

Stock Throughput Insurance

There are many risks which your business is exposed to when it transports or stores cargo. To protect your business, you can buy insurance for each individual risk that may occur, but that could leave you exposed to potential gaps in cover. Rather than purchasing multiple policies, you only need purchase one.



What is Stock Throughput Insurance?

Stock throughput (STP) policies combine transportation and storage risks. They can cover raw materials, works in progress and finished goods covering risks from the source of production, during manufacture or processing (but excluding damage caused by the manufacturing process), packing, storage including goods held by sub-contractors and distribution through to the point that the goods reach their final destination.

Cargo is typically covered anywhere in the world, at all locations, including when the cargo is being held by subcontractors.

The value of this type of policy is its seamlessness, it helps you avoid potential duplications and gaps in cover that can occur if you were to insure the transport and storage of your cargo with multiple policies. It also offers a single reference point in the event of a claim.

THE BENEFITS

- **Seamless cover**—Rather than having several policies with different premiums, excesses and insurers, STP offers a single, seamless policy which eliminates any gaps in cover, for example the risks of loading and offloading from transport to warehouse.

- **Flexible cover**—You control which exposures you would like covered and the basis of valuation required based on your individual circumstances. The result is a bespoke policy tailored to your specific needs.
- **Reduced administration**—you would not have to meet shipment or location reporting requirements, which saves you time. In addition, you can base your premium on a single rate applied to sales turnover.
- **Third party stock locations**— You can insure your stock at third party locations which are held for storage or processing that the non-marine market may not cover.
- **Lower premiums**—Purchasing a single policy rather than having cover over several can reduce premium spending.
- **Lower excess levels**—Stock excess levels are generally lower under a STP cover.
- **A simpler claims experience**—With one policy rather than several, STP provides a streamlined claims settlement.

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