trailers);
- Jewelry, precious stones, fine arts, bullion, specie, or other precious metals;
- Furs, garments trimmed with furs;
- Weapons, ammunition, explosives;
- Live animals, plants and Christmas trees;
- Cigarettes and all other tobacco products;
- Metal turnings;
- Household goods and personal effects;
- Used or refurbished machinery, equipment, parts, furniture, computers, aircraft, boats and automobiles;
- Plasma/LCD screens;
- Computer chips and similar memory devices;
- Video games and related software, hardware, accessories and equipment (does not include games and equipment related to arcades);
- Shipments originating in, or destined for territories outside the Policy Territory;
- Common Carrier LTL.

CONSUMER ELECTRONICS:
- Shipments of consumer electronic devices valued over $100,000 must be approved by Risk Management (including, but not limited to televisions, stereos, DVD/VHS players, DVDs, computers, monitors, laptops, portable audio devices (i pods, MP3s, etc.) camcorders, car stereos, satellite radios and accessories, telephones, mobile phones, digital cameras, calculators, printers, scanners, fax machines and GPS navigation devices).

RATE:
$15 per container or trailer for coverage up to $100,000 per container or trailer
Additional premium applies for coverage over $100,000 per container or trailer.

CLAIMS:
Claims are subject to a $250 franchise. That is, claims of $250 or less per container or trailer will not be accepted. Claims for loss or damage exceeding $250 will be paid in full subject to policy terms and conditions.
SHIPPER’S PREMIUM INSURANCE: PART B

Effective January 15, 2009, the Shipper’s Interest Cargo insurance policy was amended to extend coverage for the commodities and insuring terms set forth in Part A, subject to special terms, conditions and premiums provided by the insurance company. All other terms and conditions of Part A remain unchanged.

INSURING TERMS AND CONDITIONS:

Insuring conditions are provided below for shipments within the Policy Territory set forth in Part A. A Matson Logistics, Inc. sales representative will provide the premium rates based on the type of commodity and limit required, up to $500,000. Limits over $500,000 may be insured subject to rates, deductibles and conditions to be agreed by the insurer.

“All Risks” of physical loss or damage from any external causes, including but not limited to the following conditions:

- Used or Reconditioned Commodities: “All Risks” excluding mechanical or electrical derangement, scratching, marring, rust, oxidation, discoloration and/or cost of repainting.
- Refrigerated Commodities: “All Risks” for deterioration, decay and/or spoilage, in respect of perishables requiring temperature control, caused by breakdown, derangement or improper temperature setting of refrigeration machinery, or loss of integrity of a non-mechanical shipping container, subject to (12) hour reefer breakdown.

Unless noted otherwise, a $250 franchise applies per claim. Claims of $250 or less per container or trailer will not be accepted. Claims for loss or damage exceeding $250 will be paid in full subject to policy terms and conditions.

Limits of liability, terms, deductibles and rates to be agreed for shipments outside of the 48 contiguous United States including Alaska and Canada, and other commodities otherwise excluded in Part A.

This is a summary only. Refer to the actual policy for a complete statement of terms, conditions, exclusions and limitations regarding coverage.